UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): November 10, 2015

Limoneira Company

(Exact name of registrant as specified in its charter)

Delaware	**001-34755**	**77-0260692**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1141 Cummings Road
Santa Paula, CA 93060
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(805) 525-5541**

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement

On September 4, 2015, Limoneira Company (the "Company") entered into a contribution agreement (as amended, the "Contribution Agreement") with Lewis Santa Paula Member, LLC ("Lewis"), a subsidiary of The Lewis Group of Companies (the "Lewis Group"), as an initial step in facilitating a joint venture with the Lewis Group for the residential real estate development of the Harvest at Limoneira (formerly Santa Paula Gateway Project and East Area 1). Upon entering into the Contribution Agreement, Limoneira received a deposit of $2.0 million from the Lewis Group.

On November 3, 2015, for the purpose of facilitating the joint venture, the Company caused its wholly owned subsidiary, Limoneira EA1 Land LLC ("EA1"), to form a new entity, Limoneira Lewis Community Builders LLC (the "Joint Venture Entity"), with EA1 initially acting as the Joint Venture Entity's sole member. On November 10, 2015 (the "Closing Date"), and pursuant to the Contribution Agreement, the Company contributed certain real property to the joint venture. In connection with such contribution, Lewis concurrently purchased from EA1 a fifty percent (50%) interest in the Joint Venture Entity for an additional $18.0 million from the Lewis Group (comprising a total contribution of $20.0 million), resulting in each Lewis and EA1 owning 50% of the Joint Venture Entity's membership interests. The net proceeds received by EA1 at closing were approximately $16.8 million, after deducting transaction expenses.

LLC Agreement

On the Closing Date, EA1 and Lewis also entered into a limited liability company agreement (the "LLC Agreement") providing for the admittance of Lewis as a 50% member of the Joint Venture Entity. The LLC Agreement provides that Lewis will serve as the initial manager with the right to manage, control, and conduct the day-to-day business and affairs of the Joint Venture Entity. Certain major decisions, which are enumerated in the LLC Agreement, require approval by an executive committee comprised of two representatives appointed by Lewis and two representatives appointed by EA1 (the "Executive Committee").

Pursuant to the LLC Agreement, the Joint Venture Entity will own, develop, subdivide, entitle, maintain, improve, hold for investment, market and dispose of the Joint Venture Entity's property in accordance with the business plan and budget approved by the Executive Committee.

Lease Agreement

Further on the Closing Date, the JV Entity and the Company entered into a Lease Agreement (the "Lease Agreement"), pursuant to which the JV Entity will lease certain of the contributed property back to the Company so that the Company may continue its agricultural operations, and certain other permitted uses, on the property. The Lease will terminate in stages corresponding to the joint venture's development of the property, which is to occur in stages pursuant to a phased master development plan. The Joint Venture Entity is required to provide the Company with written notice 180 days prior to the termination of any portion of the Lease. In any event, the Lease will terminate five years from the Closing Date.

Retained Property Development Agreement

The Company and the Joint Venture Entity also entered into a Retained Property Development Agreement on the Closing Date (the "Retained Property Development Agreement"). Under the terms of the Retained Property Development Agreement, and to induce the Company to enter into the Contribution Agreement, the Joint Venture Entity will transfer certain contributed property back to the Company (the "Retained Property") and arrange for the design and construction of certain improvements to the Retained Property, subject to certain reimbursements by the Company.

The foregoing descriptions of the LLC Agreement, the Lease Agreement and the Retained Property Development Agreement do not purport to be complete and are qualified in their entirety by respective reference to (i) the LLC Agreement attached to this report as Exhibit 10.1, (ii) the Lease Agreement attached to this report as Exhibit 10.2 and (iii) the Retained Property Development Agreement attached to this report as Exhibit 10.3, each of which is incorporated herein by reference.

Section 8 Other Events

Item 8.01 Other Events

On November 16, 2015, the Company issued a Press Release announcing the formation of the Joint Venture Entity and closing of the joint venture. The foregoing description of the Press Release is qualified in its entirety by reference to the complete text of the Press Release furnished as Exhibit 99.1 hereto, which is hereby incorporated by reference herein.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statement and Exhibits

(d) Exhibits

10.1 First Amended and Restated limited Liability Company Agreement of Limoneira Lewis Community Builders, LLC, dated November 10, 2015, by and among Limoneira EA1 Land LLC and Lewis Santa Paula Member, LLC.

10.2 Lease Agreement, dated November 10, 2015, by and among Limoneira Company and Limoneira Lewis Community Builders, LLC.

10.3 Retained Property Development Agreement, dated November 10, 2015, by and among Limoneira Company and Limoneira Lewis Community Builders, LLC.

99.1 Press Release dated November 16, 2015

SIGNATURES

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

Dated: November 16, 2015

LIMONEIRA COMPANY

By: /s/ Joseph D. Rumley
Joseph D. Rumley
Chief Financial Officer,
Treasurer and Corporate
Secretary

Exhibit 10.1

FIRST AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
LIMONEIRA LEWIS COMMUNITY BUILDERS, LLC

This FIRST AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (the " **Agreement**") is entered into as of November 10, 2015 (the "**Effective Date**"), by and between LEWIS SANTA PAULA MEMBER, LLC, a Delaware limited liability company (" **Lewis**"), and LIMONEIRA EA1 LAND, LLC, a Delaware limited liability company ("**Limoneira**"), as the members and Lewis as the Manager of Limoneira Lewis Community Builders, LLC, a Delaware limited liability company (the "**Company**"). This Agreement is entered into with reference to the following facts and circumstances:

RECITALS

WHEREAS, the Company was formed under the Act pursuant to the filing of a Certificate of Formation with the Secretary of State of the State of Delaware (the "**Certificate**") on November 3, 2015 (the "**Formation Date**");

WHEREAS, the Company is governed by that certain Limited Liability Company Agreement entered into by Limoneira effective as of the Formation Date (the "**Original Agreement**");

WHEREAS, Limoneira Company, a Delaware corporation ("**LIMCO**") and Lewis have entered into that certain agreement captioned "Contribution Agreement" dated as of September 4, 2015 (the "**Contribution Agreement**");

WHEREAS, Limoneira contributed or caused to be contributed to the Company that certain "**Project Real Property**"" identified on the map attached as Exhibit A together with all of the other " **Project Property**" as defined in the Contribution Agreement including, in part, the Government Agreement, Pre-Closing Agreements and Project Entitlements, all as defined in the Contribution Agreement. As used herein the term " **Property**"" means the "Project Property" as defined in Contribution Agreement;

WHEREAS, pursuant to the Contribution Agreement (i) Lewis has agreed to purchase fifty percent (50%) of Limoneira's entire interest in the Company (the "**Assigned Interest**") for Twenty Million Dollars ($20,000,000), and (ii) Limoneira has agreed to assign and transfer the Assigned Interest to Lewis. The Assigned Interest will be transferred and conveyed by Limoneira to Lewis pursuant to that certain Assignment of Company Interest entered into as of the Effective Date (the "**Assignment Agreement**");

WHEREAS, the Members desire to cause the Company to develop the Project Real Property as contemplated in the Government Agreement, Pre-Closing Agreements and Project Entitlements, the Approved Business Plan and Approved Budget;

WHEREAS, each Member acknowledges and agrees that, (i) a portion of East Area 1 (such portion, as identified on Exhibit A, the "**Retained Property**") was conveyed to the Company, but Limoneira has retained beneficial ownership thereof, and the Retained Property will be conveyed to Limoneira (or its designated Affiliate) as soon as possible following the recordation of the Final Tract Map No. 5854 for the Property or other final tact map or parcel map that subdivides the Retained Property as a legal parcel (and, in all events, prior to commencement of construction activity on the Property); (ii) Limoneira has agreed to reimburse the Company for certain infrastructure costs incurred by the Company that will benefit the Retained Property and certain adjacent real property owned by Limoneira commonly known as "**East Area 2**"; and (iii) the Company has agreed to lease to Limoneira certain agricultural land contained within the Property, until the Company requires such land to develop the Project;

WHEREAS, each Member intends that the Company will (i) own, develop, subdivide, entitle, maintain, improve, hold for investment, market and dispose of the Property in accordance with the business plan and budget approved by the Executive Committee; (ii) perform the Assigned Agreements; and (iii) undertake such other activities that are necessary, incidental, related, or convenient to the foregoing as may be approved by the Executive Committee (the foregoing subdivision, entitlement and development of the Property referred to collectively as the "**Project**" and the Company's activities in connection with the Project referred to as the "**Business**"); and

WHEREAS, Limoneira and Lewis desire to enter into this Agreement (i) to provide for the admission of Lewis into the Company as a member therein, and (ii) to amend, restate and supersede the Original Agreement in its entirety to set forth the rights, duties and obligations of the Members and to set forth the terms and conditions for the Company's management including, without limitation, the terms and conditions pursuant to which the Company will undertake the development of the Property.

NOW, THEREFORE, in consideration of the respective obligations undertaken by the parties and other good and adequate consideration, the receipt of which is hereby acknowledged, the parties hereby agree to amend, supersede and completely restate the Original Agreement in its entirety as follows:

SECTION 1.
DEFINITIONS; THE COMPANY

1.1 Definitions.

Capitalized words and phrases used in this Agreement shall have the meanings set forth in Section 12.26.

1.2 Admission of Lewis.

As of the Effective Date, Lewis is hereby admitted as a member into the Company and is hereby entitled to exercise all of the rights, powers and privileges, and is hereby obligated to perform all of the duties and obligations, of a member as set forth in this Agreement and under the Act. The Company shall not dissolve or terminate as a result of the foregoing admission; on the contrary, the Company's business shall continue without interruption and without any break in continuity.

1.3 Formation.

The Company was formed as a Delaware limited liability company on the Formation Date pursuant to the Act by the filing of the Certificate. The Members hereby adopt this Agreement as the Company's limited liability company agreement within the meaning of the Act.

1.4 Name.

The name of the Company is Limoneira Lewis Community Builders, LLC. The name of the Company may be changed from time to time upon the approval of the Executive Committee.

1.5 Purposes.

The purposes of the Company are to (a) undertake and complete the Project and operate the Business, and (b) engage in such other activities as may be approved by the Executive Committee and permissible under the Act.

1.6 Intent.

It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a "partnership" for federal and state income tax purposes. No Member shall take any action inconsistent with the express intent of the parties hereto. Notwithstanding the foregoing, the Company is not a "partnership" for purposes of the Delaware Uniform Partnership Act or the Delaware Uniform Limited Partnership Act and the Members are not partners of each other.

1.7 Offices.

The Company shall maintain a registered office at a location designated by the Executive Committee. The registered office may be changed to any other place as the Executive Committee may designate from time to time. The Company's principal place of business shall be at 1156 North Mountain Avenue, Upland, California 91786-3633, or at such other location as may be approved by the Executive Committee. The Company may maintain one or more additional offices in such locations as may be approved from time to time by the Executive Committee.

1.8 Public Filings.

The Executive Committee shall designate agents for service of legal process on the Company in Delaware and California from time to time in accordance with applicable law. Any agent(s) so designated may be changed from time to time by the Executive Committee. The Manager shall cause to be filed with the California Secretary of State such documents as are necessary to qualify the Company to transact business in California as a foreign limited liability company (the "**Application for Registration**"). The Executive Committee shall cause to be filed any amendments to the Certificate and/or the Application for Registration that are necessary to reflect amendments to this Agreement adopted by the Members in accordance with the terms hereof or to comply with the requirements of applicable laws.

1.9 Term.

The term of the Company commenced upon the filing of the Certificate with the Delaware Secretary of State and shall continue until the Company is dissolved in accordance with Section 9.1 of this Agreement.

SECTION 2.
MEMBERS; CAPITAL CONTRIBUTIONS

2.1 Members.

The name, notice address and Percentage Interest of each Member as of the Effective Date are set forth on Exhibit B attached hereto. Upon the admission of any additional or substituted member in accordance with this Agreement, or upon any other change in the notice address or Percentage Interest of any Member, the Executive Committee shall update Exhibit B to reflect the then current Percentage Interests of the Members.

2.2 Member Funding Prior to Obtaining Project Loan.

(a) Initial Capital Contributions. Solely for federal and California state income tax purposes, as a result of the Assignment Agreement, (i) Lewis is treated as purchasing an undivided fifty percent (50%) interest in the Property and the Company's other assets from Limoneira, and (ii) each of Limoneira and Lewis is treated immediately thereafter as contributing an undivided fifty percent (50%) interest in the Property and each such other asset to the Company in exchange for such Member's Membership Interest. Notwithstanding the foregoing, neither Member has actually acquired title to the Property or any other asset of the Company under California state law or otherwise. The Members acknowledge and agree that the fair market value of the Property is equal to $40,000,000. As a result of the transactions described above in this Section 2.2(a), (A) the balance standing in Limoneira's Capital Account and Unreturned Initial Contribution Balance has been credited on the Effective Date by $20,000,000; and (B) the balance standing in Lewis' Capital Account and Unreturned Initial Contribution Balance has been credited on the Effective Date by $20,000,000. Neither the Capital Account nor the Unreturned Initial Contribution Balance of Limoneira shall be credited as a result of the conveyance of the Retained Property to the Company.

(b) Limoneira Pre-Assignment Expenses. The parties acknowledge and agree that prior to the Effective Date, Limoneira and/or its Affiliates paid third-party expenses in connection with the Project described on Schedule 2.2(b) attached hereto in the amount of One Million Three Hundred Seventy-Four Thousand Two Hundred Seventy-Nine and No/100 Dollars ($1,374,279) (the "**Limoneira Pre-Assignment Expenses**"). The Limoneira Pre-Assignment Expenses shall be treated as Approved Project Costs. Each of the Capital Account and Unreturned Additional Contribution Balance of Limoneira shall be credited with the amount of the Limoneira Pre-Assignment Expenses as of the Effective Date. As of the Effective Date, the balance standing in Limoneira's Capital Account is equal to the amount set forth opposite such Member's name on Exhibit B under the column labeled "Capital Account."

(c) Lewis Pre-Assignment Expenses. The parties acknowledge and agree that prior to the Effective Date, Lewis and/or its Affiliates (i) paid third-party expenses in connection with the Project described on Schedule 2.2(c) attached hereto, and (ii) incurred reimbursable expenses, after the execution of the Contribution Agreement, of the type described in Section 6.8(a) and itemized on Schedule 2.2(c), in the aggregate amount of Two Hundred Seventeen Thousand Seven Hundred Seventy-Four and 26/100 Dollars ($217,774.26) (the "**Lewis Pre-Assignment Expenses**"). Each of the Capital Account and the Unreturned Additional Account Balance of Lewis shall be credited with the amount of the Lewis Pre-Assignment Expenses as of the Effective Date. As of the Effective Date, the balance standing in Lewis' Capital Account is equal to the amount set forth opposite such Member's name on Exhibit B under the column labeled "Capital Account."

(d) Pre-Financing Contributions.

(i) If the Company has insufficient funds to pay any Approved Project Costs (the "**Shortfall**"), then Lewis shall be required to make Capital Contributions to the Company to the extent reasonably necessary to enable the Company to satisfy such Shortfall until the earlier of (i) the Capital Balancing Date, or (ii) the date the initial Project Loan closes. The term "**Capital Balancing Date**" means the date upon which the sum of (A) the Lewis Pre-Assignment Expenses, and (B) the additional Capital Contributions made by Lewis pursuant to this Section 2.2(d) equal the amount of the Limoneira Pre-Assignment Expenses.

(ii) If the initial Project Loan has not closed prior to the Capital Balancing Date, then each Member shall be required, after the Capital Balancing Date, to contribute fifty percent (50%) of all Capital Contributions required to enable the Company to satisfy any Shortfall until the earlier of (1) the date the aggregate amount contributed by such Member pursuant to this sentence equals Two Million Five Hundred Thousand Dollars ($2,500,000), or (2) the closing of the initial Project Loan.

(iii) After the aggregate Capital Contributions made by Limoneira pursuant to Section 2.2(d)(ii) equal Two Million Five Hundred Thousand Dollars ($2,500,000), the Manager shall send a notice to Limoneira that such Capital Contributions have been made. Within ten (10) Business Days after receipt of such notice, Limoneira shall have the right, but not the obligation, to make an initial election to contribute fifty percent (50%) of all Capital Contributions that are required by the Company for the next 12-month period to satisfy any Shortfall, and then shall have that same right, on each anniversary of that first election notice and after notice from the Manager, to make the election for the next 12-month period, all until the date that the initial Project Loan closes by delivering written notice of each such election to Lewis. If Limoneira timely elects to contribute fifty percent (50%) of such Capital Contributions for a 12-month period, then all Capital Contributions required for such 12-month period by the Company to satisfy any Shortfall shall be funded by the Members in accordance with their Percentage Interests. If Limoneira does not timely elect to contribute fifty percent (50%) of Capital Contributions for any 12-month period, then Lewis shall contribute all additional Capital Contributions required to satisfy any Shortfall for such 12-month period (or, if earlier, until the initial Project Loan closes).

(iv) Any Capital Contribution that a Member contributes pursuant to this Section 2.2(d) is referred to as a ("**Pre-Financing Contribution**"). The Manager shall promptly notify the Executive Committee of any Shortfalls. The Executive Committee shall have the right, but not the obligation, to approve each such capital call before any Member will be obligated to make any additional Capital Contribution to the Company pursuant to this Section 2.2(d) provided any capital call made to enable the Company to pay any "Budgeted Capital Call" or "Emergency Expense" (each as defined in Section 2.3) shall be deemed automatically approved by the Executive Committee on the date the Executive Committee receives notice of such capital call. The Manager shall send approved requests for Pre-Financing Contributions to all Members, regardless of whether a Member is required to fund any such Capital Contribution. Any Capital Contribution that a Member is required to make under this Section 2.2(d) shall be made on the date requested by the Manager provided each Member shall have at least fifteen (15) days' notice before it is required to make any such Capital Contributions. Each Member's Capital Account and Unreturned Additional Contribution Balance shall be credited by any Capital Contribution made by such Member pursuant to this Section 2.2(d) on the date such contribution is made.

(e) Balancing Contribution. If, on the earlier of the date the initial Project Loan closes or the dissolution of the Company, Limoneira or Lewis has not received distributions pursuant to Section 4.2 sufficient to reduce such Member's Unreturned Additional Contribution Balance to zero (0), then the Member (if any) whose Unreturned Additional Contribution Balance is less than the other Member's Unreturned Additional Contribution Balance shall be obligated within ten (10) days thereafter to make a Capital Contribution to the Company equal to fifty percent (50%) of such excess amount (the "**Balancing Contribution**"). The contributing Member's Capital Account and Unreturned Additional Contribution Balance shall each be credited by any Capital Contribution made by such Member pursuant to this Section 2.2(e) on the date such contribution is made. The Capital Contribution made by the contributing Member under this Section 2.2(e) shall be promptly distributed by the Company to the other Member pursuant to Section 4.2(c) (and shall reduce the non-contributing Member's Capital Account and Unreturned Additional Contribution Balance) on the date such distribution is made.

(f) Project Loan Contributions. Notwithstanding the terms of Section 2.2(d), if the Executive Committee approves a Project Loan, the terms of which require the Members to contribute additional capital to the Company (such amount, a "**Project Loan Capital Shortfall**"), then each Member shall be responsible for contributing to the Company, within five (5) Business Days (or such later date designated by the Executive Committee) after receiving notice from the Manager of the Project Loan Capital Shortfall, such Member's Percentage Interest of the amount of such Project Loan Capital Shortfall. Each Member's Capital Account and Unreturned Additional Contribution Balance shall be credited by any Capital Contribution made by such Member pursuant to this Section 2.2(f) on the date such contribution is made.

2.3 Member Funding After Obtaining Project Loan.

If the Company has a Shortfall that is not otherwise required to be funded by either Member pursuant to Section 2.2(d), Section 2.2(e), Section 2.2(f), Section 2.6 or Section 2.9, then the Manager shall promptly notify the Executive Committee of such Shortfall. The Executive Committee shall have the right, but not the obligation, to approve each such capital call before any Member will be obligated to make any additional Capital Contribution to the Company pursuant to this Section 2.3 provided any capital call made to enable the Company to pay any Budgeted Capital Call or Emergency Expense shall be deemed automatically approved by the Executive Committee on the date the Executive Committee receives notice of such capital call. The term "**Emergency Expense**" means an expense that is necessary (i) to prevent an immediate threat to the health, safety or welfare of any individual in the immediate vicinity of the Property, (ii) to prevent immediate damage or loss to any portion of the Property, (iii) to prevent the immediate loss of value to the Property by the incurrence of any liability to the Company or otherwise, (iv) to avoid the suspension of any necessary service in or to any portion of the Property, (v) to avoid criminal or civil liability on the part of the Company and/or any of the Members or the direct and/or indirect owners thereof with respect to activities at the Property or pursuant to this Agreement, or (vi) to prevent any default under any agreement to which the Company is a party, including, without limitation, any loan documents evidencing, securing or relating to any loan made to the Company. The term "**Budgeted Capital Call**" means an Approved Project Cost which the Executive Committee previously agreed in the Approved Budget or by vote of the Executive Committee to fund by Capital Contributions.

Upon the approval of any capital call by the Executive Committee pursuant to this Section 2.3, the Manager shall deliver written notice to the Members (a "**Funding Notice**"). The Funding Notice shall specify (A) the amount of funding required (such amount, the "**Called Funds**"); and (B) the date the Called Funds shall be contributed to the Company, which date (the "**Funding Date**") shall be not earlier than (1) fifteen (15) days following the date of the Funding Notice if the Called Funds are not required for an Emergency Expense, or (2) three (3) Business Days following the date of the Funding Notice if the Called Funds are required for an Emergency Expense.

If the Executive Committee reasonably determines that the Company will have sufficient funds from a draw under a Project Loan or from other sources to return the Called Funds within six (6) months after the date such funds are advanced, then the Called Funds shall be funded by the Members in proportion to their respective Percentage Interests in the form of a loan to the Company (each such loan, a "**Member Loan**"), and not as a capital contribution. If the Company does not repay any such Member Loan within such six (6)-month period, then the balance owing under such Member Loan (both accrued and unpaid interest and unreturned principal) shall be deemed to have been contributed to the capital of the Company by the Member that made such Member Loan (on the due date of such Member Loan) (and such Member Loan shall be deemed to have been fully paid by the Company). If the Executive Committee determines that the Company will not have sufficient funds to return the Called Funds within such six (6)-month period, then the Called Funds shall be funded by Capital Contributions to be made by the Members in proportion to their respective Percentage Interests. Each Member's Capital Account and Unreturned Additional Contribution Balance shall be credited by any Capital Contribution made (or deemed made) by such Member pursuant to this Section 2.3 on the date such contribution is made (or deemed made).

2.4 Member Loans.

All Member Loans shall bear interest at the greater of (i) seven and 5/10ths percent (7.5%) per annum, or (ii) the Prime Rate plus two hundred (200) basis points, with such interest under clause (i) or clause (ii) compounded monthly. In addition, each Member Loan shall be (A) due and payable in six (6) months from the date advanced, (B) fully recourse to the Company and its assets, but nonrecourse as to each Member and its assets, (C) repayable at any time in whole or in part without penalty, and (D) evidenced by a promissory note executed by the Executive Committee or by such Representative(s) of the Executive Committee as designated by the Executive Committee on behalf of the Company, which shall contain such terms and conditions as are commercially reasonable or as may be agreed to by the lending Member and the Executive Committee. The repayment of any and all Member Loans shall be subordinate to the payment of any fees or other reimbursements required to be made by the Company pursuant to Sections 6.8, but shall be made prior to the distribution of any Cash Flow and/or liquidation proceeds to the Members. Accordingly, subject to the payment of any fees and/or reimbursements required to be made under Sections 6.8, but notwithstanding the provisions of Sections 4.1 and 9.2(b), until any and all Member Loans are repaid in full, the Members shall receive no further distributions from the Company (except for any such fees and/or reimbursements), and all cash or property otherwise distributable to the Members (except for any such fees and/or reimbursements) shall be paid to the advancing Member(s) as a reduction of the outstanding balances of such Member Loans, with such funds being applied first to reduce any interest accrued thereon, and then to reduce the principal amount of such loans.

2.5 Failure to Fund.

The following provisions shall apply if any Member fails to fund in full when due its Funding Percentage of either a Capital Contribution required under Sections 2.2(d), (e), (f) or Section 2.3, or a Member Loan required under Section 2.3. A Member's "**Funding Percentage**" with respect to a required funding under Sections 2.2(d), (e), (f) or Section 2.3 means the percentage of each funding that such Member is required to contribute (so that, for example, Lewis' Funding Percentage under Section 2.2(d)(i) prior to the earlier of the Capital Balancing Date or the date the initial Project Loan closes is 100%, but its Funding Percentage under Section 2.3 is 50%).

(a) Delinquency. If any Member (a "**Delinquent Member**") fails to fund in full when due its Funding Percentage of either a Capital Contribution required under Sections 2.2(d), (e), (f) or Section 2.3, or a Member Loan required under Section 2.3 and 2.4, and if the other Member (the "**Non-Delinquent Member**") has fulfilled its required funding obligation (if any), with respect to that particular capital call then (i) the Delinquent Member's funding shortfall shall be referred to as the "**Deficit Amount**"; and (ii) any amount funded by the Non-Delinquent Member with respect to that particular Funding Notice shall be held by the Company in trust for the benefit of the Non-Delinquent Member until the earlier of (A) the expiration of the period during which the Non-Delinquent Member can elect either remedy pursuant to Section 2.5(b); and (B) the date the Delinquent Member cures its failure to fund in accordance with Section 2.5(c).

(b) Default Remedies. If the Delinquent Member fails to fund its entire Deficit Amount prior to the expiration of the Funding Cure Period (as defined in Section 2.5(c) below) (the "**Capital Default**"), then the Non-Delinquent Member shall have the right, but not the obligation, within thirty (30) days following the expiration of the Funding Cure Period, to elect, by written notice to the Manager and the Delinquent Member:

(i) to cancel the applicable Capital Contributions or Member Loans, in which event all amounts funded by the Members with respect to such Capital Contributions or Member Loans shall be promptly refunded to each of them;

(ii) to recover the Non-Delinquent Member's Excess Funding Amount and reduce the amount of the required Capital Contribution or Member Loan to an amount equal to the sum of the amounts actually funded by the Members minus the Excess Funding Amount. The term "**Excess Funding Amount**" means the positive difference, if any of (i) the aggregate amount funded by the Non-Delinquent Member, minus (ii) the excess of (a) the quotient of the amount (if any) funded by the Delinquent Member divided by the Delinquent Member's Funding Percentage minus (b) the amount (if any) funded by the Delinquent Member. As an example, but without limitation on the foregoing, assume that Lewis' Funding Percentage is 25%, Limoneira's Funding Percentage is 75%, there is a Funding Notice for $100 of Called Funds, Lewis funds $10 and Limoneira funds $75. In such case: (1) the Excess Funding Amount is $45, i.e., $75 – [($10/0.25) - $10], (2) Lewis would be treated as funding $10, and (3) Limoneira would be treated as funding $30, i.e., its $75 initial funding minus the $45 refund of the Excess Funding Amount.

(iii) to advance the entire Deficit Amount as a Default Loan to the Delinquent Member. As of the effective date of the advance of any Default Loan, the Delinquent Member's Capital Account and Unreturned Additional Contribution Balance shall be increased by an amount equal to the original principal balance of the Default Loan advanced to such Delinquent Member. Notwithstanding the provisions of Sections 4.1, 4.2 and 9.2(b)(ii), until any and all Default Loans advanced to the Delinquent Member are repaid in full, the Delinquent Member shall receive no further distributions or other amounts from the Company, and all cash or property otherwise distributable with respect to the Delinquent Member's Membership Interest in the Company (including, without limitation, any reimbursements under Section 6.8) shall be distributed to the Non-Delinquent Member. Any such amounts distributed to the Non-Delinquent Member shall be applied to repay all outstanding Default Loans made to the Delinquent Member on a last in, first out (LIFO) basis, with such funds being applied first to reduce any and all interest accrued on such Default Loan(s) and then to reduce the principal amount thereof. Any amounts so applied shall be treated, for all purposes under this Agreement, as having actually been distributed or paid to the Delinquent Member pursuant to Sections 4.1, 4.2, 6.8 or 9.2(b) and applied by the Delinquent Member to repay such outstanding Default Loan(s). Any Member that has received a Default Loan shall be treated as a Delinquent Member until such Default Loan is paid in full.

(c) Cure Rights. For a period of thirty (30) days from the due date of a Capital Contribution or Member Loan, as applicable (such period, the "**Funding Cure Period**"), the Delinquent Member shall have the right to cure its failure to fully fund the Deficit Amount by making a payment to the Company in an amount equal to the Deficit Amount. The Delinquent Member's payment shall be treated as a Capital Contribution or Member Loan, as applicable, as of the date that the Company receives the payment and any such Capital Contribution shall be credited to the Delinquent Member's Capital Account and Unreturned Additional Contribution Balance on the date such contribution is made.

(d) Loss of Voting Rights. If the outstanding balance of any and all Default Loans made to the Delinquent Member equal or exceed Three Million Five Hundred Thousand Dollars ($3,500,000), then, regardless of any remedy that may be selected by the Non-Delinquent Member (and notwithstanding any other term of this Agreement), (i) the Delinquent Member's Representatives shall not be entitled to serve on the Executive Committee and its Representatives shall not be entitled to otherwise vote upon any matters under this Agreement (exclusive of any Fundamental Decision), (ii) the management of the business and affairs of the Company shall be vested solely in the Representatives of the Non-Delinquent Member, (iii) the rights of the Delinquent Member shall be limited solely to those of an assignee that is not admitted as a substituted member in accordance with the provisions of Section 8.3 (i.e., sharing in any allocations and/or distributions of Profits, Losses (and items thereof) and Net Cash Flow and liquidating distributions to which such Member is entitled to receive under this Agreement), and (iv) the Delinquent Member shall not have any authority to act for or bind the Company. For the avoidance of any doubt, the Members acknowledge that the loss of voting and approval rights provided for in this Section 2.5(d) shall only apply during such time period that the outstanding amount owed on any and all Default Loans to the Delinquent Member equal or exceed Three Million Five Hundred Thousand Dollars ($3,500,000).

The term "**Fundamental Decision**" means (A) the admission of a new member into the Company (other than as specifically authorized under Section 8), (B) the formation of any Company Entity, or, with respect to any Company Entity, any merger, consolidation, or other similar arrangement, or the entry into of any joint venture, partnership, limited liability company, or other entity or business combination, (C) the lending of Company Entity funds to, or directly or indirectly providing any Credit Enhancement for, any Person, (D) the acquisition of any real property by the Company or any Company Entity, except as provided in the Approved Business Plan last approved by the Delinquent Member, (E) the entering into by the Company of any transaction with any Member or any Affiliate of any Member, except on terms and conditions generally available from third-parties providing similar goods and services of similar quality in the same geographical location as the Project, (F) any amendment of this Agreement that would materially and adversely affect the Delinquent Member disproportionately to the Non-Delinquent Member, (G) any act or omission that would cause the Delinquent Member or its Affiliates to have any liability under a Recourse Document, other than acts in the ordinary course of the business of the Company and consistent with the Approved Business Plan last approved by the Delinquent Member (for example, making draws under a Project Loan or providing guaranties required to obtain subdivision improvement bonds), and (H) a sale of the Project, except as contemplated in the Approved Business Plan last approved by the Delinquent Member.

(e) Exclusive Remedies. The remedies set forth in Sections 2.3(b) and 2.3(d) are the sole and exclusive remedies for a Member's failure to make a required Capital Contribution or Member Loan.

2.6 Cost Overrun Provisions.

(a) Definitions.

(i) "**Base Budget**" means, as of a particular date, the Approved Budget last approved in accordance with this Agreement prior to commencement of the construction of the Project (which commencement will be deemed to have occurred no later than the date any third party is instructed to proceed with its work under its construction contract), as the same may have been modified only to reflect (i) a discretionary increase in scope that was approved by the Executive Committee in a writing that expressly specifies that such increase in scope shall be a basis for an adjustment to the Base Budget, (ii) a reduction in scope that was approved by the Executive Committee, or (iii) additional costs that were approved by the Executive Committee in a writing that expressly specifies such additional costs as a basis for an adjustment to the Base Budget (it being understood that the Executive Committee shall not have any obligation to so approve an adjustment to the Base Budget in connection with any such additional costs, and that reallocations among line items by reason of the transfer of cost savings pursuant to Section 2.6(b)(i) shall not constitute modifications to the Base Budget). For avoidance of doubt, (a) the Base Budget shall be used by the Members solely for purposes of determining Controllable Cost Overruns (i.e., it is the baseline budget against which actual expenditures are compared for such purpose) and permitting the specification of sources of funds therefor, and (b) the Approved Budget may be modified in accordance with this Agreement (for example and without limitation, if the Executive Committee approves a revision to the Approved Budget in connection with a change order in respect of additional costs) but no such modification to the Approved Budget shall affect the Base Budget except as expressly provided above.

(ii) "**Controllable Cost Overrun**" means (A) a Line Item Overrun, or (B) any cost not covered by a line item (other than the contingency line item) in the Base Budget, in each case that was caused by an act or omission of Lewis (or an Affiliate of Lewis) that constitutes Bad Conduct.

(iii) "**Line Item Overrun**" means, as of a particular date for a particular line item of the Base Budget, the amount, if any, by which (x) the costs for such line item actually incurred by the Company on or before such date exceeds (y) the dollar amount of such line item in the Base Budget.

(b) Controllable Cost Overruns.

(i) If a Controllable Cost Overrun occurs at any time, it shall be paid one hundred percent (100%) by Lewis. If Lewis fails to pay a Controllable Cost Overrun within ten (10) Business Days of written notice from Limoneira, then Lewis shall be in breach of this Agreement and, without limitation on any other remedies, Limoneira shall have the right to reduce and offset distributions, reimbursements and other payments otherwise required to be paid by the Company to Lewis.

(ii) The parties acknowledge that Controllable Cost Overruns may be computed upon the completion of the work described in the applicable line items or completion of the Project as a whole or as construction progresses, at the election of Limoneira, and (without limitation on the foregoing) Limoneira's failure to require payment of a Controllable Cost Overrun as construction progresses shall not constitute a waiver of Lewis' obligation to pay such Controllable Cost Overrun.

(iii) Lewis shall pay all Controllable Cost Overruns under Section 2.6(b)(i) above in its individual capacity and not in its capacity as a member of the Company, and such payments shall not be deemed a Capital Contribution or loan by Lewis to the Company, shall not increase Lewis' Capital Account or Unreturned Additional Contribution Balance, and shall not entitle Lewis to the recoupment or payment of any interest, charge or other credit or consideration in respect thereof.

(iv) As the final costs of construction with respect to each Base Budget line item are determined, the same shall be added to a schedule maintained by Manager during the construction process (the "**Final Cost Schedule**") showing the actual project cost ("**Actual Project Cost**") in the same format (i.e., with the same line item categories) as the Base Budget. The Final Cost Schedule shall be supported by appropriate bills and receipts and such other material as may be in the possession of Manager as verification of Actual Project Cost.

2.7 Contribution of Water Rights.

Upon not less than thirty (30) days' prior written notice from the Manager, Limoneira shall cause LIMCO, to transfer to the Company sufficient groundwater production and/or water rights to the City to allow the Company to satisfy the requirements of Section 3.2.2 of that certain First Amended and Restated Development Agreement entered into by and between the City of Santa Paula and LIMCO, dated as of February 26, 2015 (as such agreement may be further amended and/or restated from time to time), and any other groundwater production and/or water rights required by the City or other governmental agency in connection with existing or future entitlements for the Project. Limoneira shall not be deemed to have made a Capital Contribution or otherwise receive credit to its Capital Account or Unreturned Additional Contribution Balance as a result of such transfer, and neither Limoneira nor LIMCO shall be entitled to the recoupment or payment of any interest, charge or other credit or consideration as a result of such transfer.

2.8 Limitations Pertaining to Capital Contributions.

(a) Return of Capital. Except as otherwise provided in this Agreement, no Member shall withdraw any Capital Contributions or any money or other property from the Company without the written consent of the other Member. Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash, unless otherwise specifically provided for in this Agreement or otherwise agreed in writing by all of the Members at the time of such distribution.

(b) No Interest or Salary. No Member shall receive any interest, salary, or draws with respect to its Capital Contributions or its Capital Account or for services rendered on behalf of the Company or otherwise in its capacity as a Member, except as otherwise expressly provided in this Agreement.

(c) Liability of Members. Except as expressly agreed upon in any writing signed by the party to be bound thereby (including this Agreement and each Recourse Document described in Section 3.2), no Member or Representative shall be liable for the debts, liabilities, contracts, or any other obligations of the Company. Except as set forth herein or as approved by the Executive Committee, and except as otherwise provided by the Act or by any other applicable state law, no Member shall (i) be obligated to make a Capital Contribution or Member Loan or otherwise provide funding to the Company; (ii) have any personal liability for the repayment of the Capital Contributions or loans of any other Member to the Company; or (iii) have any obligation to restore or repay to the Company any negative balance standing at any time in such Member's Capital Account.

(d) No Third Party Rights. Nothing contained in this Agreement is intended or will be deemed to benefit any creditor of the Company or other third party, and no creditor of the Company or other third party will be entitled to require any Member to solicit or demand Capital Contributions or Member Loans from any Member. A Member's obligation to make a Capital Contribution or Member Loan cannot be assigned to any other Person without the prior written consent of other Member.

2 . 9 Special Reimbursement of LIMCO. The Members acknowledge that LIMCO has paid $500,000 to the City under Operating Memorandum – No. 3 of the Development Agreement (as defined in the Contribution Agreement) (the "**Initial Public Safety Facility Payments**"). Limoneira shall not receive any Capital Contribution credit for the Initial Public Safety Facility Payments. The Company shall reimburse LIMCO for the Initial Public Safety Facility Payments as Budgeted Capital Call as follows: $250,000 shall be reimbursed by the Company to LIMCO on February 1, 2017, and $250,000 shall be reimbursed by the Company to LIMCO on February 1, 2018. If the Company does not have sufficient funds to make such reimbursements to LIMCO, then the Manager shall notify the Executive Committee of such Shortfall as required in Section 2.2(d) (iv) or 2.3, as applicable, and deliver a Funding Notice (which shall serve as the request for Pre-Financing Contribution under Section 2.2(d)(iv) if applicable) to the Members a minimum of 15 days prior to the scheduled reimbursement date for Called Funds sufficient to enable the Company to make such reimbursement (and if the Manager fails to deliver such a Funding Notice, then Limoneira shall have the right to deliver such Funding Notice). If such a Funding Notice is delivered and Lewis is not then required under Section 2.2(d) to make Capital Contributions to fund 100% of the Shortfall, then Limoneira shall receive a Capital Contribution credit for its share of such Funding Notice (which credit shall reduce, dollar for dollar, the Company's reimbursement obligation to LIMCO). If Lewis fails to timely fund its share of such a Funding Notice, then Lewis shall be the Delinquent Member and Limoneira shall have the remedies of the Non-Delinquent Member set forth in Section 2.5. In addition to the foregoing reimbursements to Limoneira, the Company shall, as a Budgeted Capital Call, make an additional Public Safety Facility Payment in the amount of $250,000 on February 1, 2016 to the City in accordance with Operating Memorandum – No. 3 of the Development Agreement and the process for the notice and funding of the capital call to make that payment to the City shall be as set forth in Section 2.2(d)(iv).

SECTION 3.
PROJECT LOANS

3.1 Terms of the Project Loan.

The Members shall use their commercially reasonable efforts to cause the Company to obtain the initial Project Loan from one (1) or more institutional third-party lenders ("**Project Lender**") to finance the entitlement and development of the Project on commercially reasonable terms and conditions and on the best terms otherwise available to the Company. Any Project Loan shall be on terms and conditions approved by the Executive Committee, which approval shall not be unreasonably withheld, delayed or conditioned.

At least sixty (60) days prior to the anticipated funding of the initial Project Loan (as reasonably determined by the Manager), the Manager shall present to the Executive Committee for its approval the most favorable initial Project Loan that Manager believes is available to the Company as of such date (the "**Proposed Initial Loan**"). If Limoneira's Representatives do not approve the Proposed Initial Loan and Lewis' Representatives approve the Proposed Initial Loan, then Limoneira shall have ninety (90) days following the date the Manager presented the Proposed Initial Loan to the Executive Committee to obtain an alternative Project Loan that the Limoneira Representatives approve (the "**Alternative Initial Loan**") provided such loan is on terms and conditions at least as favorable to the Company and Lewis as the terms of the Proposed Initial Loan. If Limoneira is not able to obtain an Alternative Initial Loan prior to the expiration of such ninety (90)-day period, then Limoneira shall be required either (i) to consent to and approve the Proposed Initial Loan (and use its commercially reasonably efforts to cause the Company to close the Proposed Initial Loan), or (ii) to contribute to the capital of the Company within ten (10) days following the expiration of the ninety (90)-day period above the Balancing Contribution described in Section 2.2(e) (even though the Company will not yet have closed the initial Project Loan).

If Limoneira's Representatives approve the Proposed Initial Loan and Lewis' Representatives do not approve the Proposed Initial Loan, then Limoneira, shall have the right, but not the obligation, for a period of sixty (60) days following the date the Manager presented the Proposed Initial Loan to the Executive Committee, as its sole right and remedy available at law and/or in equity (or otherwise), to elect by delivering written notice to Lewis to purchase the entire Membership Interest of Lewis for an amount equal to the sum of Lewis' Unreturned Initial Contribution Balance and Unreturned Additional Contribution Balance, together with a return thereon calculated like simple interest at a rate equal to the lesser of (i) two hundred (200) basis points in excess of the Prime Rate, or (ii) eight percent (8%) per annum. The closing date for the purchase of Lewis' Membership Interest pursuant to this Section 3.1 shall be within thirty (30) days following Limoneira's delivery of the purchase notice. The terms and conditions of Section 6.9(c)(iii), (iv), (v), (vi) and (viii) shall apply to any purchase of Lewis' Membership Interest pursuant to this Section 3.1 (and any references in such Sections to the Triggering Member shall refer to Lewis and any references to the Non-Triggering Member shall refer to Limoneira); provided, however, if the terms of this Section 3.1 conflict with the terms of Section 6.9(c)(iii), (iv), (v), (vi), or (viii), then the terms of this Section 3.1 shall control.

3.2 Credit Enhancements.

It is the objective of the Members that each Project Loan shall be without recourse to the Members and their Affiliates; provided, however, if a Project Loan may only be obtained with the execution and delivery of one (1) or more cost overrun guarantees, repayment guarantees, completion guarantees, environmental indemnities and/or other guarantees, indemnities, documents or other agreements (collectively, the "**Recourse Documents**"), then each Member hereby agrees to cause one (1) or more of its Affiliates to provide such Recourse Documents required by the applicable Project Lender provided the terms and conditions of any such repayment or completion guaranty that is required to be executed by any such party are not materially less favorable than the terms and conditions set forth in the form guarantees from US Bank, Union Bank, and Wells Fargo Bank provided by Lewis to Limoneira on August 24, 2015. Each Member further hereby agrees to provide (and cause one (1) or more of its Affiliates) to provide any Recourse Document required to be executed as a condition to obtain any subdivision improvement or maintenance bond required for the development of the Project or any title policy for the Company or any Project Lender. Any such party that executes and delivers any Recourse Document is referred to individually as a "**Guarantor**" and collectively as the "**Guarantors**." Notwithstanding any other term of this Agreement (or any fiduciary or other duties that any Member may have), each Member shall have the right to withhold its approval of any Major Decision or other matter that would result in any Guarantor incurring any liability under any Recourse Document.

The Company hereby agrees to indemnify, defend and hold each Guarantor wholly harmless from and against any and all liabilities, obligations, losses, damages, deficiencies, demands, claims, suits, actions, causes of action, awards, assessments, interest, fines, penalties, costs, and expenses of all investigations, proceedings, judgments, orders, and settlements including, but not limited to, fees and expenses of attorneys, accountants and other experts incurred in connection with the settlement or defense of any Action (collectively, "**Damages**") incurred by such Guarantor that arises out of or relates to any Recourse Document to the extent provided in Section 10.3(b).

The Guarantors will enter into a Reimbursement Agreement in the form attached as Exhibit D (the "**Reimbursement Agreement**"), which will provide that if the Company does not satisfy its indemnity and other obligations described in Section 10.3(b), then the Guarantors will generally reimburse each other in such amounts as are necessary to cause the total liability that is incurred by all of the Guarantors (for which they are entitled to be indemnified under Section 10.3(b) below) to be borne fifty percent (50%) by the Guarantors affiliated with Lewis (the "**Lewis Guarantors**") and fifty percent (50%) by the Guarantors affiliated with Limoneira (the "**Limoneira Guarantors**"). The Lewis Guarantors and Limoneira Guarantors will also each be liable for fifty percent (50%) of any liability incurred by LIMCO (for which LIMCO is entitled to be indemnified under Section 10.3(b) below) under any contracts assumed by the Company for which LIMCO is unable to obtain a release to the extent the Company fails to satisfy its indemnity obligations described in Section 10.3(b). If there is any inconsistency between the terms of this Agreement and the Reimbursement Agreement, then the terms of the Reimbursement Agreement shall control.

SECTION 4.
DISTRIBUTIONS

4.1 Distributions of Net Cash Flow.

Except as provided in Sections 4.2 and 9.2(b), distributions of Net Cash Flow, if available, shall be distributed to the Members on a quarterly basis (or at such more frequent intervals as the Executive Committee may determine) in amounts reasonably determined by the Executive Committee, in the following order of priority:

(a) First, to the Members in proportion to their respective Additional Capital Contribution IRR Deficiencies (as defined on Exhibit E), until each Member's Additional Capital Contribution IRR Deficiency is reduced to zero;

(b) Second, forty-eight percent (48%) to Limoneira and fifty-two percent (52%) to Lewis until Lewis' Initial Capital Contribution IRR Deficiency (as defined on Exhibit E) is reduced to zero;

(c) Third, twenty-five percent (25%) to Limoneira and seventy-five percent (75%) to Lewis until the Company has made aggregate distributions to the Members pursuant to this Section 4.1(c) in an amount equal to Ten Million Dollars ($10,000,000);

(d) Fourth, sixty percent (60%) to Limoneira and forty percent (40%) to Lewis until the Company has made aggregate distributions to the Members pursuant to this Section 4.1(d) in an amount equal to Twenty Million Dollars ($20,000,000);

(e) Fifth, fifty percent (50%) to Limoneira and fifty percent (50%) to Lewis until the Company has made aggregate distributions to the Members pursuant to this Section 4.1(e) in an amount equal to Twenty Million Dollars ($20,000,000);

(f) Sixth, seventy-eight percent (78%) to Limoneira and twenty-two percent (22%) to Lewis until the Company has made aggregate distributions to the Members pursuant to this Section 4.1(f) in an amount equal to Twenty Five Million Dollars ($25,000,000);

(g) Seventh, ninety-five percent (95%) to Limoneira and five percent (5%) to Lewis until the Company has made aggregate distributions to the Members pursuant to this Section 4.1(g) in an amount equal to Twenty Million Dollars ($20,000,000); and

(h) Thereafter, seventy percent (70%) to Limoneira and thirty percent (30%) to Lewis.

4.2 Other Special Distributions.

(a) Limoneira. An amount equal to Limoneira's Unreturned Additional Contribution Balance shall be distributed by the Company to Limoneira from the first disbursement that is made under the initial Project Loan. If there are insufficient funds available from the Initial Project Loan to return Limoneira's entire Unreturned Additional Contribution Balance and all of the amounts that Lewis is entitled to receive under Section 4.2(b), then the Company shall reimburse each such Member in proportion to the amount each such Member is entitled to receive under this Section 4.2(a).

(b) Lewis. An amount equal to Lewis' Unreturned Additional Contribution Balance shall be distributed by the Company to Lewis from the first disbursement that is made under the initial Project Loan. If there are insufficient funds available from the Initial Project Loan to return Lewis' entire Unreturned Additional Contribution Balance and all of the amounts that Limoneira is entitled to receive under Section 4.2(a), then the Company shall reimburse each such Member in proportion to the amount of the reimbursement that each Member is entitled to receive from the Company under this Section 4.2(b).

(c) Balancing Distribution. If each of Limoneira and Lewis is not fully reimbursed by the Company for all of the amounts each such Member is entitled to receive under Section 4.2(a) or Section 4.2(b), as the case may be, on the date the initial Project Loan closes, then the Member whose Unreturned Additional Contribution Balance is less than the Unreturned Additional Contribution Balance of the other Member shall be required to make the Balancing Contribution to the Company pursuant to Section 2.2(e). Any such amounts contributed by any Member pursuant to Section 2.2(e) shall be promptly distributed by the Company to the other Member pursuant to this Section 4.2(c). Any such amounts distributed by the Company to any Member pursuant to this Section 4.2(c) shall reduce such Member's Capital Account and Unreturned Additional Contribution Balance on the date such distribution is made.

(d) Retained Property. The Retained Property shall be conveyed to Limoneira (or its designated Affiliate) as soon as possible following the recordation of the Final Tract Map No. 5854 for the Property or other final tact map or parcel map that subdivides the Retained Property as a legal parcel but, in all events, prior to obtaining a Project Loan and commencement of construction activity on the Property. Such conveyance shall not reduce Limoneira's Capital Account or Unreturned Initial Contribution Balance. Limoneira hereby agrees to reimburse the Company for any loss, expense, damage or liability incurred by the Company with respect to the Retained Property, except to the extent caused by any acts or omissions of the Company or Lewis (or any Affiliates of Lewis) (and except as otherwise set forth in that certain "Retained Property Development Agreement", as defined in the Contribution Agreement). Any payment made by Limoneira pursuant to the preceding sentence shall be paid by Limoneira in its individual capacity and not in its capacity as a member of the Company and any such payment shall not be deemed a Capital Contribution or loan by Limoneira to the Company, shall not increase Limoneira's Capital Account or Unreturned Additional Contribution Balance, and shall not entitle Limoneira to the recoupment or payment of any interest, charge or other credit or consideration in respect thereof. Limoneira shall also reimburse the Company for any cost incurred by the Company that benefits the Retained Property in accordance with the terms of Exhibit F attached hereto.

4.3 Withholding.

The Company is authorized with notice to the applicable Member to withhold and/or pay to the applicable tax authority from distributions under Sections 4.1 and 4.2 (including by reference thereto pursuant to Section 9.2(b)(ii)) if required to do so by any applicable rule, regulation, or law any amount of federal, state, local or foreign taxes that the Executive Committee determines in good faith and after consultation with the Company's tax advisors, that the Company is required to withhold or pay with respect to any amount distributable or allocable to such Member pursuant to this Agreement. All amounts withheld pursuant to the Code or any provision of any state, local or international tax law or treaty with respect to a distribution made to a Member under this Agreement will be treated as an amount distributed to the Member pursuant to Section 4.1 or 4.2 for all purposes of this Agreement. All amounts withheld pursuant to the Code or any provision of any state, local or international tax law treaty with respect to an allocation will be offset against any future amounts otherwise distributable to such Member and, in the event such amount is not offset against future amounts otherwise distributable to such Member at the time of and taking into account the liquidation of the Company, then such Member shall be obligated to make a contribution to the Company equal to such amount. A Member's authorization and obligations under this Section 4.3 will survive the dissolution, liquidation, or winding up of the Company.

SECTION 5.
TAX ALLOCATIONS

5.1 General Allocation Rules.

(a) General Allocation Rule. For each taxable year of the Company, subject to the application of Section 5.2, Profits and Losses shall be allocated to the Members in a manner that causes each Member's Adjusted Capital Account Balance to equal the amount that would be distributed to such Member pursuant to Section 9.2(b)(ii) upon a hypothetical liquidation of the Company in accordance with Section 5.1(b).

(b) Hypothetical Liquidation Defined. In determining the amounts distributable to the Members under Section 9.2(b)(ii) upon a hypothetical liquidation, it shall be presumed that (i) all of the Company's assets are sold at their respective Book Value without further adjustment, (ii) payments to any holder of a nonrecourse debt are limited to the Book Value of the assets securing repayment of such debt, and (iii) the proceeds of such hypothetical sale are applied and distributed in accordance with Section 9.2(b) (without retention of any reserves).

(c) Item Allocations. If the Executive Committee determines, upon consultation with the Company's tax advisors, that allocations of Profits and Losses over the term of the Company are not likely to cause each Member's Adjusted Capital Account Balance to equal the amount that would be distributed to such Member pursuant to Section 9.2(b)(ii) upon a hypothetical liquidation of the Company in accordance with Section 5.1(b), then special allocations of income, gain, loss, and/or deduction shall be made as reasonably deemed necessary by the Executive Committee to achieve the intended Adjusted Capital Account Balances.

5.2 Regulatory Allocations.

Notwithstanding Section 5.1 and Section 5.3:

(a) Loss Limitation. The Losses allocated pursuant to Section 5.1 shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. If only one (1) Member would have an Adjusted Capital Account Deficit as a consequence of an allocation of Losses pursuant to Section 5.1, then the limitation set forth in this Section 5.2(a) shall be applied on a Member by Member basis so as to allocate the maximum permissible Losses to each Member under Section 1.704-1(b)(2)(ii)(d) of the Regulations. All Losses in excess of the limitations set forth in this Section 5.2(a) shall be allocated to the Members in proportion to their Percentage Interests. This Section 5.2(a) shall be interpreted consistently with the loss limitation provisions of Regulations § 1.704-1(b)(2)(ii)(d).

(b) Minimum Gain Chargeback. Except as otherwise provided in Regulations § 1.704-2(f), if there is a net decrease in partnership minimum gain (as defined in Regulations §§ 1.704-2(b)(2) and 1.704-2(d)(1)) during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount and in the manner required by Regulations §§ 1.704-2(f) and 1.704-2(j)(2). This Section 5.2(b) shall be interpreted consistently with the "minimum gain" provisions of Regulations § 1.704-2 related to nonrecourse liabilities (as defined in Regulations § 1.704-2(b)(3)).

(c) Member Minimum Gain Chargeback. Except as otherwise provided in Regulation § 1.704-2(i)(4), if there is a net decrease in partner nonrecourse debt minimum gain (as defined in Regulations §§ 1.704-2(i)(2) and 1.704-2(i)(3)) attributable to partner nonrecourse debt (as defined in Regulations § 1.704-2(b)(4)) during any Fiscal Year, each Member who has a share of the partner nonrecourse debt minimum gain attributable to such Member's partner nonrecourse debt, determined in accordance with Regulations § 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount and in the manner required by Regulations §§ 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.2(c) shall be interpreted consistently with the "minimum gain" provisions of Regulations § 1.704-2 related to partner nonrecourse liabilities (as defined in Regulations § 1.704-2(b)(4)).

(d) Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations, or distributions described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) that results in such Member having an Adjusted Capital Account Deficit (or otherwise increases the amount of any deficit), then items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit, if any, of such Member as quickly as possible. This Section 5.2(d) shall be interpreted consistently with the "qualified income offset" provisions of Regulations § 1.704-1(b)(2)(ii)(d).

(e) Nonrecourse Deductions. Any non-recourse deduction (as defined in Regulations § 1.704-2(b)(1)) for any Fiscal Year shall be allocated to the Members in proportion to their respective Percentage Interests.

(f) Member Nonrecourse Deductions. Any partner nonrecourse deductions (as defined in Regulations §§ 1.704-2(i)(1) and 1.704-2(i)(2)) for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the partner nonrecourse debt (as defined in Regulations § 1.704-2(b)(4)) to which such Member nonrecourse deductions are attributable in accordance with Regulations § 1.704-2(i)(1).

(g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset is required pursuant to Code § 732(d), Code § 734(b) or Code § 743(b), the Capital Accounts of the Members shall be adjusted pursuant to Regulations § 1.704-1(b)(2)(iv)(m).

(h) Curative Allocations. The allocations under Sections 5.2(a) through 5.2(f) (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 5. Therefore, notwithstanding any other provision this Section 5 (other than the Regulatory Allocations), the Company shall make such offsetting special allocations of Company income, gain, loss or deduction in whatever manner the Executive Committee reasonably determines is appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of this Agreement and all Company items were allocated pursuant to Section 5.1. In exercising its discretion under this Section 5.2(h), the Executive Committee shall take into account future Regulatory Allocations under Sections 5.2(a) through 5.2(f) that are likely to offset other Regulatory Allocations previously made.

5.3 Other Allocation Rules.

(a) Profits, Losses, and any other items allocable to any period shall be determined on a daily, monthly, or other basis, as determined by the Executive Committee using any permissible method under Code § 706 and the Regulations thereunder.

(b) The Members are aware of the income tax consequences of the allocations made by this Section 5 and as otherwise provided in this Agreement and hereby agree to be bound by the provisions of this Section 5 and this Agreement in reporting their shares of Company Profit, Loss, income, gain, deduction and credit for income tax purposes.

5.4 Special Tax Allocations.

In accordance with Code § 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company (including, but not limited to, the Property) shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Book Value (computed in accordance with the definition of Book Value) using the "remedial method" as described in Regulations promulgated under Code § 704(c).

In the event the Book Value of any Company asset is adjusted pursuant to subparagraph (ii) of the definition of Book Value, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code § 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Executive Committee in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 5.4 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

SECTION 6.
MANAGEMENT

6.1 Designation of Manager.

(a) Manager. The Members hereby appoint Lewis as the initial manager (the "**Manager**") of the Company. Lewis shall act as the Manager, unless removed pursuant to Section 6.1(b) or a replacement Manager is appointed by the Executive Committee.

(b) Designation; Removal. Limoneira may deliver a termination notice to Lewis ("**Removal Notice**") removing Lewis as Manager upon the occurrence of any of the following events:

(i) the Manager is a member and Transfers its Membership Interest in breach of the terms of this Agreement, which is not cured within the Cure Period;

(ii) Manager, Manager Affiliate, or any Representative of Lewis has been convicted of a felony related to the Property or the Company (exclusive of any felony involving the operation of a motor vehicle);

(iii) any Bad Conduct by Manager, its Affiliates, or any Representative of Lewis relating to the Project or the Company;

(iv) any material breach of this Agreement or any Affiliate Agreement by Manager or any of its Affiliates, which is not cured within the Cure Period;

(v) The occurrence of a Voluntary Bankruptcy Event, Involuntary Bankruptcy Event or Dissolution Event with respect to Lewis, the Manager Affiliate, or Lewis Guarantor.

(c) Adjudication of Removal. The Removal Notice shall specify the basis for the same and shall become effective ten (10) Business Days after delivery. However, Lewis may dispute the existence of grounds for the removal by delivering written notice ("**Adjudication Notice**") to Limoneira within such ten (10) Business Day period. If Lewis fails to provide an Adjudication Notice within such ten (10) Business Day period, then notwithstanding anything to the contrary herein, Lewis shall have no right to dispute the effectiveness of the Removal Notice, which shall be conclusive. If an Adjudication Notice is given within the period set forth above, then (i) the dispute shall be resolved by judicial reference as provided in Section 12.11, and (ii) if the referee upholds the grounds for termination, then the Removal Notice shall thereupon become effective immediately.

(d) Signature Power of the Manager. The Manager, acting without the joinder of any Member, shall have the right, power and authority to execute and deliver documents and instruments of every type and nature on behalf of the Company, which executed documents shall be binding on the Company, provided the same have been approved and authorized in accordance with the terms hereof, to the extent required herein. Any Person dealing with the Company may rely, without further inquiry, upon the identity of the Manager and may rely on a certificate signed by the Manager as to the existence or nonexistence of any fact or facts which constitute a condition precedent to acts by the Manager or which are in any other manner germane to the affairs of the Company. No Member shall have any authority to hold itself out as a general agent of the Company or any other Member in any other business or activity. If requested by the Manager, the Members shall execute and deliver resolutions confirming the authority of the Manager to act for and bind the Company on matters described in such resolutions.

(e) Standard for Management. The Manager shall fully and faithfully discharge its obligations and responsibilities and shall devote such time and attention to affairs of the Company as may be reasonably necessary for the proper management and supervision of the business of the Company and the discharge of its duties under this Agreement. The Manager shall, at all times, exercise good faith and shall promote and protect the best interests of the Company. The Manager shall diligently and continuously pursue the Approved Business Plan in accordance with its reasonable professional business judgment, and shall make the personnel of its Affiliates available to the Company to the extent reasonably necessary to carry out its duties and obligations under this Agreement in a timely manner. Subject to the foregoing, the Manager shall not be obligated to devote its full time efforts to the Company.

(f) Replacement Manager After Removal. If Lewis is removed as Manager pursuant to a Removal Notice, Limoneira shall have the right to appoint a replacement Manager, which may be Limoneira or an Affiliate of Limoneira.

6.2 Management of Company.

Except as expressly set forth in this Agreement, no Member shall undertake any action, expend any sum, make any decision, give any consent, approval or authorization or incur any obligation for or on behalf of the Company. Each Member shall only have the right to vote on (and propose) the Major Decisions described in Section 6.5 and any other matter that such Member is granted the express right to approve (or propose) under this Agreement. The Members shall not be entitled to vote on any other matter, nor shall the consent of the Members be required for any other decision or action. Subject to all applicable limitations, standards, and requirements set forth in this Agreement (including with respect to Major Decisions), the right to manage, control, and conduct the day-to-day business and affairs of the Company is vested in the Manager which right may be delegated to a Manager Affiliate as provided below; provided however, neither the Manager nor Manager Affiliate shall have no power to do any act outside the purposes of the Company as set forth in Section 1.5 hereof. Without limiting the generality of the foregoing, the Manager shall have the right, duty and obligation to perform the development services described on Schedule 6.2 attached hereto provided Manager may delegate such right, duty and obligation (and the right duty and obligation to perform any other services or duties required to be provided by Manager under this Agreement) to any Affiliate of Manager (a "**Manager Affiliate**") (provided such delegation shall not in any way release Manager from its right, duty and, obligation to provide the services described in the Agreement). Manager has informed Limoneira that Manager has no employees and that all of Manager's rights, duties and obligations under this Agreement as the Manager have been initially delegated by Manager to its Manager Affiliate, Lewis Operating Corp., a California corporation ("**LOC**") and that effective January 1, 2016, and provided Lewis is the Manager on that date, Lewis Management Corp., a California corporation ("**LMC**"), will succeed LOC as the Manager Affiliate without the need for further approval by the Company. Subject to the limitations set forth in this Section 6.2, the Manager shall have the authority to take any action it deems necessary or advisable in connection with implementation of the Approved Business Plan and the Approved Budget, including, but not limited to, the following:

(a) Implement the Approved Business Plan consistent with the Approved Budget, and decisions and directions of the Executive Committee;

(b) At the expense of the Company, supervise contractors, accountants, attorneys and other persons necessary or appropriate to carry out the business of the Company, and to maintain the books of account and other records and to produce the reports required by the terms of this Agreement;

(c) Monitor the Company's activities and use commercially reasonable efforts to cause the Company to maintain, at the expense of the Company, such insurance as is required under Section 6.10 and not (i) commit or permit others to commit any waste on or of such assets, or (ii) make any change in the use of the assets that will in any way increase the risk of fire or other hazard arising out of the use, ownership or operation of such assets;

(d) Pay, at the expense of the Company, and to the extent funds of the Company are available, all Approved Project Costs of the Company;

(e) Cause all books of account and other records of the Company to be kept in accordance with the terms of this Agreement;

(f) Prepare and deliver to each Member all reports required by the terms of this Agreement;

(g) Maintain all funds of the Company in a Company account in a bank or banks or financial institution or financial institutions as reasonably determined by the Executive Committee, and be the signatory to such accounts;

(h) Undertake, at the expense of the Company, such actions as are reasonably necessary or desirable in order that the Company promptly complies with all material present and future laws, ordinances, orders, rules, regulations and requirements of all governmental authorities having jurisdiction which may be applicable to the Company, its assets, and the operations and management of the Company;

(i) Perform all other duties otherwise described in this Agreement to be carried out by the Manager and take all actions reasonably deemed necessary to carry out any of the above rights and duties.

6.3 Entitlement Services.

Limoneira shall fully and faithfully discharge any services specifically requested by the Executive Committee related to obtaining entitlements for the Project, and shall devote such time and attention as may be reasonably necessary to perform such services. Limoneira shall, at all times, exercise good faith and shall promote and protect the best interests of the Company in performing such services. Limoneira shall make its personnel available to the Company to the extent reasonably necessary to carry out the services described in this Section 6.3 in a timely manner. As compensation for rendering such services, Limoneira shall be entitled to receive the amounts described in Section 6.8(b).

6.4 Executive Committee.

(a) Executive Committee. Whenever the approval of the Executive Committee is required by this Agreement, or when this Agreement contemplates joint action, consent or approval of the Members, such actions shall be taken through a committee (the "**Executive Committee**"). The Executive Committee may reserve authority to itself or delegate additional responsibilities or authority to the Manager, as deemed necessary or advisable by the Executive Committee to accomplish the purposes of the Company.

(b) Election. The Executive Committee shall be comprised of four (4) representatives (individually, a "**Representative**" and collectively, the "**Representatives**"). Two (2) Representatives shall be appointed by Lewis (the "**Lewis' Representatives**") and two Representatives shall be appointed by Limoneira (the "**Limoneira's Representatives**"). The Representatives shall be natural persons, but need not be residents of Delaware or members of the Company. As of the Effective Date, Lewis' Representatives are John M. Goodman and Leon S. Swails and Limoneira's Representatives are Harold Edwards and Joe Rumley. Each Representative shall have the authority to act on behalf of (i) the Member that appointed such Representative on all matters that require the consent or approval of such Member under this Agreement, or (ii) the other Representative appointed by such Member if such other Representative is absent from a meeting of the Executive Committee.

(c) Removal and Replacement. Only Lewis may remove and/or replace Lewis' Representatives and only Limoneira may remove and/or replace Limoneira's Representatives. A Representative may resign at any time by giving written resignation to the other Representatives. The resignation is effective without acceptance when such resignation is actually received by the other Representatives, unless a later effective time is specified in the resignation.

(d) Vacancies. A vacancy created by the removal, death, incapacity or resignation, or by any other reason, of any Representative may only be filled by election or appointment by the Member that appointed such Representative.

(e) Meetings of the Executive Committee. The Executive Committee shall meet monthly at such times and places as the Executive Committee may designate. Unless otherwise agreed by the Executive Committee, meetings shall be held in Santa Paula, California (provided any such meeting may be held by telephone in accordance with Section 6.4(e)(i) below). Meetings of the Executive Committee may be called by any Member or a Representative upon written notice to the other Member and Representatives, delivered not less than five (5) Business Days before the meeting, setting forth the time and general purpose of the meeting. Any Representative may waive such notice.

(i) Conduct of the Meetings. Any meeting of the Executive Committee may be held in person and by means of a conference, telephone or similar communication equipment by means of which all Representatives and other individuals participating in the meeting can hear each other, and such participation in a meeting shall constitute presence by such person at the meeting. Each Member (and its advisors) shall be entitled to attend all meetings and conferences (both internal meetings and those including third parties) held with respect to the Company.

(ii) Voting and Decisions. Subject to Sections 2.5(d), 8.3 and 11.2(d) (which provide for the loss of voting and approval rights), all matters that are subject to the approval, or require the action, of the Executive Committee under this Agreement must be approved by at least one of the Lewis' Representatives and one of the Limoneira's Representatives. Notwithstanding any other provision of this Agreement to the contrary:

(A) If there is a contract between a Company Entity, on the one hand, and a Member or an Affiliate of a Member, on the other hand, then without limitation on the rights of the Executive Committee to approve such contract under Section 6.5), the other Member (or its Representatives) shall have the right unilaterally (but not the obligation) to make any decision or determination by the Company Entity under, exercise any right under, or terminate, extend, modify or agree to a waiver or forbearance of, such contract. However, any approval or consent (or other determination that does not relate to (x) a default, or (y) whether to exercise a right of the Company other than a mere approval or consent) to be made by the Company Entity under such contract shall be subject to the approval of the Executive Committee. Nothing in this Section 6.4(e)(ii)(A) shall reduce the obligations of the Manager to enforce such contracts and to keep each Member informed of the status thereof (including any defaults thereunder and all facts relevant thereto) and of any rights that may be exercised thereunder.

(B) If there is a good faith dispute under an Affiliate Agreement respecting the payment of money by the Company to the other party to such agreement, then the Member who is an Affiliate of such party shall have no right to make a Capital Contribution or Member Loan and/or call on the other Member to make a Capital Contribution or Member Loan, to fund such disputed payment until such dispute has been resolved.

(C) If there is an outstanding Default Loan made to any Member, then the approval of such Member's Representatives serving on the Executive Committee shall not be required for the Company to make any distribution under Sections 4.1, 4.2 or 9.2, to the extent such distribution is not in excess of the amount required to discharge all outstanding Default Loans.

(iii) Attendance and Waiver of Notice. Attendance of a Representative at any meeting shall constitute a waiver of notice of such meeting, except where a Representative attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(iv) Actions Without a Meeting. Notwithstanding any provision contained in this Agreement, any action of the Executive Committee may be taken by written consent without a meeting. Subject to Sections 2.5(d), 8.3 and 11.2(d), any such action taken by the Executive Committee without a meeting shall be effective only if the written consent or consents set forth the action to be taken in writing and are signed by at least one Lewis' Representative and one Limoneira's Representative.

(f) Compensation. No Representative shall be entitled to compensation for attendance at meetings of the Executive Committee or for time spent in the capacity as a Representative. Nothing contained in this Agreement shall be construed to preclude a Representative from serving the Company in any other capacity and receiving compensation from the Company for such service, as determined by the Executive Committee.

(g) Minutes. Minutes of all meetings of the Executive Committee shall be kept and distributed to each Representative and the Members as soon as reasonably practicable following each meeting. If no objection is raised in writing following receipt of minutes or in any event at the next meeting of the Executive Committee, then such minutes shall be deemed to be accurate and shall be binding on the Representatives and the Company with respect to the matters dealt with therein.

6.5 Major Decisions.

(a) Major Decisions. Notwithstanding any other provision of this Agreement to the contrary, the following actions and matters relating to the Company and any subsidiary of the Company (each a "**Company Entity**") shall be "**Major Decisions**" that require the prior approval of the Executive Committee and may be proposed by any Member:

(i) Any update, revision or modification to the Approved Business Plan as set forth in Section 6.6(b) of this Agreement;

(ii) Any update, revision or modification to the Approved Budget as set forth in Section 6.7(b) of this Agreement;

(iii) Any activity that is inconsistent the Approved Business Plan, the Government Agreements or the Pre-Closing Agreements;

(iv) The entry into any construction, development, sale or other agreement relating to any Company Entity or any of their respective assets, which (i) materially deviates from any corresponding form contract approved by the Executive Committee or is not on a form of contract that has been approved by the Executive Committee (any such approval not to be unreasonably withheld), (ii) is not contemplated in the Approved Business Plan or Approved Budget or is inconsistent with the Approved Business Plan or Approved Budget, or (iii) any termination or material modification to any of the foregoing;

(v) Subject to Section 3.1, the entering into and terms of all Project Loans (and related documents) or any material modification to, or extensions thereof;

(vi) Undertaking or causing a Company Entity to take any action or failure to act that would result in a breach of, or inconsistent with, the terms of any of the Project Loan Documents, including, for this purpose, causing a Company Entity to make any prepayment of a Project Loan that is outside the ordinary course of the terms of the payment schedules set forth therein; provided, further, the decision to pay any final unamortized loan balance, or to refinance any Project Loan, and the terms thereof, shall be a Major Decision;

(vii) Except as contemplated in the Approved Business Plan or Approved Budget, any modification to the general plan, specific plan, subdivision maps, zoning, covenants, conditions and restrictions, or plans and specifications for the Project after they have been approved by all applicable governmental authorities, quasi-governmental authorities, and utility providers and regulators or seeking modification of any such approval;

(viii) Whether to sell, and the terms and conditions of any sale or other conveyance of any portion of, the Project;

(ix) Admitting a new member into the Company (other than as specifically authorized under Section 8);

(x) The selection or termination of any Company legal counsel or auditors, the institution of any legal proceedings in the name of a Company Entity (other than collection or enforcement actions involving trade payables or receivables valued at less than $100,000), settlement of any legal proceedings against a Company Entity in excess of One Hundred Thousand Dollars ($100,000), confession of any judgment against a Company Entity or any property of Company Entity in excess of One Hundred Thousand Dollars ($100,000), submitting a claim in excess of One Hundred Thousand Dollars ($100,000) to arbitration, or releasing, compromising, assigning, or transferring any claims, rights, or benefits of a Company Entity in excess of One Hundred Thousand Dollars ($100,000);

(xi) Except for any Capital Contributions (and issuing Funding Notices for those Capital Contributions) authorized under Sections 2.2(d), 2.2(e), 2.2(f), 2.3, 2.6, 2.7, 2.9 and 10.3(c), making any Capital Contributions, issuing any Funding Notices, or making distributions other than distributions pursuant to Sections 4.1 or 9.2(b);

(xii) The formation of any Company Entity, or, with respect to any Company Entity, any merger, consolidation, or other similar arrangement, or the entry into any joint venture, partnership, limited liability company, or other entity or business combination;

(xiii) Making loans of Company Entity funds to, or directly or indirectly providing any Credit Enhancement for, any Person;

(xiv) Acquiring any real property other than in accordance with the provisions of this Agreement or the Approved Business Plan;

(xv) Entering into or consummating any transaction or arrangement with any Member or any Affiliate of any Member, or any other transaction involving an actual or potential conflict of interest;

(xvi) Any amendment to this Agreement;

(xvii) An act that is not reasonably related to the Business;

(xviii) The dissolution of a Company Entity (exclusive of any dissolution resulting from the consummation of any transaction allowed under the current Approved Business Plan or as a result of any transaction approved by the Executive Committee);

(xix) Filing, consenting to, or acquiescing in any act or event that would constitute an event of bankruptcy with respect to a Company Entity;

(xx) Directly or indirectly establishing, increasing or decreasing any reserves (other than any reserves contained in the Approved Budget);

(xxi) A Company Entity entering any contract or other arrangement under which the potential value or liability of or payments by the Company Entity are reasonably expect to exceed Two Million Dollars ($2,000,000.00);

(xxii) Directly or indirectly deciding to rebuild any portion of the Project after a casualty in a case where the Company has the right to elect whether or not to rebuild under applicable agreements to which the Company is a party, including any Project Loan; provided, however, that consent of the Executive Committee shall be required to decide not to rebuild if the failure of the Company to rebuild could give rise to recourse obligations of the Members or any Affiliate of a Member under any Project Loan, Recourse Document or Credit Enhancement;

(xxiii) Executing a contract engaging a mortgage broker in connection with any financing or refinancing of the Property, the Business or any part thereof, or giving listings of "Lots" or "Parcels" (as defined on Schedule 6.2) to outside brokers;

(xxiv) Except as contemplated in the Approved Business Plan or Approved Budget, amending, modifying or deviating from the Government Agreements or the Pre-Closing Agreements;

(xxv) Opening any Bank Account at a financial institution not previously approved by the Executive Committee, or closing any Bank Account; and

(xxvi) Press releases and marketing for the Property, the Company or any Company Entity (and, without limitation on the foregoing, in no event shall Manager identify Limoneira or its Affiliates in any press release or marketing).

(b) Mechanism for Obtaining Consents.

(i) Request for Approval. Any Representative may propose Executive Committee approval of a Major Decision by giving written notice thereof to each other Representative serving on the Executive Committee.

(ii) Failure to Respond. If neither of the Lewis' Representatives responds in writing to any matter in a notice given under Section 6.4(b)(i) by (i) expressly granting or withholding approval; (ii) providing notice that more time is needed; or (iii) requesting a meeting for further information within ten (10) days following delivery of such notice, that matter shall be deemed to have been disapproved by the Lewis' Representatives. If neither of Limoneira's Representatives responds in writing to any matter in a notice given under Section 6.4(b)(i) by (i) expressly granting or withholding approval; (ii) providing notice that more time is needed; or (iii) requesting a meeting for further information within ten (10) days following delivery of such notice that matter shall be deemed to have been disapproved by Limoneira's Representatives.

(iii) Failure to Agree. If mutual agreement cannot be achieved with respect to a Major Decision submitted to the Executive Committee, then either Member may give written notice (a "**Major Dispute Notice**") to the other Member and its Representatives that a dispute exists with respect thereto (a "**Major Dispute**"), in which event:

(A) The Executive Committee shall meet in person, if possible, and otherwise by telephone, not later than five (5) Business Days following delivery of the Major Dispute Notice and attempt in good faith to resolve the applicable Major Dispute.

(B) If a Major Dispute with respect to any "Eligible Major Decision" (defined below) is not resolved for any reason pursuant to Section 6.5(b)(iii)(A) within a total of fifteen (15) Business Days following delivery of a Major Dispute Notice, then an impasse (the "**Impasse**") shall be deemed to exist and any Member that is not in default under this Agreement (an "**Eligible Member**") may initiate the buy/sell sale procedure under Section 6.9 at any time following the expiration of such fifteen (15) Business Day period and prior to the resolution of the applicable Major Dispute. An "**Eligible Major Decision**" means only the Major Decisions described in Sections 6.5(a)(i), (ii), (iv), (v), (vi), (vii), (viii), (x), (xi), (xviii), (xix), (xx), (xxi), (xxii), and (xxiv).

6.6 Business Plan.

(a) Adoption of Initial Business Plan. The Company shall undertake the Project and conduct the Business, and the Manager shall, in accordance with Section 6.1(e), operate the Company in conformance with the Company's business plan. Each business plan shall contain (i) a narrative description of the Company's business objectives and proposed activities to be undertaken by the Company in the conduct of the Business for the next two (2) Fiscal Years including sales plans and construction activities, (ii) a description of the Project including a description of the proposed entitlements, site planning and amenities, (iii) development schedules and timelines, including, without limitation, a description of the phasing for the Project, (iv) the budget for the Company described in Section 6.7 below, (iv) a proforma for the Project, which shall set forth for the anticipated life of the Project (A) the anticipated costs and expenses that will be incurred by the Company, in connection with the development, construction and sale of the Project, (B) the anticipated revenues that will be realized by the Company from the Project, (C) the anticipated Capital Contributions that the Members will be required to make to the capital of the Company, and (D) the projected returns that will be realized by the Company, and (v) any other material matters relating to the business and operation of the Project that is deemed relevant by the Executive Committee.

(b) Revisions to Business Plan. The business plan shall be revised by the Manager on or before November 1 of each calendar year commencing on November 1, 2016, and submitted to the Executive Committee for its review and approval. The most recent version of the business plan that has been approved by the Executive Committee is referred to as the "**Approved Business Plan**" and shall govern the operations of the Company, until such time as a revised business plan is approved. Except as otherwise provided in this Agreement, no revisions or modifications to, or deviations from, the Approved Business Plan shall be implemented, unless approved by the Executive Committee (which approval shall not be unreasonably withheld, delayed or conditioned). Each Approved Business Plan shall be consistent with the Company's intention of the developing the Project as soon as market and other circumstances reasonably permit. The Members acknowledge that the initial business plan for the Company (including, without limitation, the proforma and the budget contained therein) has been approved by the Executive Committee as of the Effective Date.

6.7 Budgets.

(a) Adoption of Initial Budget. Each business plan shall contain a budget, which shall include, without limitation, the following: (i) a reasonable contingency reserve for unanticipated costs associated with the matters covered thereby; (ii) periodic payments (including any payments due at maturity) on any debt incurred by the Company in accordance with this Agreement; (iii) the projected costs to develop and construct the Project; (iv) routine costs incurred by the Company in connection with holding and maintaining the Property including, without limitation, property taxes, assessments, insurance premiums and accounting and other professional fees; (v) anticipated Capital Contributions or Member Loans that the Members will be required to make, if any; (vi) anticipated draws from a Project Loan, if any; (vi) any other debt proceeds or public finance proceeds, and (viii) anticipated revenues from the Project. Each budget shall apply to one Fiscal Year, but may include non-binding projections for subsequent Fiscal Years.

(b) Revisions to Budget. The Manager shall revise and update the budget on a monthly basis and present it the Executive Committee at the monthly meeting of the Executive Committee described in Section 6.4(e). The Executive Committee shall have the right to approve each such revised and updated budget. Any Representative having objections to any such proposed revision or update shall provide written notice thereof to the other Representatives and the Manager ("**Objection Notice**"), which Objection Notice shall set forth the objections with specificity. The Manager shall respond in writing with specificity to the Objection Notice and include therein proposed revisions to the proposed revised budget to address each such Representative's objections. For a period of ten (10) days after receipt by the Manager of an Objection Notice, the Executive Committee shall confer to resolve the objections described in the Objection Notice. The most recent version of the budget that has been approved by the Members or the Executive Committee is referred to as the "**Approved Budget**" and shall govern the operations of the Company for one (1) Fiscal Year. Except as otherwise provided in this Agreement, no revisions or modifications to, or deviations from, the Approved Budget shall be implemented, unless approved by the Executive Committee (which approval shall not be unreasonably withheld, delayed or conditioned). The Members acknowledge that the Executive Committee has approved the initial budget as of the Effective Date as part of the Approved Business Plan. The Approved Budget shall be automatically adjusted to take into account any increases in real property taxes, insurance premiums, utility charges and similar items over which the Company has no control.

(c) Expenditure of Company Funds. Subject to the variances described in this Section 6.7(c), specific expenditures to develop and operate the Project may be made only by the Manager pursuant to the Approved Business Plan and Approved Budget. Notwithstanding the foregoing, the Manager shall have discretion, without the approval of the Executive Committee or any Member, (i) to use any contingency reserves included in the Approved Budget in any reasonable manner, (ii) to re-allocate the portion of any line item included in the Approved Budget for which the Manager reasonably determines there will be cost savings to any other line item contained in the Approved Budget, and (iii) to incur expenditures in excess of any line item contained in the Approved Budget, provided, however, that in each case, (x) the amount of any expenditures made for any line item shall not exceed the greater of $25,000 or 110% of the budgeted amount of such line item, and (y) the aggregate amount of all expenditures for any Fiscal Year shall not exceed 105% of the aggregate amount of all budgeted line items (excluding any contingency line items) for such Fiscal Year. The Manager shall notify the Executive Committee of any expenditures made pursuant to this Section 6.7(c). All expense items identified in the Approved Budget from time to time, as the same may be adjusted pursuant to this Section 6.7(b), shall constitute "**Approved Project Costs**" of the Company.

6.8 Reimbursements.

(a) Reimbursement of the Manager. The Company shall reimburse the Manager on a monthly basis for the costs and expenses incurred by the Manager or any Affiliate thereof allocable to the Company and/or the Project. The costs and expenses to be reimbursed to the Manager shall be limited to the Manager's and its Affiliates' employees who are rendering services for the benefit of the Company and/or the Project and to those third party expenses set forth in Section 6.8(c). The reimbursement will be calculated in accordance with the wage schedules approved by the Members or as otherwise approved by the Executive Committee from time to time (but at least once per Fiscal Year). Except as provided in this Section 6.8(a), the Manager will be responsible for all direct and indirect expenses associated with the compensation of the Manager's and its Affiliates' personnel or employees associated with Manager's performance of duties and responsibilities as Manager of the Company (the "**Excluded Costs**"). The Company, however, will be responsible for all other expenses related to the Company's formation (e.g., filing fees and other costs and expenses directly related to its organization) and operations, and the Manager shall be entitled to reimbursement from the Company for its reasonable out-of-pocket costs that are not Excluded Costs incurred in the performance of its duties hereunder.

(b) Reimbursement of Limoneira. The Company shall reimburse Limoneira on a monthly basis for the costs and expenses incurred by Limoneira allocable to the Company and/or the Project. The costs and expenses to be reimbursed to Limoneira shall be limited to Limoneira's employees and consultants who are rendering services for the benefit of the Company and/or the Project and to those third party expenses set forth in Section 6.8(c). The reimbursement will be calculated in accordance with the wage schedules approved by the Members or as otherwise approved by the Executive Committee from time to time (but at least once per Fiscal Year). Except as provided in this Section 6.8(b), Limoneira will be responsible for all direct and indirect expenses associated with the compensation of the Limoneira's personnel or employees associated with Limoneira's performance of duties and responsibilities hereunder.

(c) Compensation and Reimbursement of Members and Representatives. The Members and Representatives shall be reimbursed by the Company for any third-party out-of-pocket costs incurred by them in connection with the performance of their duties hereunder, to the extent and provided that such expenses are included in the Approved Budget. The Members and Representatives will bear their own legal costs and expenses in negotiating and documenting this Agreement and the Contribution Agreement (including, without limitation, all exhibits and schedules contained therein). Except as provided in this Section 6.8, the Members, the Representatives and their Affiliates shall not be entitled to compensation or reimbursement of expenses from the Company, unless the amounts of any such compensation or reimbursements have previously been approved in writing by the Executive Committee.

6.9 Buy/Sell Procedure.

(a) Right to Invoke. At any time after the Development Milestone is satisfied, each Eligible Member shall have the right, but not the obligation, to implement the procedures set forth in this Section 6.9 if there is an Impasse with respect to an Eligible Major Decision between the Representatives of the Executive Committee by delivering written notice (the "**Buy/Sell Notice**") to the other Member. The term "**Development Milestone**" means the completion of the grading and those infrastructure improvements for the Project described more fully on Exhibit G. The Member delivering a Buy/Sell Notice pursuant to this Section 6.9 is hereinafter referred to as the "**Triggering Member**" and the Member receiving such Buy/Sell Notice from the Triggering Member is hereinafter referred to as the "**Non-Triggering Member**." The Buy/Sell Notice shall set forth the proposed sales price for the entire Project determined in the sole and absolute discretion of the Triggering Member (the "**Sales Price**"), which shall be payable, in cash, at the closing.

Within fifteen (15) days following the delivery date of any Buy/Sell Notice, the Triggering Member shall cause the Independent Accountant to determine the aggregate amount of cash that would be distributed and paid to each Member pursuant to Section 9.2(b) (including, without limitation, any Member Loans made by such Member that would be repaid by the Company pursuant to Section 9.2(b)(i) below) if (i) the entire Project was sold for the Sales Price as of the effective date of the Buy/Sell Notice; (ii) the liabilities of the Company were liquidated pursuant to Section 9.2(b)(i); (iii) a reasonable reserve was established for contingent liabilities of the Company pursuant to Section 9.2(b)(i); and (iv) the Company distributed any remaining amounts in accordance with the provisions of Sections 9.2(b)(ii) as of the effective date of the Buy/Sell Notice (with respect to each Member, the "**Purchase Price**" for such Member's Membership Interest). Upon such determination, the Independent Accountant shall give each Member written notice (the "**Accountant's Notice**") thereof. The determination by the Independent Accountant of such amounts, including all components thereof, shall be deemed conclusive on all of the Members, absent any material computational error. Each Member shall bear its own cost in connection with any sale of a Membership Interest pursuant to this Section 6.9.

(b) Right to Deliver Election Notice. Within one hundred twenty (120) days following the effective date of the Accountant's Notice (the "**Exercise Period**""), the Non-Triggering Member shall elect one of the following: (1) to consent to the Triggering Member's proposed determination for the applicable Impasse, (2) to purchase the entire Membership Interest of the Triggering Member, or (3) to sell its entire Membership Interest to the Triggering Member, in any such case by delivering written notice (the "**Exercise Notice**") of such election to the Triggering Member.

(i) If the Non-Triggering Member timely delivers an Exercise Notice under the preceding clause (b)(2), then the Non-Triggering Member shall purchase the entire Membership Interest of the Triggering Member in accordance with the terms and conditions of Section 6.9(c).

(ii) If the Non-Triggering Member timely delivers an Exercise Notice under the preceding clause (b)(1), then the Executive Committee shall be deemed to have approved the Triggering Member's proposed determination for the applicable Impasse, and there shall be no purchase or sale of either Member's Membership Interest pursuant to this Section 6.9.

(iii) If the Non-Triggering Member timely delivers an Exercise Notice under the preceding clause (b)(3), or if the Non-Triggering Member fails to timely deliver any Exercise Notice, then the Non-Triggering Member shall be deemed to have elected to sell its entire Membership Interest to the Triggering Member and the Triggering Member shall purchase the entire Membership Interest of the Non-Triggering Member in accordance with the terms and conditions of Section 6.9(c).

(c) Purchase of a Member's Membership Interest. Following the election by the Non-Triggering Member to be a purchaser pursuant to Section 6.9(b)(i) or the election (or deemed election) to be a seller pursuant to Section 6.9(b)(iii) (the "**Buy/Sell Election**"), the following terms and conditions shall apply (with the purchasing Member referred to as the "**Purchasing Member**", and the selling Member referred to as the "**Selling Member**"):

(i) Within ten (10) days following the Buy/Sell Election, the Purchasing Member shall deposit into an escrow account established in the reasonable discretion of the Selling Member with a nationally recognized escrow company, a deposit (the "**Deposit**") by wire transfer of immediately available federal funds in an amount equal to five percent (5%) of the Purchase Price of the Selling Member's Membership Interest, which shall be non-refundable to the Purchasing Member if the closing of the sale fails to occur by reason of a default by the Purchasing Member. Upon the closing of the sale of the Selling Member's Membership Interest, the Deposit shall be a credit against the Purchase Price. If the sale fails to occur due to a default by the Purchasing Member, then the Selling Member may elect (i) to sue the Purchasing Member for specific performance to compel the Purchasing Member to sell its entire Membership Interest to the Selling Member in accordance with the terms of this Section 6.9(c), (ii) to retain the Deposit (without reduction to the Selling Member's Capital Account, Unreturned Initial Contribution Balance or Unreturned Additional Contribution Balance) as liquidated damages, as its sole and exclusive remedy at law or equity in connection with such default (provided that from and after any such default, the Purchasing Member and the Representatives of the Purchasing Member shall also lose any and all rights to vote on any Company matters in accordance with the terms of Section 11.2(d) below), (iii) to pursue all rights and remedies available at law, in equity or otherwise against the Purchasing Member if the Purchasing Member failed to make the Deposit (including, without limitation, the right to seek the recovery of the Deposit), or (iv) to purchase the entire Membership Interest of the Purchasing Member pursuant to Section 6.9(c)(vii).

The Members acknowledge that it would be impractical and extremely difficult to estimate the damages that the Selling Member may suffer in connection with a default by the Purchasing Member under this Section 6.9(c). Therefore, the Members have agreed that a reasonable estimate of the total net detriment that the Selling Member would suffer in such event is and shall be the right of the Selling Member to retain the Deposit if the Selling Member elects to do so under clause (ii) above as liquidated damages, as its sole and exclusive remedy at law and in equity under this Section 6.9(c) (subject to the terms of Section 11.2(d) below). The Members expressly acknowledge and agree that the retention of the Deposit is not intended as a forfeiture or penalty within the meaning of the Act or any other state law. The Members acknowledge that they have been advised by their counsel with respect to the foregoing provisions of this Section 6.9(c)(i) and by their initials set forth below indicate that the foregoing remedies are fair and reasonable and agree and covenant not to contest the validity of such remedy as a penalty, forfeiture or otherwise in any court of law (and/or in any reference or other proceeding).

(ii) Within five (5) days before the actual date of the closing pursuant to Section 6.7(c)(iii) below, the Independent Accountant shall recalculate the amount of cash that would be distributed and/or paid to each Member pursuant to Section 9.2(b) if such amount were determined as of the closing date under Section 6.9(c)(iii) (in lieu of the effective date of the Buy/Sell Notice) taking into account any contributions and/or distributions that occur after the effective date of the Buy/Sell Notice. Upon such determination, the Independent Accountant shall give each Member written notice ("**Adjusted Price Determination Notice**") thereof. The Independent Accountant shall reasonably and in good faith adjust the Purchase Price, if and to the extent necessary, to take into account the adjustments described in the Adjusted Price Determination Notice and to take into account appropriate prorations that would have been made if there had been an actual sale of the Project to a third party.

(iii) The closing of a purchase and sale held pursuant to this Section 6.9(c) shall be held at the principal office of the Company on a Business Day designated by the Purchasing Member within forty-five (45) days following the Buy/Sell Election. The Selling Member shall transfer to the Purchasing Member (or the Purchasing Member's nominee(s)) the entire Membership Interest of the Selling Member free and clear of all liens, security interests, and competing claims and shall deliver to the Purchasing Member (or the Purchasing Member's nominee(s)) such instruments of transfer and such evidence of due authorization, execution, and delivery, and of the absence of any such liens, security interests, or competing claims, as the Purchasing Member (or the Purchasing Member's nominee(s)) shall reasonably request. The Purchase Price for the Selling Member's Membership Interest shall be paid by the Purchasing Member by delivering at the closing of a confirmed wire transfer of readily available funds or one (1) or more certified or bank cashier's checks made payable to the Selling Member in an amount equal to the Purchase Price, less the amount of the Deposit paid by the Purchasing Member pursuant to Section 6.9(c)(i) above (which shall be released to the Selling Member at the closing). Effective as of the closing for the purchase of the Selling Member's Membership Interest, the Selling Member shall withdraw as a member of the Company. In connection with any such withdrawal, the Purchasing Member may cause any nominee designated in the sole and absolute discretion of such Member to be admitted as a substituted member of the Company. Notwithstanding the foregoing, any indemnity of the Selling Member and its Affiliates provided for under this Agreement shall survive the sale of the Membership Interest of the Selling Member and its withdrawal as a member of the Company.

(iv) At the closing, the Selling Member shall represent and warrant to the Purchasing Member that the sale of the Selling Member's Membership Interest to the Purchasing Member (or its nominee(s)) (A) does not violate, conflict with, or result in a breach of any provisions of, or constitute a material default (or an event that, with notice or lapse of time or both, would constitute a material default) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, security or pledge agreement, license, lease, franchise, permit, agreement or other instrument or obligation to which the Selling Member is a party (exclusive of any such agreement or other instrument or obligation to which the Company is a party), and (B) does not violate any judgment, ruling, order, writ, injunction, decree, statute, rule or regulation applicable to the Selling Member or any of the other properties or assets of the Selling Member (exclusive of its Membership Interest in the Company). The Selling Member shall also represent and warrant to the Purchasing Member at such closing that no notice to, declaration, filing or registration with, or authorization, consent or approval, or permit from, any domestic or foreign governmental regulatory body or authority, or any other Person, is necessary in connection with the sale of its Membership Interest to the Purchasing Member.

(v) The Purchase Price shall be offset at the closing of such purchase by the then unpaid principal balance of any and all Default Loan(s) (together with all accrued, unpaid interest thereon) made by the Purchasing Member to the Selling Member. Such Default Loan(s) (together with all accrued, unpaid interest thereon) shall be deemed paid to the extent of such offset, with such deemed payment to be applied first to the accrued interest thereon and thereafter to the payment of the outstanding principal amount thereof. If the Purchase Price is insufficient to fully offset the then unpaid principal balance of any and all Default Loan(s) (together with all accrued, unpaid interest thereon) made by the Purchasing Member to the Selling Member, then the portion of any such Default Loan(s) (and accrued, unpaid interest thereon) that remains outstanding following such offset shall be paid at the closing referenced in Section 6.9(c)(iii). Also, notwithstanding any provision of this Agreement to the contrary, the unpaid balance of any and all Default Loan(s) (including all outstanding principal amounts thereof and all accrued, unpaid interest thereon) made by the Selling Member to the Purchasing Member shall be required to be paid by the Delinquent Member at the closing referenced in Section 6.9(c)(iii).

(vi) On or before the closing of a purchase and sale held pursuant to this Section 6.9(c), the Purchasing Member shall use such Member's reasonable and good faith efforts to obtain written releases of the Selling Member and the Selling Member's Affiliates from all liabilities under all Recourse Documents and all other liabilities of the Company for which the Selling Member (and/or its Affiliates) may have personal liability. To the extent the Purchasing Member is unable to obtain such releases on or before the closing, the Purchasing Member and an Affiliate of the Purchasing Member with a net worth reasonably acceptable to the Selling Member (and, in the case of Limoneira as the Purchasing Member, LIMCO shall be deemed a reasonably acceptable party) shall jointly and severally indemnify, defend and hold the Selling Member (and its Affiliates) wholly harmless from and against all such liabilities and guaranties, except for any liabilities arising out of the Bad Conduct of the Selling Member (and/or its Affiliates).

(vii) If the Purchasing Member defaults in its obligation to timely and validly close the purchase of the Selling Member's Membership Interest, then (A) the Purchasing Member shall not have any further right to deliver a Buy/Sell Notice pursuant to Section 6.9(a), and (B) the Selling Member shall have the right, but not the obligation, to elect to purchase the Membership Interest of the Purchasing Member by delivering written notice to such defaulting Member within thirty (30) days following such default. If the Selling Member makes the election described in clause (B) above, then the Purchase Price for the Purchasing Member's Membership Interest shall be equal to 90% of the Purchase Price determined under Section 6.9(a) and on the other terms and conditions set forth in this Section 6.9(c). If the Selling Member elects to purchase the Membership Interest of the Purchasing Member pursuant to this Section 6.9(c)(vii), then the Selling Member shall not be entitled to retain the Deposit under Section 6.9(c)(i).

(viii) During the pendency of any proceedings under this Section 6.9(c), the Company shall continue its operations in the ordinary course of business, in accordance with the terms and conditions of this Agreement, provided that no Funding Notice shall be delivered pursuant to Section 2.3 and the Company shall not accept any contributions from the Members, but shall accept Member Loans if the Company has a Shortfall from either or both Members on terms reasonably approved by the Executive Committee.

(ix) If, during the course of proceedings under this Section 6.9(c), and prior to the Closing, there is material damage to the Project, taken as a whole, by fire, accident, act of God or other similar casualty, the Company receives notice of a threat of condemnation of a material portion of the Project, a claim is asserted against the Company by third parties that may not be fully satisfied from available insurance proceeds, or another similar event threatening the continuing viability of the Company occurs, then the Purchasing Member may terminate the proceedings under this Section 6.9(c) by written notice to Selling Member provided that the material damage, threat of condemnation, or claim that is the basis for such termination did not result from the intentional act or omission of Purchasing Member occurring after the commencement of proceedings under this Section 6.9(c).

6.10 Project Insurance.

The Company shall purchase and maintain, or shall cause to be purchased and maintained, the policies of insurance determined by the Executive Committee.

SECTION 7.
BOOKS AND RECORDS

7.1 Books and Records.

(a) The Manager shall keep or cause to be made available at the specified office of the Company the following: (a) a current list of the full name and last known business, residence or mailing address of each Member, (b) a copy of the initial Certificate and all amendments thereto, (c) copies of all written limited liability company agreements, including this Agreement, and all amendments to the limited liability company agreements for each Company Entity, including any prior written limited liability company agreements, no longer in effect, (d) copies of the Company's federal, state and local income tax returns and reports, (e) minutes of every meeting of the Executive Committee as well as any written consents of the Executive Committee or actions taken by the Executive Committee without a meeting, and (f) any other additional pertinent information, including any information and expenses regarding any third party arrangement. Any such records or information maintained by the Company may be kept on or be in the form of any information storage device, provided that the records so kept are convertible into legible written form within a Cure Period of time. Any Member or its designated representative shall have the right, at any reasonable time upon at least two (2) Business Days prior written notice, to have access to and inspect and copy the contents of such books or records and information, which, upon request, shall be made available to such Member at the Company's office.

(b) The Manager shall keep adequate books and records at the Company's office, setting forth an account of all business transactions arising out of and in connection with the conduct of the Company. Any Member or its designated representative shall have the right, at any reasonable time upon at least two (2) Business Days prior written notice, to have access to and inspect and copy the contents of such books or records.

7.2 Reports.

The Manager shall provide the following reports on the dates specified: (a) within twenty (20) days following the end of each calendar month other than the last calendar month of the fiscal year of the Company, the Manager shall furnish to each Member, at the Company's expense, with unaudited financial statements consisting of a balance sheet, income statement, a statement of cash flows and a statement of sources and uses of funds for the month then ended; and (b) within twenty (20) days following the end of the last calendar month of the Fiscal Year of the Company, the Manager shall furnish to each Member, at the Company's expense, with unaudited financial statements consisting of a balance sheet, income statement and statement of cash flows for the Fiscal Year then ended. In addition, the Manager shall provide monthly reports (within twenty (20) days following the end of each month) to the Members, which shall include (i) a Project status report comparing actual results to the current Approved Budget and the Base Budget; (ii) year-to-date draw requests on the Project Loan; (iii) status of any litigation involving the Company; (iv) status of marketing efforts and pending sales; (v) a job cost report; (vi) such financial statements and financial and other reports as are required to be provided by the Company under any of the Project Loan Documents; and (vii) such other reports and information regarding the Company and/or the Business as and when reasonably requested by Limoneira. The reports described in clauses (i) and (v) above will be in a form substantially similar to the form reports attached hereto as Exhibit H. The Company's annual financial statements shall be audited by the Independent Accountant, and the costs of the audit shall be treated as an Approved Project Cost for purposes of this Agreement. All of such financial statements shall be prepared in accordance with United States generally accepted accounting principles consistently applied, provided that monthly financial statements may omit footnotes and may be subject to normal year-end adjustments.

7.3 Tax Matters.

The Manager shall cause the Company's tax returns to be prepared and filed by the Independent Accountant, unless otherwise required by the Executive Committee, at the expense of the Company as soon as reasonably practicable after the end of each Fiscal Year and shall cause tax information to be delivered to each Member as reasonably necessary for the filing of tax returns by such Member. The cost of preparing and filing such returns shall be borne by the Company (and shall be treated as an Approved Project Cost for all purposes of this Agreement). All such tax returns shall require the approval of Limoneira prior to their filing.

7.4 Fiscal Year; Accounting; Elections.

The Fiscal Year of the Company shall conclude on October 31st of each year as required by Code Section 706(b) and the Regulations promulgated thereunder ("**Fiscal Year**"). All decisions as to accounting matters and any election available pursuant to the Code, except as specifically provided to the contrary herein, shall be made by the Tax Matters Partner in its reasonable discretion and approved by the Executive Committee.

7.5 Tax Matters Partner.

Lewis shall be the "**Tax Matters Partner**" pursuant to the Code and is authorized and required to represent the Company in connection with all examinations of the Company's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith and such costs shall be treated as an Approved Project Costs for purposes of this Agreement. The Tax Matters Partner shall take such action as may be necessary to cause each of the Members to become a "notice partner" within the meaning of Code Section 6223. The Tax Matters Partner agrees to promptly notify the Members (other than the Tax Matters Partner) and the Executive Committee upon the receipt of any correspondence from any federal, state or local tax authorities relating by giving writing notice within five (5) Business Days after becoming aware thereof. The Tax Matters Partner may not take any action on behalf of the Company (including actions contemplated by Code Sections 6222 through 6232) without the prior approval of the Executive Committee. The prior sentence does not authorize the Tax Matters Partner to take any action left to the determination of an individual Member under Code Sections 6222 through 6232. Each Member (and its tax advisors) shall have the right to participate in all meetings or telephone calls with any taxing authority and in any tax proceedings.

SECTION 8.
TRANSFER OF COMPANY INTERESTS; NEW MEMBERS; DEFAULT REMEDY

8.1 General.

No Member shall Transfer all or any portion of its Membership Interest in the Company, or permit any Person (an "**Interest Holder**") that holds an Ownership Interest in such Member to Transfer any part of such interest, except for Transfers that comply with the requirements of Section 8.8 and that are either (a) approved in writing by the Executive Committee, (b) permitted under Section 8.2(a), or (c) Excluded Transfers. A transferee of a Member's interest in the Company will be admitted as a Substituted Member only pursuant to Section 8.2(b) or Section 8.6. Any purported Transfer that does not comply with the provisions of this Section 8 shall be void and of no force or effect to the maximum extent allowed by law.

8.2 Permitted Transfers and Excluded Transfers.

(a) Permitted Transfers. A Member or any direct or indirect owner of a Member shall be permitted to Transfer its entire Membership Interest or Ownership Interest to any Person provided the Ownership Requirement applicable to such Member remains satisfied after such Transfer. The term "**Ownership Requirement**" means (i) with respect to Lewis, (A) more than fifty percent (50%) of the total beneficial interests in Lewis are owned, directly or indirectly, by one (1) or more lineal descendants of Ralph M. Lewis (the "**Lewis Descendants**") and (B) the Lewis Descendants have the right, directly or indirectly, to appoint and replace the individual(s) that manage Lewis; and (ii) with respect to Limoneira, (A) more than fifty percent (50%) of the total beneficial interests in Limoneira are owned, directly or indirectly, by LIMCO, and (B) only LIMCO has the right to appoint and replace the individual(s) that manage Limoneira.

(b) Admission of Permitted Transferees. If the Executive Committee approves a Transfer of a Member's entire Membership Interest in the Company, then the transferee shall be admitted as a Substituted Member upon (i) the payment of the reasonable out-of-pocket costs incurred by the Company and the non-transferring Member in connection with such admission, and (ii) the execution of instruments reasonably satisfactory in form and substance to the non-transferring Member, whereby the transferee agrees to be bound by all terms and conditions of this Agreement that were applicable to the transferring Member. Following the satisfaction of the requirements in clauses (i) and (ii), any such transferee shall be admitted as a member in the Company effective immediately prior to the effective date of the Transfer (as set forth in Section 8.7), and, immediately following such admission, the transferring Member shall cease to be a member of the Company, but shall not be released from any of its obligations or liability under this Agreement without the written consent of the other Member, which may be granted or withheld in the other Member's sole and absolute discretion, unless the transferee is a Person that results from a merger or consolidation with the transferring Member or that purchases all of the assets of the transferring Member.

(c) Excluded Transfers. For purposes of this Agreement, an "**Excluded Transfer**" means any of the following events, to the extent they would otherwise be treated as a Transfer under the definition thereof: (i) the transfer of any publicly traded equity securities of LIMCO; (ii) the sale of all or substantially all of the assets of LIMCO, any change of control of LIMCO, or any merger or consolidation involving LIMCO; or (iii) the transfer of any direct or indirect interest in Lewis provided the Ownership Requirement applicable to Lewis remains satisfied after any such transfer.

8.3 Assignee of Member's Interest.

If, pursuant to a Transfer of a Membership Interest in the Company by operation of law and without violation of Section 8.1 (or pursuant to a Transfer that the Company is required to recognize notwithstanding any contrary provisions of this Agreement), a Person acquires an interest in the Company, but is not admitted as a Substituted Member pursuant to Section 8.2 or Section 8.6, then such Person:

(a) shall be treated as an assignee of a Member's interest, as provided in the Act;

(b) shall have no right to inspect the books or records of the Company, to participate in the business and affairs of the Company or to exercise any rights of a Member under the Act or this Agreement (including, without limitation, any management, voting, or consent rights under this Agreement or the right to appoint any Representative to the Executive Committee); and

(c) shall share in distributions from the Company with respect to the transferred interest, on the same basis as the transferring Member provided that any Damages to the Company as a result of such Transfer shall be offset against amounts that otherwise would be distributed to such Member or otherwise paid to such Member or an Affiliate of such Member pursuant to any contract or other arrangement with the Company (including any Affiliate Agreement).

8.4 Election; Allocations Between Transferor and Transferee.

Upon the transfer of the Membership Interest in the Company by any Member or the distribution of any property of the Company to a Member, the Manager may file an election in accordance with applicable Regulations, to cause the basis of the Company property to be adjusted for federal income tax purposes as provided by Sections 734 and 743 of the Code.

8.5 Withdrawal.

Except as provided in this Section 8, no Member may voluntarily or involuntarily withdraw or dissociate from the Company or terminate its Membership Interest therein without the prior written consent of the other Member, which consent may be withheld in such other Member's sole and absolute discretion. Any Member who withdraws from the Company in breach of this Section 8.5 shall be treated in accordance with Section 8.3 as an assignee of a Member's Membership Interest that is not admitted as a member, and shall not be relieved from any obligations under this Agreement, including, but not limited to, the obligation to make Capital Contributions and Member Loans to the Company as required under Sections 2.2 and 2.3. The right to share in distributions granted under this Section 8.5 shall be in lieu of any right the withdrawn Member may have under the Act or otherwise to receive a distribution or payment of the fair market value of the Member's Membership Interest in the Company.

8.6 Substituted Members.

Except as provided in Section 8.2, no Person taking or acquiring, by whatever means, the Membership Interest of any Member in the Company shall be admitted as a substituted member in the Company (a "**Substituted Member**") without the written consent of the Executive Committee, which consent may be withheld or granted in the sole and absolute discretion of each Representative.

8.7 Effective Date of Transfer.

Any valid Transfer of a Member's Membership Interest in the Company, pursuant to the provisions of this Section 8 shall be effective as of the close of business on the day preceding the closing of the transaction evidencing the Transfer. The Company shall, from the effective date of such Transfer, thereafter make all distributions on account of the Membership Interest so transferred, to the transferee of such Membership Interest. As between any Member and its transferee, the Profits and Losses of the Company for federal, state, and local income tax purposes for the Fiscal Year of the Company in which such assignment occurs shall be apportioned for federal income tax purposes in accordance with any convention permitted under Section 706(d) of the Code reasonably selected by the Executive Committee.

8.8 Additional Limitations on Transfer.

Notwithstanding any other term of this Agreement, no Transfer of any Membership Interest in the Company or Ownership Interest in any Member may be effectuated, unless in the opinion of the Company's counsel the Transfer (a) would not result in a breach of, or acceleration of obligations under, any provision of any instrument governing any Recourse Document or under any provision of the Project Loan Documents or other major contract to which the Company is a party; (b) would comply with the Securities Act of 1933 and applicable securities laws of any other jurisdiction; and (c) would not violate any other applicable laws, provided that the provisions of this Section 8.8 may be waived by the consent of the Representatives of the Executive Committee of the Member that is not causing the Transfer of a Membership Interest or Ownership Interest in a Member. The Member who desires to Transfer a Membership Interest in the Company (or in which an Ownership Interest is desired to be transferred) shall be responsible for all legal fees incurred in connection with said opinion.

8.9 Transfer Indemnity.

If the transfer of any Member's Membership Interest or the transfer of an Ownership Interest in any Member would either (i) cause the Company to "terminate" under Section 708(b)(1)(b) of the Code, or (ii) cause there to be a "change in control" of the Company within the meaning of California Revenue and Taxation Code Section 64(c)(1), then such Member and its transferee shall jointly and severally indemnify the Company for any loss, cost, expense or liability incurred by the Company as a result of (A) any documentary taxes that may be imposed on the Company, and (B) any reassessment of the Project under California Proposition 13.

SECTION 9.
DISSOLUTION AND TERMINATION

9.1 Dissolution.

In the event of any Member's bankruptcy, dissolution, retirement, resignation, expulsion or other cessation to serve or the admission of any new member into the Company, the Company shall not dissolve, but the business of the Company shall continue without interruption and without any break in continuity. Except as may be permitted in accordance with this Agreement, to the maximum extent allowed by law, each Member shall not have the right to, and each Member hereby agrees that such Member shall not, seek to dissolve or cause the dissolution of the Company or seek to cause a partial or whole distribution or sale of Company assets whether by court action or otherwise, it being agreed that any actual or attempted dissolution, distribution or sale would cause a substantial hardship to the Company and the remaining Member. The Company shall only dissolve upon the first to occur of any of the following events:

(a) The unanimous election by the Members to dissolve the Company;

(b) The sale or description of all of the Company's assets and the collection of all proceeds realized in connection thereunder (including, without limitation, the collection of any promissory note or other deferred amounts); or

(c) The entry of a judicial decree of dissolution under Section 18-802 of the Act.

9.2 Winding Up.

(a) General Matters. Following the dissolution of the Company, as provided in Section 9.1, the Manager, or if there is no Manager, each remaining Member, shall wind up the Company as provided in Section 18-803 of the Act. During such winding up process, the Profits, Losses and Net Cash Flow distributions shall continue to be shared by the Members in accordance with this Agreement. After the dissolution of the Company, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but the Company's separate existence shall continue until a certificate of cancellation has been filed with the Delaware Secretary of State or until a decree dissolving the Company has been entered by a court of competent jurisdiction.

(b) Liquidation and Distribution of Assets. Upon the dissolution of the Company, the Executive Committee shall take full account of the Company's liabilities and assets, and such assets shall be liquidated by the Manager as promptly as is consistent with obtaining the fair value thereof. During the period of liquidation, the business and affairs of the Company shall continue to be governed by the provisions of this Agreement, with the management of the Company continuing as provided in Section 6. The proceeds from liquidation of the Company's property, to the extent sufficient therefor, shall be applied and distributed in the following order:

(i) To the payment and discharge of all of the Company's debts and liabilities, including those to Members who are creditors in the order of priority required by law, and to the establishment of any necessary reserves (including, without limitation, reserves for insurance deductibles); and

(ii) To the Members in accordance with Section 4.1.

Any reserves withheld pursuant to Section 9.2(b)(i) shall be distributed as soon as practicable, as determined in the reasonable discretion of the Manager, to the Members pursuant to Section 9.2(b)(ii).

9.3 Certificate of Cancellation.

When all debts, liabilities, and obligations of the Company have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets of the Company have been distributed to the Members, a certificate of cancellation shall be executed and filed by any Member with the Delaware Secretary of State.

SECTION 10.
EXCULPATION AND INDEMNIFICATION

10.1 Exculpation and Reliance on Information and this Agreement.

The Members hereby agree to the exculpation, indemnity and other provisions set forth below as follows:

(a) Limitation on Liability. Neither the Manager, and Manager Affiliate, any Member, any Officer nor any direct or indirect member, partner, shareholder, director, officer, manager or trustee of any such Person or any other Person designated by the Manager (collectively, the " **Covered Persons**") shall be liable or accountable in damages or otherwise to the Company or to any Member for any error of judgment or any mistake of fact or law or for anything that such Covered Person may do or refrain from doing hereafter, except to the extent caused by such Covered Person's bad faith, fraud, willful misconduct, gross negligence or breach of this Agreement or any Affiliate Agreement.

(b) Reliance upon Information, Opinions, Reports, etc. A Covered Person shall be fully protected in relying in good faith upon the records of the Company, any information received by the Manager, any Member or the Company with respect to the Property (financial or otherwise), and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence including, but not limited to, information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits, losses or cash flow or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

(c) Reliance upon Agreement. To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they define the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the parties hereto to replace such other duties and liabilities of such Covered Person.

10.2 Member Indemnification.

Each Member (such Member, the "**Indemnifying Party**") shall and does hereby indemnify, defend and hold wholly harmless, to the fullest extent permitted by law, the Company, the other Member and their respective Affiliates (each, as applicable, the " **Indemnified Parties**") for, from and against and in respect of any and all Damages, actually incurred by the Indemnified Parties to the extent attributable to Bad Conduct or breach of this Agreement (including any Capital Default) or any Affiliate Agreement by the Indemnifying Party or any Affiliate thereof (including, but not limited to, the breach by any Indemnifying Party or Affiliate thereof of any representation or warranty contained in this Agreement or any Affiliate Agreement); provided, however, that Damages shall not include any Damages to the extent covered by insurance maintained by or for the benefit of such Indemnified Party or any Excluded Liabilities. In the event the Indemnifying Party or any of its Affiliates incurs an indemnification obligation pursuant to this Section 10.2, then the Indemnifying Party shall (i) in the event the Company has suffered Damages, make a cash payment to the Company in the amount of the indemnification obligation which, for the avoidance of doubt, will (A) not be treated as a Capital Contribution to the Company; and (B) not result in credit to the Indemnifying Party's Capital Account (or Unreturned Initial Contribution Balance or Unreturned Additional Contribution Balance); or (ii) in the event the Indemnified Party is not the Company, make a cash payment to the Indemnified Party in the amount of the indemnification obligation.

10.3 Company Indemnification.

(a) General Indemnity. The Company shall and does hereby indemnify, defend (with counsel selected by the Executive Committee) and hold wholly harmless, to the fullest extent permitted by law, each Covered Person, from and against any and all Damages incurred by such Covered Person by reason of anything which such Covered Person may do or refrain from doing that arises out of or relates to the Company. Notwithstanding the foregoing, no Covered Person shall be entitled to be indemnified by the Company to the extent any such Damages are covered by insurance maintained by or for the benefit of such Covered Person or to the extent such Damages are incurred by such Covered Person by reason of such Covered Person's Bad Conduct or breach of this Agreement or any Affiliate Agreement.

(b) Financing Indemnity. Without limiting the provisions of Section 10.3(a), the Guarantors may execute and deliver one (1) or more Recourse Documents pursuant to Section 3.2 that may impose liability upon such Guarantors in connection with any financing or refinancing obtained by the Company or other transactions entered into by the Company. The Members acknowledge and agree that each Guarantor shall execute and deliver one (1) or more Recourse Documents as an accommodation to the Company and the Members. Accordingly, if any Guarantor incurs any Damages under any Recourse Document, then the Company shall indemnify, defend, protect and hold such Guarantor wholly harmless from and against all such Damages incurred by such Guarantor as a result of such Recourse Document; provided, however, the foregoing indemnification obligation shall not extend or apply to any Damages incurred by any such Guarantor resulting from the Bad Conduct or breach of this Agreement by, such Guarantor (other than a failure to pay any amounts due under any such Recourse Document as a result of the breach or default of the Company) or to the extent such Damages are covered by insurance maintained by or for the benefit of such Guarantor. For purposes of this Section 10.3(b), any contract entered into by LIMCO that is expressly assumed by the Company under the Contribution Agreement shall be treated as a Recourse Document if LIMCO is unable to obtain a release from any liability thereunder. Additionally, at the request of Limoneira (and at Limoneira's sole cost and expense), if Limoneira or its Affiliates are prohibited by the other contracting party from enforcing any obligations expressly retained by Limoneira on any such assumed contracts by reason of the assignment of the assumed contract to Company , the Company shall use its commercially reasonable efforts to enforce any such obligations on any such assumed contracts, on behalf of, and for the benefit of Limoneira and its Affiliates.

(c) Delivery of Funding Notice. Notwithstanding any other term of this Agreement, the Manager may deliver a Funding Notice to the Members pursuant to Section 2.3 if the Company has insufficient funds to satisfy its obligations under this Section 10.3.

10.4 Survivability of Provisions. The provisions of this Section 10 shall survive each Member's withdrawal as a member of the Company and the liquidation of the Company.

SECTION 11.
DEFAULT AND REMEDIES

11.1 Events of Default.

The occurrence of any of the following events (each an "**Event of Default**") shall constitute an event of default and the Member so defaulting (the "**Defaulting Member**") shall thereafter be deemed to be in default without any further action whatsoever on the part of the Company or the other Member (the "**Non-Defaulting Member**") (other than with respect to any notice specifically required by this Agreement):

(a) Bad Acts. Bad Conduct by such Member (or by such Member as the Manager, or by such Member's Manager Affiliate) in connection with the Business ("**Bad Act Event**");

(b) Resignation or Withdrawal. The resignation or withdrawal, or attempted resignation or withdrawal, by a Member from the Company in violation of this Agreement without the prior written consent of the other Member ("**Withdrawal Event**");

(c) Dissolution or Liquidation. Any dissolution or liquidation of a Member or the taking of any action by its owners, members, managers, partners, directors, majority stockholder, or Parent intended to cause the dissolution or liquidation of such Member, unless either (i) the business of such Member is carried on without termination; or (ii) substantially all assets of the Member, including its interests in the Company, are transferred or are to be transferred to a Permitted Transferee or to a Person acquiring substantially all of the assets of the Parent of such Member, whether by purchase, contribution, merger, or change of control resulting from stock transfers in a Parent that is publicly traded ("**Dissolution Event**");

(d) Voluntary Bankruptcy . The bankruptcy of a Member, which means: (i) the inability of the Member generally to pay its debts as such debts become due, or an admission in writing by the Member of the Member's inability to pay the Member's debts generally or a general assignment by the Member for the benefit of creditors; (ii) the filing of any petition or answer by the Member seeking to adjudicate the Member as bankrupt or insolvent, or seeking for the Member any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of the Member or the Member's debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for the Member or for any substantial part of the Member's property; or (iii) any action taken by the Member to authorize any of the actions set forth above ("**Voluntary Bankruptcy Event**");

(e) Involuntary Bankruptcy. The involuntary bankruptcy of a Member, which means, without the consent or acquiescence of the Member, the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief under any present or future bankruptcy, insolvency, or similar statute, law, or regulation, or the filing of any such petition against such person, which petition shall not be dismissed within ninety (90) days, or without the consent or acquiescence of the Member, the entering of an order appointing a trustee, custodian, receiver, or liquidator of the Member or of all or any substantial part of the property of the Member, which order shall not be dismissed within ninety (90) days ("**Involuntary Bankruptcy Event**"); or

(f) Breach. The occurrence of any of the following events; provided that if any of such event is reasonably susceptible of cure, then such event shall not constitute an Event of Default unless and until such occurrence is not cured within a Cure Period after notice of such default is given by the other Member:

(i) If any material representation, warranty, or other statement of fact made by any Member or Affiliate thereof contained in this Agreement or any Affiliate Agreement is materially misleading in any material respect;

(ii) A Member's failure to perform any other material obligation or act required of that Member (whether in its capacity as a Member or the Manager) by the provisions of this Agreement;

(iii) An Affiliate of a Member failing to perform any material obligation, act, or acts required of such Affiliate by the provisions of any Affiliate Agreement;

(iv) Any Transfer by any Member in breach of the terms of this Agreement ("**Transfer Event**"); or

(v) Any other breach by a Member (whether in its capacity as a Member or the Manager) of this Agreement.

11.2 Remedies.

With respect to each Event of Default other than a failure to make a Capital Contribution (except the water rights under Section 2.7) or Member Loan which shall be exclusively governed by Section 2.5 of this Agreement:

(a) Non-Defaulting Member Remedies. The Non-Defaulting Member shall have all rights and remedies set forth in this Agreement and all available remedies at law and in equity;

(b) Company Remedies. The Company shall have all rights and remedies set forth in this Agreement and all available remedies at law and in equity;

(c) Default Loan Remedies. If the Event of Default is attributable to the Defaulting Member's failure to make a cash payment to the Company pursuant to the provisions of Section 10.2, then (i) the Non-Defaulting Member shall have the right, but not the obligation, to make a Default Loan to the Defaulting Member in the amount of the Company's Damages; and (ii) the Defaulting Member shall be deemed to have used the proceeds of such Default Loan to satisfy its obligation to reimburse the Company for the Company Damages (without credit to such Defaulting Member's Capital Account, Unreturned Initial Contribution Balance or Unreturned Additional Contribution Balance). The Non-Defaulting Member shall also be entitled to offset against the Defaulting Member's obligation (i) any distributions or payments to be made by the Company to the Defaulting Member pursuant to Section 4.1 or 4.2 (including reference thereto pursuant to Section 9.2(b)(ii)); and (ii) any payments owed or to be made by the Company to the Defaulting Member or any Affiliate of the Defaulting Member pursuant to any contracts with the Company (including, without limitation, under any Affiliate Agreement). Amounts that the Company offsets pursuant to the preceding sentence shall be treated for all purposes of this Agreement and the applicable contract as if such amounts had been paid by the Company directly to the Defaulting Member or the Affiliate of the Defaulting Member followed by the Defaulting Member's and/or the Affiliate's payment of such amount to the Company pursuant to the indemnification obligation provided by Section 10.2 of this Agreement.

(d) Loss of Voting Rights. If there is an uncured Event of Default that is a Bad Act Event, Withdrawal Event, Voluntary Bankruptcy Event, Involuntary Bankruptcy Event or Transfer Event, then (i) the Delinquent Member's Representatives shall not be entitled to serve on the Executive Committee and its Representatives shall not be entitled to otherwise vote upon any matters under this Agreement (exclusive of any Fundamental Decision), (ii) the management of the business and affairs of the Company shall be vested solely in the Representatives of the Non-Delinquent Member, (iii) the rights of the Delinquent Member shall be limited solely to those of an assignee that is not admitted as a substituted member in accordance with the provisions of Section 8.3 (i.e., sharing in any allocations and/or distributions of Profits, Losses (and items thereof) and Net Cash Flow and liquidating distributions to which such Member is entitled to receive under this Agreement), and (iv) the Delinquent Member shall not have any authority to act for or bind the Company. For the avoidance of any doubt, the Members acknowledge that a Transfer Event shall not be to have occurred unless such event is not cured within the Cure Period after notice of such default is given by the Non-Delinquent Member.

(e) Notwithstanding the foregoing provisions of this Section 11.2, a Member (and its Affiliates) shall not be liable for any Excluded Liabilities.

SECTION 12.
MISCELLANEOUS

12.1 Notices.

Any notice, demand, request or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person to whom the same is directed, sent by registered or certified mail, return receipt requested, or sent by Federal Express or any other courier service guaranteeing overnight delivery, addressed to any Member at the address appearing below such Person's name on Exhibit B or by electronic transmission to the electronic mail address set below such Person's name on Exhibit B (followed by notice by mail sent in the manner described above, or by Federal Express or other courier service), or if to the Company, by notice to each Member as herein provided, or to such other address as each Member may from time to time specify by notice in accordance with this Section 12.1. Any such notice shall be deemed to have been delivered, given, and received for all purposes as of the date so delivered, at the applicable address; provided that notices received on a day that is not a Business Day, or after 5:00 p.m. (at the location to which delivery is to be made) on a Business Day shall be deemed received on the next Business Day. Notice to a party shall not be effective unless and until each required copy of such notice specified on Exhibit B (or as the parties may from time to time specify by notice in accordance with this Section 12.1) is given. The inability to deliver a notice because of a changed address of which no notice was given or an inoperative facsimile number for which no notice was given of a substitute number, or any rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any party hereto may be given by legal counsel for such party. Any telephone numbers set forth on Exhibit B are provided for convenience only and shall not alter the manner of giving notice set forth in this Section 12.1.

12.2 Non-Competition and Independent Activities.

(a) Non-Competition. Each Member agrees that it will not, and will cause its Affiliates not to, and will cause its Representatives on the Executive Committee not to, directly or indirectly, engage in the development, construction and/or sale of any single family residential housing projects within any of the real property that is located in the geographical area designated on Exhibit I attached hereto during the time both Members (and/or any Affiliate(s) thereof) are members in the Company; provided, however, the restrictions contained in this Section 12.2 will automatically expire on the date the Company has fewer than 250 residential lots to sell in the Project and/or the Company has been dissolved. Notwithstanding the foregoing sentence, with respect to East Area 2 and the Retained Property, the restrictions and covenants contained in this Section 12.2 shall not apply to (i) any Person that owns stock of LIMCO, or (ii) Limoneira and its Affiliates.

(b) Enforcement. Each Member recognizes that irreparable harm and damage will result to the Company in the event of any breach by any Member of any of the covenants contained in this Section 12.2. Each Member agrees that, in the event of such a breach and in addition to any other legal or equitable remedies to which the Company may be entitled or which may be available, the Company will be entitled to specific performance of the covenants in this Section 12.2, to an injunction from a court of law to restrain the violation of those covenants by any Member and all other Persons acting for or with the Member, or to both specific performance and an injunction. Each Member further agrees that, in the event the Company brings an action for the enforcement of the covenant contained in this Section 12.2, and if the court or arbitrator under Section 12.11 finds any part of the covenant unreasonable as to time, area, or activity covered, then such Member agrees to abide by any finding, judgment or decree of the court or arbitrator as to what is reasonable and the Member agrees that the Company may enforce this Agreement to the extent of such finding, judgment or decree.

(c) Waiver of Rights with Respect to Independent Activities. Except with respect to restrictions of business activities as set forth in this Section 12.2(a) or as otherwise expressly set forth in this Agreement, nothing in this Agreement shall be construed to: (i) prohibit any Member or any of its respective Affiliates from continuing, acquiring, owning, or otherwise participating in any transaction, investments, and business ventures and undertakings of every type and nature (each an "**Independent Activity**" and collectively the "**Independent Activities**") that is not owned or operated by the Company even if such Independent Activity is or may be in competition with the Company; (ii) require any Member or any of its Affiliates to allow the Company or any other Member to participate in the ownership or profits of any such Independent Activity; or (iii) require any Member or any of its Affiliates to provide notice to the Company or any Member regarding any Independent Activity of such Person. To the extent any Member would have any rights or claims against the other Member as a result of the Independent Activities of such Member or its Affiliates, whether arising by statute, common law, or in equity, the same are hereby waived.

(d) Acknowledgment of Reasonableness. The Members hereby expressly acknowledge, represent and warrant that they are sophisticated investors, they understand the terms, conditions and waivers set forth in this Section 12.2, and that the provisions of this Section 12.2 are reasonable, taking into account the relative sophistication and bargaining position of the Members.

12.3 Binding Effect.

Subject to any transfer restrictions set forth in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Members and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

12.4 Construction.

Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

12.5 Time.

Time is of the essence with respect to this Agreement. In the event that the last day for performance of an act or the exercise of a right under this Agreement falls on a day other than a Business Day, then the last day for such performance or exercise shall be the first Business Day thereafter.

12.6 Headings.

Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

12.7 Severability.

Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal, invalid, or unenforceable for any reason whatsoever, then such illegality, invalidity, or unenforceability shall not affect the legality, validity, or enforceability of the remainder of this Agreement.

12.8 Incorporation by Reference.

Every exhibit, schedule, recital and other appendix attached to this Agreement and referred to herein is hereby incorporated into this Agreement by reference.

12.9 Additional Documents.

Each Member, upon the request of the other Member, agrees to perform all further acts and execute, acknowledge, and deliver any documents that may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

12.10 Variation of Pronouns.

All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, and singular or plural, as the identity of the Person or Persons may require.

12.11 Dispute Resolution; Jury Trial Waiver.

(a) Generally. Each and every controversy, dispute, or claim between the Members arising out of or relating to this Agreement or the transactions contemplated hereby (exclusive of any impasse on any Major Decision other than the Major Decision) ("**Dispute**") that is not settled in writing within thirty (30) days after the date (the "**Claim Date**") upon which any such party hereto gives written notice to the other that a Dispute exists, shall be submitted for binding adjudication to a reference proceeding in California, without a jury, in accordance with the provisions of Section 638, et seq. of the California Code of Civil Procedure ("**CCP**"), or their successor sections. The procedures set forth herein in this Section 12.11 shall constitute the exclusive means for the resolution of any such Dispute, including, without limitation, whether such Dispute is subject to such reference proceedings and regardless of whether such Dispute includes any tort claims.

The referee shall be a retired Judge of the Superior Court in Ventura County (the "**Court**") selected by mutual agreement of the parties to the Dispute, and if they cannot so agree within thirty (30) days after the Claim Date, then the referee shall be promptly selected by the Presiding Judge of the Court (or his or her representative) and in accordance with CCP §640. The referee shall be appointed to sit as a temporary judge, with all of the powers for a temporary judge, as authorized by law, and upon selection should take and subscribe to the oath of office as provided for in Rule 244 of the California Rules of Court (or any subsequently enacted Rule). Each party shall have one (1) peremptory challenge of a referee selected by the Court pursuant to CCP §170.6. The referee shall (i) be requested to set the matter for hearing within ninety (90) days after the referee's appointment, and (ii) try any and all issues of law or fact and report a statement of decision upon them, if possible, within thirty (30) days after all parties have rested and the case has been submitted for decision. Any decision rendered by the referee will be final, binding and conclusive (except as otherwise provided expressly in this Agreement) and judgment thereon shall be entered pursuant to CCP §644 in any court in the State of California having jurisdiction.

Any party may apply for a reference proceeding by filing a petition for a hearing and/or trial by reference pursuant to CCP §638 at any time after the earlier of (A) thirty (30) days following notice of the Claim Date, or (B) commencement by a party to this Agreement of a regular (non-reference) legal action involving a Dispute. All discovery permitted herein shall be at the discretion of the referee and shall be completed no later than fifteen (15) days before the first hearing (trial) date established by the referee. The referee may extend such period in the event of a party's refusal to provide requested discovery for any reason whatsoever, including, without limitation, legal objections raised to such discovery or unavailability of a witness due to absence or illness. No party shall be entitled to "priority" in conducting discovery. Subject to the discretion of the referee, depositions may be taken by either party upon seven (7) days' written notice, and request for production or inspection of documents shall be responded to within fourteen (14) days after service. All disputes relating to discovery that cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding upon the parties. Pending appointment of the referee as provided herein, the Court is empowered to issue temporary and/or provisional remedies, as appropriate.

(b) Manner of Proceedings. Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of all hearings, the order of presentation of evidence and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter except that when any party so requests, a court reporter will be used at any hearing conducted before the referee. The party making such a request shall have the obligation to arrange for and pay for the court reporter. The costs of the court reporter at the trial shall be borne equally by the parties. All other costs shall be divided equally between all of the parties to the proceeding; provided, however, that such costs, along with all other costs and expenses, including, without limitation, attorneys' fees, shall be subject to award, in full or in part, by the referee, in the referee's discretion, to the prevailing party. Unless the referee so awards attorneys' fees, each party shall be responsible for such party's own attorneys' and expert witness fees and costs.

(c) Determination of Issues. The referee shall be required to determine all issues in accordance with existing case law and the statutory law of the State of Delaware; provided, however, that the referee shall apply the rules of civil procedure and evidence applicable to proceedings at law in the State of California. The referee shall be empowered to enter equitable as well as legal relief, to provide all temporary and/or provisional remedies and to enter equitable orders that will be binding upon the parties. The referee shall issue written findings of fact and conclusions of law, a written statement of decision, and a single judgment at the close of the reference proceeding that shall dispose of all of the claims of the parties that are the subject of the reference. The parties hereto expressly reserve the right to contest or appeal from the final judgment or any appealable order or appealable judgment entered by the referee. The parties hereto also expressly reserve the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

(d) WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES HERETO EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY DISPUTE AS DEFINED HEREINABOVE, IN ANY ACTION, PROCEEDING, OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. THE PARTIES HERETO EACH AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A REFERENCE PROCEEDING AS PROVIDED ABOVE BUT THIS WAIVER SHALL BE EFFECTIVE EVEN IF, FOR ANY REASON WHATSOEVER, SUCH CLAIM OR CAUSE OF ACTION CANNOT BE TRIED BY SUCH REFERENCE PROCEEDING. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM, OR OTHER PROCEEDING THAT SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT.

12.12 Attorneys' Fees.

If any proceeding is commenced by any Member against any other Member that arises out of, or relates to, this Agreement (including, but not limited to, any reference proceeding), then the prevailing Member in such proceeding shall be entitled to recover reasonable attorneys' fees and costs. Any judgment or order entered in any legal proceeding shall contain a specific provision providing for the recovery of all costs and expenses of suit including, but not limited to, reasonable attorneys' and expert witness fees, costs and expenses incurred in connection with (i) enforcing, perfecting and executing such judgment; (ii) post-judgment motions; (iii) contempt proceedings; (iv) garnishment, levy, and debtor and third-party examinations; (v) discovery; and (vi) bankruptcy litigation.

12.13 Governing Law.

Subject to Section 12.12, the laws of the State of Delaware (without reference to the rules regarding conflict or choice of laws of such State), including, without limitation, the Act, shall govern the organization and internal affairs of the Company, the liability of the Members of the Company and the construction and interpretation of this Agreement.

12.14 Waiver of Action for Partition.

The Company may be dissolved, liquidated and terminated only pursuant to the provisions of Section 9.1 above, and, to the fullest extent permitted by applicable law but subject to the terms of this Agreement, each Member (on behalf of itself and any person or entity that may claim for or on behalf of such Member) hereby irrevocably waives any and all other rights that it (or any such person or entity) may have to maintain any action for or otherwise cause (i) a dissolution, liquidation or termination of the Company or any Company Subsidiary or (ii) a sale or partition of, or appointment of a receiver for, any or all of the assets of the Company or any Company Subsidiary, except as expressly provided in this Agreement.

12.15 Counterpart Execution; Facsimile Signatures.

This Agreement may be executed in any number of counterparts, each of which may be executed by less than all of the parties to this Agreement, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one and the same agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in either Tagged Image Format Files or Portable Document Format shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment.

12.16 Entire Agreement.

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. All prior agreements among the parties with respect to the subject matter of this Agreement, whether written or oral, are merged herein and shall be of no force or effect. This Agreement can be modified or amended only upon the written consent of all Members.

12.17 Representations and Warranties.

Each Member hereby represents and warrants as of the Effective Date, for the sole and exclusive benefit of the Company, the Manager and each other Member, as follows:

(a) Such Member has acquired its interest in the Company for its own account, for investment, and not with a view to or for the resale, distribution, subdivision, or fractionalization thereof;

(b) Such Member has no contract, undertaking, understanding, agreement or arrangement, formal or informal, with any Person to sell, transfer, or pledge all or any portion of its interest in the Company and has no current plans to enter into any such contract, undertaking, understanding, agreement or arrangement;

(c) Such Member has such business and financial experience alone, or together with its professional advisers, that it has the capacity to protect its own interests in connection with its acquisition of an interest in the Company;

(d) Such Member has sufficient financial strength to hold the interest in the Company as an investment and bear the economic risks of that investment (including possible complete loss of such investment) for an indefinite period of time;

(e) Such Member has performed its own due diligence with respect to its interest in the Company and the Company's acquisition of the Property and is relying on that due diligence in making this investment, and such Member is not relying on the Manager or representation or information provided by the other Member or any of the other Member's Affiliates, with respect to tax, suitability, or other economic considerations, other than the representations and warranties contained in this Section 12.17 and the Contribution Agreement;

(f) Such Member has not received any assurances from anyone, including the other Member, that it will receive the return of, or any return on, its Capital Contributions, and that it is aware that its investment in the Company has substantial risks, including, without limitation, the risk of changes in the Ventura County, California real estate market and risk of the use of substantial leverage, and that it may lose all of its Capital Contributions;

(g) The Membership Interest in the Company acquired by such Member has not been registered under the Securities Act of 1933, 15 U.S.C. § 15b et seq., the Delaware Securities Act, the California Corporate Securities Law of 1968 or any other state securities laws (the "**Securities Acts**") because the Company has issued the Interests in the Company in reliance upon the exemptions from the registration requirements of the Securities Acts providing for issuance of securities not involving a public offering;

(h) Such Member has not received any advertisement or general solicitation with respect to the sale of the Membership Interests in the Company;

(i) Such Member acknowledges and agrees that the projections contained in any documents, reports or other information previously or subsequently provided to such Member are based on numerous assumptions that are subject to uncertainty and over which the Company and the Manager have no control, are for illustrative purposes only and should not be viewed as a guarantee of actual results. Neither the Company, the Manager nor any of their Affiliates (or any other party) have any obligation whatsoever to update information contained in any projections or other materials provided to any Member. Such Member should consult with its own advisors (A) to evaluate any projections and any associated assumptions, (B) to make its own independent determination of the feasibility of any projections (and the assumptions contained therein), and (C) to evaluate whether such Member should execute and deliver this Agreement;

(j) Such Member is an "accredited investor" within the meaning of Regulation D and the rules and regulations promulgated under the Securities Act of 1933;

(k) This Agreement constitutes a legal, valid, and binding obligation of the Member enforceable against the Member in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting generally the enforcement of creditors' rights and statutes or rules of equity concerning the enforcement of the remedy of specific performance;

(l) Such Member is duly organized, validly existing, and in good standing under the laws of the state of its formation or incorporation, as applicable, is qualified to do business in the State of California, and has full power and authority to enter into this Agreement and to perform the terms and provisions hereof;

(m) The execution, delivery, and performance of this Agreement by such Member have been duly authorized by all necessary limited liability company and corporate action and the Persons executing this Agreement and all documents related thereto on behalf of such Member are fully authorized to do so. No consent of any person exercising control (as such term is defined in the definition of Affiliate) over such Member or any judicial or administrative body or other governmental authority or any other Person or party is required for such execution, delivery, or performance (or, if required, such consent already has been obtained);

(n) The execution, delivery, and performance of this Agreement by such Member do not and will not violate, conflict with or contravene any judgment, order, decree, writ or injunction, or any law, rule, regulation, contract or agreement to which the Member is subject, which conflict, violation, or breach would have a material adverse effect on the business, operations, properties or condition (financial or otherwise) of the Company;

(o) To the actual knowledge of such Member, no representation, warranty or covenant of such Member in this Agreement or any Affiliate Agreement contains or will contain any untrue statement of material facts or omits or will omit to state material facts necessary to make the statements or facts contained therein not misleading; and

(p) Such Member has not retained any broker, finder, agent or the like in connection with this Agreement or the transactions contemplated under this Agreement for which the Company or the other Member is responsible, in whole or in part, for any fee or commission.

12.18 Enforceability of Provisions.

THE MEMBERS ACKNOWLEDGE AND AGREE THAT, UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE HEREOF, THE REMEDIES PROVIDED FOR IN SECTIONS 2.5, 6.9 AND 11.2 ARE FAIR AND REASONABLE AND DO NOT CONSTITUTE A FORFEITURE OR PENALTY. THE MEMBERS FURTHER ACKNOWLEDGE AND AGREE THAT THEY HAVE BEEN PROVIDED WITH THE OPPORTUNITY TO CONSULT WITH INDEPENDENT COUNSEL WITH RESPECT TO THE PROVISIONS OF SECTIONS 2.5, 6.9 AND 11.2 AND AGREE AND COVENANT NOT TO CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY SUCH REMEDY AS A PENALTY, FORFEITURE OR OTHERWISE IN ANY COURT OF LAW AND/OR REFERENCE PROCEEDING (OR OTHERWISE).

12.19 Contractual Duties Prevail; Approval Standard.

To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or any Company Entity or to the other Member, a Member acting pursuant to this Agreement shall not be liable to the Company or any Company Subsidiary or to any other Member except to the extent provided in Section 10.2. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the parties hereto to replace such other duties (including fiduciary duties) and liabilities of such Member. Except as expressly provided herein: (1) any agreement, approval, consent, judgment or other determination to be made by a Member (or its Representatives) under this Agreement shall not be effective unless it is in writing and shall be in the sole and absolute discretion of such Member (or its Representatives) for any reason or no reason; and (2) such Member (and its Representatives) shall be entitled to consider only such interests and factors as it desires, including such Member's interests, and shall, to the fullest extent permitted by applicable law, have no duty (including fiduciary duties) or obligation to give any consideration to any interest of or factors affecting the Company, any Company Entity or any other Member.

12.20 Scope of Representation.

EACH MEMBER HEREBY ACKNOWLEDGES AND AGREES THAT, IN CONNECTION WITH THE DRAFTING, PREPARATION AND NEGOTIATION OF THIS AGREEMENT AND THE CONTRIBUTION AGREEMENT, THE FORMATION OF THE COMPANY AND ANY OTHER MATTERS RELATED THERETO, (I) ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP HAS ONLY REPRESENTED THE INTERESTS OF LEWIS, AND NOT THE INTERESTS OF LIMONEIRA OR THE COMPANY OR ANY OTHER PARTY (AS A GROUP AND/OR INDIVIDUALLY), AND (II) PIRCHER, NICHOLS & MEEKS HAS ONLY REPRESENTED THE INTERESTS OF LIMONEIRA AND NOT THE INTERESTS OF LEWIS OR THE COMPANY (OR ANY OTHER PARTY). THE ATTORNEYS, ACCOUNTANTS AND OTHER EXPERTS WHO PERFORM SERVICES FOR ANY OF THE PARTIES HERETO MAY ALSO PERFORM SERVICES FOR THE COMPANY. TO THE EXTENT THE FOREGOING REPRESENTATION CONSTITUTES A CONFLICT OF INTEREST, EACH MEMBER HEREBY EXPRESSLY WAIVES ANY SUCH CONFLICT OF INTEREST. EACH MEMBER FURTHER ACKNOWLEDGES THAT THE ATTORNEYS, ACCOUNTANTS AND OTHER EXPERTS WHO PERFORM SERVICES FOR THE COMPANY SHALL NOT BE DEEMED BY VIRTUE OF SUCH REPRESENTATION TO HAVE ALSO REPRESENTED ANY OTHER PARTY IN CONNECTION WITH ANY SUCH MATTERS.

12.21 Nonrecourse Parties.

Except as provided in Sections 3.2 and 10.2 (and without limiting the liability of Lewis Guarantor or Limoneira Guarantor under its Joinder), no direct or indirect partner, shareholder, officer, director or trustee of the Manager or any Member (collectively, the " **Nonrecourse Parties**") shall be personally liable in any manner or to any extent under or in connection with this Agreement, and the Company shall not have any recourse to any assets of any of the Nonrecourse Parties to satisfy any liability, judgment or claim that may be obtained or made against any such Nonrecourse Party under this Agreement. The limitation of liability provided in this Section 12.21 is in addition to, and not in limitation of, any limitation on liability applicable to any Nonrecourse Parties provided by law or by this Agreement or any other contract, agreement or instrument; provided, however, the foregoing shall not limit any liability that a Nonrecourse Party has to return any distribution received by such party in violation of applicable law.

12.22 No Suretyship Defenses.

Each Member hereby unconditionally waives any guarantor or suretyship defense that may otherwise apply with respect to this Agreement.

12.23 Interpretation.

For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) the terms defined herein shall include the plural as well as the singular; (ii) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with US generally accepted accounting procedures; (iii) references in this Agreement to "Sections," "subsections," "paragraphs" and other subdivisions without reference to a document are to designated Sections, subsections, paragraphs and other subdivisions of this Agreement; (iv) a reference to a subsection without further reference to a Section is a reference to such subsection as contained in the same Section in which the reference appears, and this rule shall also apply to paragraphs and other subdivisions; (v) the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision; (vi) the words "include", "such as" and "including" and their variations, shall mean "including, but not limited to;" (vii) references to "days" shall mean calendar days unless otherwise stated; (viii) every reference to any document refers to that document as modified from time to time, and includes all exhibits and schedules to that document; (ix) "good faith" means "honesty in fact" as such phrase is used in the Uniform Commercial Code, as adopted in the State of Delaware as of the date of this Agreement; (x) "reasonable efforts" or "commercially reasonable efforts" means the level of effort a reasonable person would exert under similar circumstances acting on its own behalf and shall require diligence and good faith but not illegal or other unreasonable actions; and (xi) the headings in this Agreement are for convenience only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of any of the provisions of this Agreement.

12.24 Omitted.

12.25 Joinder.

Certain obligations of Lewis under this Agreement shall be guaranteed by the parties (the "**Lewis Guarantors**") pursuant to that certain Joinder of Lewis Guarantors attached to this Agreement to be executed by the Lewis Guarantors. Certain obligations of Limoneira under this Agreement shall be guaranteed by LIMCO (the "**Limoneira Guarantor**") pursuant to that certain Joinder of Limoneira Guarantor attached to this Agreement to be executed by Limoneira Guarantor.

12.26 Definitions.

The following terms shall have the meanings specified in this Section 12.26:

"**Act**" means the Delaware Limited Liability Company Act, as set forth in Del. Code Ann. Tit. 6, 18-101, et. seq., as amended from time to time (or any corresponding provisions of succeeding law).

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

"**Adjusted Capital Account Balance**" means an amount with respect to each Member equal to the balance in such Member's Capital Account at the end of the relevant Fiscal Year, after taking into account contributions and distributions during such Fiscal Year and after increasing the balance in such Member's Capital Account by any amount such Member is deemed to be obligated to restore pursuant to Regulations Sections 1.704-2(g)(1), 1.704-2(i)(5) or 1.704-1(b)(2)(ii)(c).

"**Adjusted Capital Account Deficit**" means, with respect to any Member, a deficit balance in such Member's Capital Account as of the end of the Fiscal Year after giving effect to the following adjustments: (a) credit to such Capital Account the additions, if any, permitted by Regulations §§ 1.704-1(b)(2)(ii)(c) (referring to obligations to restore a capital account deficit), 1.704-2(g)(1) (referring to "minimum gain") and 1.704-2(i)(5) (referring to a partner's share of "partner nonrecourse debt minimum gain"), and (b) debit to such Capital Account the items described in §§ 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Regulations. This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulation § 1.704-1(b)(2)(ii)(d).

"**Affiliate**" means, with respect to any Person: (i) any Person directly or indirectly controlling, controlled by or under common control with such Person; (ii) any Person owning or controlling twenty-five percent (25%) or more of the outstanding voting and/or beneficial ownership interests of such Person; (iii) any officer, director, manager, managing member, or general partner of such Person; or (iv) any Person who is an officer, director, manager, managing member, general partner, trustee, or holder of twenty-five percent (25%) or more of the voting interests of any Person described in clauses (i) through (iii) of this definition. For purposes of clause (i) of this definition, two or more Persons shall be deemed to be under common control if there is a twenty-five percent (25%) or greater overlap in the ownership of any classes of equity in such Persons. Without limitation on the foregoing, Lewis, LOC and LMC are Affiliates of each other.

"**Affiliate Agreement**" means an agreement, contract or other arrangement between the Company and an Affiliate of a Member including, but not limited to, the Contribution Agreement and the Assignment Agreement.

"**Agreement**" means this First Amended and Restated Limited Liability Company Agreement, as amended from time to time. Words such as "herein," "hereinafter," "hereof," "hereto" and "hereunder," refer to this Agreement as a whole, unless the context otherwise requires.

"**Assigned Agreements**" has the meaning given that term in the recitals of this Agreement.

"**Bad Conduct**" means acts or omissions constituting gross negligence, willful or wanton misconduct, fraud, intentional misrepresentation, criminal conduct, bad faith or a knowing violation of law.

"**Bank Account**" means a bank account established by the Company at a financial institution reasonably approved by the Executive Committee.

"**Book Value**" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Book Value of any asset contributed by a Member to the Company shall be the fair market value of such asset at the time of contribution to the Company, as reasonably determined by the contributing Member and the Executive Committee as reflected in this Agreement or another writing agreed to by all the Members;

(ii) The Company shall adjust the Book Value of all Company assets to equal their respective gross fair market values (taking Code § 7701(g) into account), as determined by the Executive Committee as of the following times: (A) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (B) the distribution by the Company to a Member of more than a de minimis amount of Company property as consideration for an interest in the Company; (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); and (D) in connection with the issuance by the Company of a non-compensatory option (as defined in Regulations § 1.721-2(f) other than an option for a de minimis interest; provided that the Company is required to make an adjustment described in clauses (A), (B) and (C) of this paragraph only if the Executive Committee determines that the adjustment is necessary to reflect the relative economic interests of the Members in the Company.

(iii) The Company shall increase (or decrease) the Book Value of Company assets to reflect any adjustments to the adjusted basis of the Company's assets pursuant to Code § 734(b) or Code § 743(b), but only to the extent that the adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), provided, however, that the Company will not adjust the Book Value pursuant to this subparagraph (iii) to the extent that an adjustment pursuant to subparagraph (ii) is required in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iii).

(iv) The Book Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of the distribution as reasonably determined by the Executive Committee.

(v) If any non-compensatory option is outstanding at the time the Book Value of the Company's assets is adjusted, then the provisions of Regulations § 1.704-1(b)(iv)(h)(2) apply.

If the Book Value of an asset has been determined or adjusted pursuant to subparagraph (ii) or (iii) above, then the Book Value will thereafter be adjusted by the Capital Account Depreciation taken into account with respect to such asset, for purposes of computing Profits and Losses.

"**Business Day**" means any day that is not a Saturday, Sunday, legal holiday in California, or a day on which banking institutions in California are authorized or required by law to close.

"**Capital Account**" means, with respect to each Member or assignee, the Capital Account maintained for such Person in accordance with the following provisions:

(a) To each Person's Capital Account there shall be credited such Person's Capital Contributions, including the amount listed under the column labeled "Capital Account" on Exhibit B, such Person's distributive share of Profits and any items in the nature of income or gain which are specially allocated to such Person pursuant to Section 5.2, and the amount of any Company liabilities assumed by such Person or which are secured by any Property distributed to such Person.

(b) To each Person's Capital Account there shall be debited the amount of cash and the Book Value of any Property distributed to such Person pursuant to any provision of this Agreement, such Person's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated to such Person pursuant to Section 5.2, and the amount of any liabilities of such Person assumed by the Company or which are secured by any property contributed by such Person to the Company.

(c) In the event all or a portion of a Membership Interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest, except that if the Transfer causes a termination of the Company under Section 708(b)(1)(B) of the Code, then Regulations § 1.708.1(b) shall apply.

(d) In determining the amount of any liability for purposes of (a) and (b) of this definition, there shall be taken into account Code § 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations § 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Executive Committee determines that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including debits or credits relating to liabilities which are secured by contributions or distributed property or which are assumed by the Company, a Member, or assignee), are computed in order to comply with such Regulations, the Executive Committee may make such modification, provided that it is not likely to have a material effect on the amounts distributed to any Person pursuant to Section 9.2 of this Agreement upon the dissolution of the Company. The Executive Committee also shall (i) make any adjustments that are necessary or appropriate to maintain equality between (A) the aggregate balances standing in the Capital Accounts of the Members and assignees, and (B) the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulations Section 1.704-1(b).

If the Book Value of Company assets are adjusted pursuant to this Agreement, then the Capital Accounts of all Members shall be adjusted simultaneously to reflect the aggregate net adjustments as if the Company recognized gain or loss equal to the amount of such aggregate net adjustment. On the exercise of a non-compensatory option (as defined in Regulations § 1.721-2(f) the Capital Accounts of the Members shall be adjusted in accordance with Regulations § 1.704-1(b)(2)(iv)(s).

"**Capital Account Depreciation**" shall mean for each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other period, except that if the Book Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, then Capital Account Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis.

"**Capital Contribution**" means, with respect to each Member, the amount of money and the net fair market value of any property (other than money) contributed to the Company by such Member pursuant to any provision of this Agreement (exclusive of any amounts paid by any Indemnifying Party pursuant to Section 10.2).

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"**Company**" means the limited liability company formed pursuant to the filing of the Certificate and the execution of the Original Agreement and any limited liability company continuing the business of this Company in the event of dissolution as herein provided.

"**Credit Enhancement**" means any letter of credit, bond or similar credit enhancement.

"**Cure Period**" means, with respect to any Defaulting Member, a period of thirty (30) calendar days after such Defaulting Member receives written notice of its default from a non-defaulting Member; provided, however, that if such breach can be cured but cannot reasonably be cured within such thirty (30)-day period, then the period shall continue, if such Defaulting Member commences to cure the breach within such thirty (30)-day period, for so long as such defaulting Member diligently prosecutes the cure to completion, up to a maximum of the lesser of (a) sixty (60) calendar days, or (b) the period of time allowed for such performance under any Project Loan Documents.

"**Default Loan**" means a recourse loan that has been advanced to a Delinquent Member or a Defaulting Member pursuant to Section 2.5(b)(iii) or Section 11.2(c), respectively, that shall bear interest at a rate equal to fifteen percent (15%) per annum, compounded annually; provided that any applicable laws limiting the rate of interest that may be legally charged with respect to such loan shall be taken into account and, if applicable, the rate of interest charged on such loan shall be reduced to the maximum rate of interest permitted by such law. Subject to any extension provided for under this Agreement, each Default Loan shall be due and payable in full one (1) year from the date advanced (or, if earlier, upon the sale of any Member's Membership Interest under Section 6.9(c) or the dissolution of the Company).

"**Entity**" means any Person other than an individual.

"**Excluded Liabilities**" means (a) special, exemplary, punitive, and/or consequential damages, unless payable to third parties; and (b) any claim for lost profits or similar claim by a Member.

"**Gross Revenues**" means the gross cash proceeds realized by the Company from any source pursuant to sound accounting principles.

"**Independent Accountant**" means Ernst & Young, or such other accounting firm that is approved by the Executive Committee.

"**Manager**" means Lewis and any Person who succeeds to Lewis as Manager in accordance with Section 6.1(a).

"**Member**" means any Person identified as a member of the Company in the introductory paragraph to this Agreement. If any Person is admitted as Substituted Member pursuant to the terms of this Agreement, then the term "Member" shall also be deemed to refer to such Person. "**Members**" refers collectively to all Persons who are designated as a "Member" pursuant to this definition, until such time as any such Person ceases to be a member of the Company in accordance with this Agreement or the Act.

"**Membership Interest**" means, with respect to each Member, (i) that Member's status as a member, (ii) that Member's Capital Account and share of the Profits, Losses and other items of income, gain, loss, deduction and credits of, and the right to receive distributions (liquidating or otherwise) from, the Company under the terms of this Agreement, (iii) all other rights, benefits and privileges enjoyed by that Member (under the Act or this Agreement) in its capacity as a member, including that Member's rights to vote, consent and approve those matters described in this Agreement, and (iv) all obligations, duties and liabilities imposed on that Member under the Act or this Agreement in its capacity as a member.

"**Net Cash Flow**" means Gross Revenues less the portion thereof used to pay for Company expenses, to repay any Member Loans and to establish reserves for Approved Project Costs, all as reasonably determined by the Executive Committee, consistent in all material respects with any Approved Business Plan then in effect.

"**Ownership Interest**" means the direct and/or indirect ownership in any Member.

"**Parent**" means any Person that holds, directly or indirectly, more than fifty percent (50%) of the outstanding equity securities, or comparable equity interests, of a Member.

"**Percentage Interest**" means, with respect to a particular Member, that Member's interest, expressed as a percentage. The Percentage Interest of each Member is fifty percent (50%).

"**Person**" means any individual, partnership, corporation, trust, limited liability company, or other entity.

"**Pre-Assignment Expenses**" means Lewis Pre-Assignment Expenses and the Limoneira Pre-Assignment Expenses, collectively.

"**Pre-Closing Agreements**" has the meaning assigned to such term in the Contribution Agreement.

"**Prime Rate**" means the highest prime rate of interest published in the then most recent edition of the Wall Street Journal, Western Edition (if such edition is then published), or any successor publication.

"**Profits**" and/or "**Losses**" for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such year or period determined in accordance with Code Section 703(a) (including in such taxable income or loss all items of income, gain, loss or deduction required by Code Section 703(a) to be stated separately) with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax, and not otherwise taken into account in this definition in computing Profits or Losses, shall be added to such taxable income or loss;

(b) Any Company expenditures described in Code Section 705(a)(2)(B), or treated as such pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in this definition in computing Profits or Losses shall be subtracted from such taxable income or loss, including nonrecourse deductions;

(c) Gain or loss resulting from any disposition of Company property shall be computed by reference to the Book Value of the Company property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Book Value;

(d) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account the Capital Account Depreciation computed in accordance with such definition contained above; and

(e) Notwithstanding any other provision of this subsection, any items of income, gain; loss or deduction which are specially allocated shall not be taken into account in computing Profits or Losses.

"**Project Loan**" means a third-party loan made to the Company necessary for the Company to acquire, own, develop, design, construct, furnish, operate and maintain the Project.

"**Project Loan Documents**" shall mean any instrument and documents that evidence or secure the Project Loan.

"**Regulations**" means the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"**Related Party**" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person. For purposes of this definition of Related Party, the term "control" (including the terms "controlled by" and "under common control with") with respect to the relationship between or among two or more Persons, means direct or indirect, record or beneficial, ownership of one hundred percent (100%) of the outstanding equity, capital, or right to profits of such Person.

"**Transfer**" means any change in the ownership of any Membership Interest in the Company or in the Ownership Interest of any Member, whether made voluntarily, involuntarily, directly, indirectly or by operation of law, including, but not limited to, the following: (i) a sale, assignment, contribution, distribution, gift or other transfer of an Ownership Interest to any Person; (ii) a transfer of an Ownership Interest to the personal representative of the estate of a Person upon such Person's death, and any subsequent transfer of an Ownership Interest from such personal representative to the heirs or devisees of the deceased Person under his will or by the laws of descent and distribution; (iii) a transfer of an Ownership Interest to a judicially appointed personal representative as a result of the adjudication by a court of competent jurisdiction that the transferring Person is mentally incompetent to manage his person or property; (iv) a transfer of an Ownership Interest to the transferring Person's spouse or former spouse, or heirs of such spouse or former spouse, in connection with a division of their community or other property upon the death or divorce of the transferring Person, divorce or the death of such spouse; (v) a general assignment for the benefit of creditors, or any assignment to a creditor resulting from the creditor's foreclosure upon or execution against any Person holding an Ownership Interest; (vi) the filing of a voluntary bankruptcy petition; (vii) the adjudication of any Person holding an Ownership Interest as bankrupt or insolvent or the entry of an order for relief under the United States Bankruptcy Code against any Person holding an Ownership Interest; (viii) the filing of a petition or answer by any Person holding an Ownership Interest seeking for such Person's reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or rule; (ix) the filing of an answer or other pleading by any Person holding an Ownership Interest admitting or failing to contest the material allegations of a petition filed against such Person in a bankruptcy, insolvency, reorganization or similar proceeding; (x) the seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator of any Person holding an Ownership Interest or of all or any substantial part of such Person's property; (xi) if a Person holding an Ownership Interest is a general or limited partnership, the dissolution and commencement of winding up of the partnership; (xii) if a Person holding an Ownership Interest is a corporation, the filing of a certificate of dissolution or its equivalent for the corporation or revocation of its charter; (xiii) if a Person holding an Ownership Interest is another limited liability company, the filing of articles of dissolution or termination or their equivalent for the limited liability company; or (xiv) if a Person holding an Ownership Interest is an Entity, any change in the control or majority ownership of such Person to another Person that is not a Related Party of the transferring Person.

"**Unreturned Additional Contribution Balance**" means, with respect to each Member, an amount equal to (a) the sum of such Member's Capital Contributions made or deemed made to the Company pursuant to the provisions of either Section 2.2(b), 2.2(c), 2.2(d), 2.2(e), 2.2(f), 2.3 or 2.5(iii) of this Agreement, minus (b) all distributions to such Member pursuant to Section 4.1(a) (including by reference thereto pursuant to Section 9.2(b)) and Section 4.2 until the balance standing in such account has been reduced to zero.

"**Unreturned Additional Contribution Balances**" means the Unreturned Contribution Balance for both Members.

"**Unreturned Initial Contribution Balance**" means, with respect to each Member, an amount equal to the sum of such Member's Capital Contributions made or deemed made to the Company pursuant to the provisions of Section 2.2(a) of this Agreement, minus all distributions to such Member pursuant to Section 4.1(b) (including by reference thereto pursuant to Section 9.2(b)) until the balance standing in such account has been reduced to zero.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Members have executed and entered into this First Amended and Restated Limited Liability Company Agreement of Limoneira Lewis Community Builders, LLC as of the date first set forth above.

MEMBERS:

LEWIS SANTA PAULA MEMBER, LLC,
a Delaware limited liability company

By: Lewis Operating Corp.,
a California corporation
Its: Manager

By: /s/ John M. Goodman
John M. Goodman
Its: Senior Vice President

LIMONEIRA EA1 LAND, LLC
a Delaware limited liability company

By: Limoneira Company,
a Delaware corporation
its sole Member

By: /s/ Joseph D. Rumley
Name: Joseph D. Rumley
Title: Chief Financial Officer

MANAGER:

LEWIS SANTA PAULA MEMBER, LLC,
a Delaware limited liability company

By: Lewis Operating Corp.,
a California corporation
Its: Manager

By: /s/ John M. Goodman
John M. Goodman
Its: Senior Vice President

JOINDER OF LEWIS GUARANTORS

In consideration of Limoneira's execution of that certain First Amended and Restated Limited Liability Company Agreement of Limoneira Lewis Community Builders, LLC (the "**Agreement**"), to which this Joinder ("**Joinder**") is attached each of the undersigned (each, a "**Lewis Guarantor**"), jointly and severally, hereby absolutely, unconditionally and irrevocably guarantees to Limoneira that all obligations (the "**Guaranteed Obligations**") of Lewis under Sections 2.2, 2.3, 2.4, 2.5, 2.6, 2.9, 10.2, and 12.2, of the Agreement will be timely satisfied. Capitalized terms used in this Joinder of Lewis Guarantors and not otherwise defined herein shall have the same meanings as set forth in the Agreement. Each Lewis Guarantor represents and acknowledges that the direct or indirect owners of such Lewis Guarantor own a substantial direct or indirect interest in Lewis, that the direct or indirect owners of such Lewis Guarantor will derive substantial benefits from the execution of the Agreement and the transactions contemplated thereby, and that such Lewis Guarantor's execution of this Joinder is a material inducement and condition to Limoneira's execution of the Agreement and that Limoneira is, for all purposes, a third-party beneficiary of this Joinder.

To the fullest extent permitted by applicable law, each Lewis Guarantor unconditionally waives any guarantor or suretyship defenses that might otherwise be available to such Lewis Guarantor. The obligations of each Lewis Guarantor under this Joinder are independent of the obligations of Lewis under the Agreement and, in the event of any default hereunder, a separate action or actions may be brought and prosecuted against such Lewis Guarantor whether or not any Lewis Guarantor is the alter ego of Lewis and whether or not Lewis is joined therein or a separate action or actions are brought against Lewis. The obligations of each Lewis Guarantor hereunder shall remain in full force and effect without regard to, and shall not be affected or impaired by, the following, any of which may be taken without the consent of, or notice to, any Lewis Guarantor, nor shall any of the following give any Lewis Guarantor any recourse or right of action against the Company, any Company Subsidiary, or Limoneira: (a) any express or implied amendment, modification, renewal, addition, supplement, extension of the Guaranteed Obligations or the Agreement; (b) any exercise or non-exercise by the Company, any Company Subsidiary, or Limoneira of any right or remedy under the Agreement or this Joinder of or available at law or in equity; (c) any Bankruptcy Event relating to any Lewis Guarantor or Lewis, or any action taken with respect to the Company, any Company Subsidiary or this Joinder by any trustee or receiver, or by any court, in any such proceeding, whether or not any Lewis Guarantor shall have had notice or knowledge of any of the foregoing; (d) the occurrence of a Dissolution Event with respect to any Lewis Guarantor or Lewis; (e) any release or discharge of Lewis from its liability under the Guaranteed Obligations or any release or discharge of any other party at any time directly or contingently liable for the Guaranteed Obligations; (f) any limitation or exculpation of liability under the Agreement provided for Lewis, Manager or any Affiliate, or any of their respective agents, officers, directors, managers, members, partners, shareholders and employees; (g) any subordination, compromise, release (by operation of law or otherwise), discharge, compound, collection, or liquidation of any or all of the Property, or any substitution with respect thereto; (h) any assignment or other transfer of any interest in the Company, in whole or in part; and (i) any acceptance of partial performance of the Guaranteed Obligations.

Lewis Joinder

Each Lewis Guarantor agrees to pay all costs and expenses, including reasonable attorneys' fees, that may be incurred by Limoneira in any effort to collect or enforce any of the Guaranteed Obligations, whether or not any lawsuit is filed, including all costs and attorneys' fees incurred by Limoneira as the prevailing party in any bankruptcy proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding). Such amounts shall bear interest until paid at the lesser of (i) fifteen percent (15%) per annum, compounded monthly (i.e., 1.0125% per month, compounded monthly), or (ii) the maximum rate allowed by law. No Lewis Guarantor shall have the right to assign any of its rights or obligations under this Joinder. Notwithstanding the foregoing, in no event shall Lewis Guarantor have any liability under this Joinder for any Excluded Liability.

For so long as Lewis is a Member of the Company, the Lewis Guarantors shall collectively maintain a Net Worth equal to or greater than One Hundred Million Dollars ($100,000,000). Within one hundred eighty (180) days after the end of each calendar year, and within twenty (20) days of a written request by Limoneira to Lewis (which requests may not occur more frequently than once per calendar quarter), the Lewis Guarantors shall certify in writing their then aggregate Net Worth, with evidence of the same reasonably acceptable to Limoneira. "**Net Worth**" means, as of a given date, (i) the Lewis Guarantors' total assets as of such time, less, (ii) the Lewis Guarantors' total liabilities as of such time, determined in accordance with US GAAP, except that material assets and liabilities will be valued in accordance with ASC 820 - Fair Value Measurements and Disclosures.

The following Sections of the Agreement shall apply to this Joinder as though herein set forth in full, *mutatis mutandis* (and, without limitation on the foregoing, references to "the Members," "Lewis" and "this Agreement" therein shall be deemed changed for this purpose to "the parties," "Lewis Guarantor" and "this Joinder," respectively): 12.1 (with any notice to Lewis Guarantor to be sent to the address set forth for Lewis in the Agreement), 12.3 through 12.7, 12.11, 12.12, 12.13, 12.16, 12.18, 12.20 and 12.23. Each Lewis Guarantor acknowledges (a) that this Joinder involves at least One Hundred Thousand Dollars ($100,000), and (b) that this Joinder has been entered into and accepted in express reliance upon 6 Del. C. § 2708.

LEWIS HOLDING COMPANY, L.P.
a Delaware limited partnership

By: EMPIRE BUILDING CORP.,
a Nevada corporation
Its Administrative Partner

By: /s/ John M. Goodman
Name: John M. Goodman
Its: Authorized Agent

JOINDER OF LIMONEIRA GUARANTOR

In consideration of Lewis' execution of that certain First Amended and Restated Limited Liability Company Agreement of Limoneira Lewis Community Builders, LLC (the "**Agreement**") to which this Joinder of Limoneira Guarantor is attached, the undersigned ("**Limoneira Guarantor**"), hereby absolutely, unconditionally and irrevocably guarantees to Lewis that all obligations (the "**Guaranteed Obligations**") of Limoneira under Sections 2.2, 2.3, 2.4, 2.5, 2.9, 10.2, and 12.2 of the Agreement will be timely satisfied. Capitalized terms used in this Joinder of Limoneira Guarantor ("**Joinder**") and not otherwise defined herein shall have the same meanings as set forth in the Agreement. Limoneira Guarantor represents and acknowledges that Limoneira Guarantor owns a substantial interest in and controls Limoneira, that such Limoneira Guarantor will derive substantial benefits from the execution of the Agreement and the transactions contemplated thereby, and that Guarantor's execution of this Joinder is a material inducement and condition to Lewis' execution of the Agreement and that Lewis is, for all purposes, a third party beneficiary of this Joinder of Limoneira Guarantor.

To the fullest extent permitted by applicable law, Limoneira Guarantor unconditionally waives any guarantor or suretyship defenses that might otherwise be available to Limoneira Guarantor. The obligations of Limoneira Guarantor under this Joinder are independent of the obligations of Limoneira under the Agreement and, in the event of any default hereunder, a separate action or actions may be brought and prosecuted against Limoneira Guarantor whether or not Limoneira Guarantor is the alter ego of Limoneira and whether or not Limoneira is joined therein or a separate action or actions are brought against Limoneira. The obligations of Limoneira Guarantor hereunder shall remain in full force and effect without regard to, and shall not be affected or impaired by, the following, any of which may be taken without the consent of, or notice to, Limoneira Guarantor, nor shall any of the following give Limoneira Guarantor any recourse or right of action against the Company, any Company Subsidiary, or Lewis: (a) any express or implied amendment, modification, renewal, addition, supplement, extension of the Guaranteed Obligations or the Agreement; (b) any exercise or non-exercise by the Company, any Company Subsidiary, or Lewis of any right or remedy under the Agreement or this Joinder of or available at law or in equity; (c) any Bankruptcy Event relating to Limoneira Guarantor or Limoneira, or any action taken with respect to the Company, any Company Subsidiary or this Joinder by any trustee or receiver, or by any court, in any such proceeding, whether or not Limoneira Guarantor shall have had notice or knowledge of any of the foregoing; (d) the occurrence of a Dissolution Event with respect to Limoneira Guarantor or Limoneira; (e) any release or discharge of Limoneira from its liability under the Guaranteed Obligations or any release or discharge of any other party at any time directly or contingently liable for the Guaranteed Obligations; (f) any limitation or exculpation of liability under the Agreement provided for Limoneira, Manager or any Affiliate, or any of their respective agents, officers, directors, managers, members, partners, shareholders and employees; (g) any subordination, compromise, release (by operation of law or otherwise), discharge, compound, collection, or liquidation of any or all of the Property, or any substitution with respect thereto; (h) any assignment or other transfer of any interest in the Company, in whole or in part; and (i) any acceptance of partial performance of the Guaranteed Obligations.

Limoneira Guarantor agrees to pay all costs and expenses, including reasonable attorneys' fees, which may be incurred by Lewis in any effort to collect or enforce any of the Guaranteed Obligations, whether or not any lawsuit is filed, including all costs and attorneys' fees incurred by Lewis as the prevailing party in any bankruptcy proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding). Such amounts shall bear interest until paid at the lesser of (i) 15% per annum compounded monthly (i.e., 1.0125% per month, compounded monthly), or (ii) the maximum rate allowed by law. Limoneira Guarantor shall not have the right to assign any of its rights or obligations under this Joinder. Notwithstanding the foregoing, in no event shall Limoneira Guarantor have any liability under this Joinder for any Excluded Liability.

The following Sections of the Agreement shall apply to this Joinder as though herein set forth in full, *mutatis mutandis* (and, without limitation on the foregoing, references to "the Members", "Limoneira" and "this Agreement" therein shall be deemed changed for this purpose to "the parties", "Limoneira Guarantor" and "this Joinder", respectively): 12.1 (with any notice to Guarantor to be sent to the address set forth for Limoneira in the Agreement), 12.3 through 12.7, 12.11, 12.12, 12.13, 12.16, 12.18, 12.20 and 12.23. Limoneira Guarantor acknowledges (a) that this Joinder involves at least One Hundred Thousand Dollars ($100,000), and (b) that this Joinder has been entered into and accepted in express reliance upon 6 Del. C. § 2708.

Limoneira Company,
a Delaware corporation

By: /s/ Joseph D. Rumley
Name: Joseph D. Rumley
Title: Chief Financial Officer

Exhibit 10.2

LEASE AGREEMENT

1. Parties. THIS LEASE AGREEMENT ("**Lease**") is made and entered into this 10th day of November, 2015 (the "**Effective Date**"), by and between Limoneira Lewis Community Builders, LLC, a Delaware limited liability company ("**Landlord**"), and Limoneira Company, a Delaware corporation ("**Tenant**") (collectively, the "**Parties**," or individually, a "**Party**").

2. Recitals.

2.1 Concurrently with the execution and delivery of this Lease, Tenant (or an Affiliate of Tenant) conveyed to Landlord the East Area 1 Real Property (inclusive of the Fire Station Lot) and the Mendez Real Property pursuant to that certain Contribution Agreement dated September 4, 2015 between Limoneira and Lewis (the "**Contribution Agreement**"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Contribution Agreement.

2.2 The East Area 1 Real Property includes the Retained Property as to which Landlord acquired only bare legal title, with Limoneira retaining both equitable title and the right to beneficial use. The East Area 1 Real Property, exclusive of the Retained Property, and the Mendez Real Property are collectively referred to in the Contribution Agreement as the "Project real Property" and referred to herein as the "**Landlord's Real Property**" which property is identified on the map attached hereto as Exhibit "A".

2.3 Landlord intends to develop Landlord's Real Property as a phased master-planned residential community in accordance with Project Entitlements as generally shown in Exhibit "B" attached hereto (the "**Project**"). The phases of the Project are referred to herein collectively as the "**Stages**" and each individually as a "**Stage**".

2.4 For a number of years Tenant and its predecessors conducted agricultural operations, including growing lemons, avocados, and other crops, on Landlord's Real Property. In addition to the agriculture operations, Tenant has also been conducting a grading operation (the " **Grading Operation**") on that certain portion of Landlord's Real Property identified on Exhibit "B" (the "**Grading Area**") pursuant to that certain Agreement captioned "Rough Grading Contract" (the "**Grading Contract**") dated November 7, 2013 by and between Limoneira EA1 Management LLC and MRC Rock & Sand LLC (the "**Grading Contractor**"), a copy of which is attached as Exhibit "D". There are also existing improvements to the Landlord's Real Property including certain houses (the "**Houses**") and interim soccer fields as described in the Soccer Fields Lease (the "**Interim Soccer Fields**"). Tenant now desires to lease Landlord's Real Property from Landlord and Landlord desires to lease Landlord's Real Property to Tenant, upon and subject to the terms and conditions hereinafter set forth, so that Tenant may continue its agricultural operations, the Grading Operations, and use of the Houses and Interim Soccer Fields (collectively the "**Permitted Uses**") until Landlord terminates the Lease in accordance with Sections 3.2 and 4.1 below.

3. Lease of Premises.

3.1 Premises Leased. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord Landlord's Real Property (the " **Premises**") to continue its agricultural operations and those other existing Permitted Uses, which shall be conducted in accordance with the same standards of care and quality as Tenant has utilized during it agricultural operations and such other existing uses prior to this Lease and is subject to the terms and conditions set forth herein including those limitations on use set forth in Section 6 below. For avoidance of doubt, the Premises includes the Houses and the Interim Soccer Fields. The parties hereby acknowledge since Limoneira retained equitable title to, and the exclusive beneficial use of, the Retained Property, the Retained Property is not included in the Premises.

3.2 Leasing Stages. Landlord shall provide Tenant with a minimum of one hundred eighty (180) days prior written notice before the commencement of the grading of each Stage (a "**Stage Termination Notice**") and upon receipt of each Stage Termination Notice, the Term of the Lease shall expire as to that Stage and Tenant shall vacate and surrender that Stage to Landlord in accordance with Section 10 below. Landlord hereby agrees, as each Stage is surrendered and continuing until the expiration or earlier termination of the Term as to the final Stage, it will continue to provide reasonable access (i) to all of the remainder of the Premises, and (ii) to the water system which serves the agricultural operations including the on-site recycling, collection basins and pumps (collectively the "**Water System**"). Subject to Landlord's relocation of water transmission piping at its cost so as to not interfere with the development of each Stage, the Water System existing on the Effective Date shall remain available to Tenant during the Term as reasonably necessary to conduct its agricultural operations on, and other uses of, the Premises but all costs to operate and maintain the Water System (except the aforementioned relocation costs) shall be the sole cost and expense of Tenant.

3.3 Landlord Disclaimer
. Landlord makes no representations or warranties to Tenant concerning the physical condition or repair of the Landlord's Real Property, the Houses, the Interim Soccer Fields, the Water System, or any improvements located on the Landlord's Real Property and disclaims all representations and warranties of any kind concerning the Premises, including merchantability and fitness for any purpose or intended use.

4. Term.

4.1 The term of this Lease (the "**Term**") shall commence on the Effective Date (the "**Commencement Date**"), and shall expire as to each Stage as set forth in Section 3 above and expire as to any portion of the Premises not previously the subject of a Stage Termination Notice on the earlier of (i) one hundred eighty (180) days after the delivery by Landlord of a final Stage Termination Notice covering all of the Premises for which the Term was not previously terminated under Section 3 above, or (ii) five (5) years after the Effective Date. Notwithstanding the foregoing to the contrary:

4.1.1 Upon not less than forty-five (45) days' written notice from Landlord to Tenant ("**Landlord's Modification Notice**"), Landlord may, in Landlord's sole and absolute discretion, modify the location, size, configuration and/or expiration date(s) with respect to any Stage or Stages or any portion or portions thereof, create new stages or consolidate any Stages. Landlord's Modification Notice shall set forth in reasonable detail the modifications made by Landlord and the Stage or Stages, or portions thereof, to which such modifications apply; and

4.1.2 Following written request by Tenant (the "**Tenant's Request Notice**"), Landlord may, in Landlord's sole and absolute discretion, elect to extend the expiration date of any Stage or Stages or any portion or portions thereof as provided herein below. Tenant's Request Notice shall identify the Stage or Stages or the applicable portion or portions thereof as to which Tenant desires the lease to continue beyond the scheduled expiration of the Term applicable thereto and the length of the requested extension period, and shall be delivered to Landlord, if at all, not less than ninety (90) days prior to the earliest then scheduled expiration date with respect thereto. In the event Landlord, in Landlord's sole and absolute discretion, elects to extend the expiration date with respect to all or any portion of the Premises identified in the Tenant's Request Notice, Landlord shall deliver written notice to Tenant (the "**Landlord's Extension Notice**") of such election within thirty (30) days of Landlord receipt of the Tenant's Request Notice; if Landlord does not deliver a Landlord's Election Notice within the time set forth herein, Tenant's Request Notice shall be deemed to have been disapproved. Landlord's Extension Notice shall identify the portion of the Premises identified in the Tenant's Request Notice that Tenant may continue to lease after the then scheduled expiration date and the revised expiration date therefore. Tenant's lease of such portion of the Premises identified in Landlord's Extension Notice shall be in accordance with and subject to terms and conditions of this Lease.

4.2 Notwithstanding the provisions of Section 4 or anything contained in this Lease to the contrary, Tenant may terminate this Lease with respect to all or any portion of the Premises (including portions of various Stages) at any time and from time to time by delivering to Landlord written notice of such termination. Said written notice shall identify the portion of the Premises as to which this Lease is to be terminated and the effective date of such termination and shall be delivered to Landlord not less than thirty (30) days prior to the proposed termination date.

5. Rent; Payments to Landlord.

5.1 Rent. Tenant shall pay to Landlord as base rental for the Premises One Dollar ($1.00) per year (the "**Base Rent**"). The Base Rent shall be due and payable annually in advance commencing on the Commencement Date and continuing thereafter on each anniversary of the Commencement Date. All amounts required to be paid by Tenant hereunder, including, but not limited to, insurance premiums, maintenance and repair costs, and utilities, shall be deemed to be rent for purposes of this Lease.

5.2 Payments to Landlord. Tenant shall pay any amount required to be paid by Tenant to Landlord in lawful money of the United States on or before the day on which it is due under the terms of this Lease. Charges for any period during the Term that are for less than one (1) full calendar month shall be prorated based upon the number of days of the calendar month involved; provided, however, that the Base Rent shall not be prorated. Payment of such amounts shall be made to Landlord at its address stated herein or to such other persons or at such other addresses as Landlord may from time to time designate in writing to Tenant.

6. Use. The Premises may be used for growing lemons, avocados, and any of those other crops listed on Exhibit "C" attached hereto and for purposes ancillary thereto. Tenant may also use or sublease the Houses and the Interim Soccer Fields and continue the Grading Operation; provided that (a) the Interim Soccer Fields may only be subleased to the City pursuant to a lease agreement in substantially the same form as the Soccer Field Lease and Tenant won't terminate said sublease, if any, without the consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed, (b) all subleases of the Houses shall be on Tenant's standard form, and shall be terminable on thirty (30) days' notice, and (c) the Grading Operations may only be conducted in accordance with the terms of the Grading Contract and only within the Grading Area. The Grading Contract shall not be modified or amended without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed, except that Landlord may withhold its consent to any modification or amendment to the Grading Contract that would lengthen the existing ninety (90) day termination right in its sole discretion. Provided that the Grading Contract has not been previously terminated by Tenant, the Landlord may, on ninety (90) days prior written notice to Tenant at any time during the Term, either (i) terminate such use or (ii) request that the Grading Contract be assigned to Landlord whereupon Tenant shall either complete that assignment or terminate the Grading Contact prior to the expiration of that 90 day period. Tenant shall require that the Grading Operations be conducted in accordance with all Applicable Laws. All insurance and indemnity provisions, if any, under the Soccer Field sublease, if any, and under any subleases of the Houses, if any (all of which subleases the parties agree will be on Tenant's standard form), shall include Landlord as an additional indemnitee and additional insured party. Except as to each Stage for which the Lease is terminated under Section 3 above, Tenant shall have access to and use of the Premises twenty-four (24) hours per day, seven (7) days per week for the entire Term.

7. Maintenance; Repairs; Ownership.

7.1 Maintenance and Repair. Subject to the provisions of Section 15 below, Tenant shall, at Tenant's sole cost and expense, and at all times, maintain the Premises in substantially the same good condition and repair as the Premises exist on the Commencement Date, ordinary wear and tear and damage from the elements or casualty excepted; provided, however, that Tenant shall not be required to make any capital expenditures except as Tenant deems necessary to maintain the Interim Soccer Fields, to maintain the Water System for its use during the Term or as required by all applicable laws for the habitability of any of the Houses that Tenant is using or subleasing for persons to reside in during the Term, and provided, further, that it is understood that Tenant will be winding down its agricultural operations on the Premises and shall be free to do so. Without limiting the terms of this Section 7.1, Tenant shall maintain in good, safe and habitable condition, and in accordance with all applicable building codes and other laws, any of the Houses that Tenant is using or subleasing for persons to reside in.

7.2 Alterations. Subject to Landlord's prior written approval therefor, not to be unreasonably withheld, delayed, or conditioned, Tenant shall have the right, at its sole cost and expense, to make reasonable alterations, additions and improvements to the Premises during the Term that are necessary for the agricultural operations or the use of the Houses or the Interim Soccer Fields (collectively, "**Alterations**") and that do not materially or adversely affect the Project. For purposes of this Lease, activities related to the conduct of Tenant's agricultural operations on the Premises including planting, growing, picking and harvesting of crops, and installation and modification of irrigation systems, shall not be deemed to be "Alterations" so long as they are non-structural in nature. Any Alterations shall be performed in a workmanlike manner in accordance with all applicable Laws with good and sufficient materials. Unless otherwise expressly required in writing by Landlord, at the time it approves the Alterations, Tenant shall not be required to remove any Alterations.

7.3 Payment for Labor and Materials. Tenant shall pay when due all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use on the Premises, which claims are or may be secured by any mechanics' or materialmen's lien against the Premises or any interest therein. Tenant shall give Landlord not less than ten (10) days written notice prior to the commencement of any Alterations work on the Premises and Landlord shall have the right to post notices of non-responsibility. If Tenant shall contest the validity of any such lien, claim or demand then Tenant shall, at its sole expense, take the actions set forth in Section 7.4 and defend and protect itself, Landlord and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof.

7.4 Notice of Liens. If Tenant receives notice of any claim of lien filed against the Premises or of any action affecting the title to such property as a result of work performed by or on behalf of Tenant, or related to any of the other Permitted Uses, Tenant shall promptly give Landlord written notice thereof. If a lien is recorded against the Premises as a result of work performed by or on behalf of Tenant, Tenant shall have thirty (30) days following the date of recordation of such lien in which to cause the lien to be removed or bonded pursuant to statute. If Tenant fails to remove such lien within such thirty (30) day period, in addition to Landlord's other rights and remedies, Landlord may (but shall not be so required to) pay the claim. The amount so paid, together with interest at the rate set forth in Section 19 and reasonable attorneys' fees, costs and expenses incurred in connection therewith, shall be due and owing from Tenant to Landlord within thirty (30) days after receipt of invoice and substantiating documentation.

8. Compliance with Law. During the Term, Tenant shall, at its sole cost and expense, comply with all local, state and federal ordinances, statutes, laws, regulations, orders and other requirements ("**Law**") now in force and which may hereafter be enacted with respect to Tenant's use of the Premises, including in connection with its agricultural business, the Grading Operations, use of the Interim Soccer Fields, or its use of the Water System or the Houses, or with respect to any Alterations made by or for Tenant on the Premises. Tenant shall not be required to remediate any Hazardous Materials that are situated on the Premises on the Commencement Date (except to the extent, if any, required by the Contribution Agreement), or which may migrate onto or under the Premises during the Term from sources other than Tenant and Tenant shall not use or release any Hazardous Materials on the Premises except for its use of those Hazardous Materials listed in Schedule 8 attached hereto in a manner that is customary in connection with its agricultural operations, provided such use shall be in strict accordance with all Environmental Laws and at levels and concentrations that do not exceed the levels set forth on Schedule 8.

9. Removal of Improvements and Personal Property Located on Premises. Upon expiration or earlier termination of this Lease with respect to the Premises or any portion or Stage thereof Tenant shall have the right, but not the obligation (except as otherwise provided in Section 7.2 above), to remove any personal property owned by it or any Alterations from the Premises, and ownership of any Alterations or personal property that is not so removed shall automatically pass to Landlord. Notwithstanding anything to the contrary in this Section 9, any personal property that contains Hazardous Materials shall be removed by Tenant at its sole cost from each Stage prior to the expiration date for each Stage.

10. Surrender of Premises. Upon expiration or earlier termination of the Term with respect to the Premises or any portion or Stage thereof, Tenant shall vacate and surrender possession thereof, including the Houses and the Interim Soccer Fields located therein, if any, in its then present as-is condition, subject to Tenant's right set forth in Section 7.2 to remove Alterations and personal property. As part of its surrender of the Premises, Tenant shall remove all residents or trespassers that were living on any of the Houses located within that Stage of the Premises for which the term has expired or been terminated at its sole cost and expense.

11. Insurance.

11.1 Liability Insurance.

11.1.1 Carried by Tenant. Tenant shall obtain and keep in force during the Term the insurance set forth on Schedule 11.1.1 attached hereto. The Commercial General Liability policy of insurance shall protect Tenant against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the use, occupancy or maintenance of the Premises. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than One Million Dollars ($1,000,000) per occurrence and Three Million Dollars ($3,000,000) in the aggregate with an "Additional Insured-Managers or Landlords of Premises" Endorsement. The commercial general liability policy shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Tenant's indemnity obligations under this Lease. All insurance to be carried by Tenant shall be primary to and not contributory with any similar insurance carried by Landlord, whose insurance shall be considered excess insurance only. Landlord and Landlord's lender, if any, shall be named as additional insureds in the policies required in this Section 11.1.1.

11.1.2 Carried by Landlord. Except as otherwise provided in the Company LLC Agreement, Landlord may maintain any liability insurance or no liability insurance as Landlord may elect in its sole discretion.

11.2 Insurance Policies. Insurance required hereunder shall be in companies duly licensed to transact business in California, and maintaining during the policy term a General Policyholders Rating of at least A-VII, as set forth in the most current issue of "Best's Insurance Guide." Tenant shall not do or permit anything to be done that will invalidate the insurance policies referred to in this Section 11. Tenant shall cause to be delivered to Landlord certificates evidencing the existence and amounts of such insurance with the insureds and loss payable clauses as required by this Lease. Such policy shall include a provision that the issuer thereof shall endeavor to give Landlord at least ten (10) days' prior written notice of any cancellation of such policy. If Tenant shall fail to procure and maintain the insurance required to be carried by the Insuring Party under this Section 11, Landlord may, but shall not be required to, procure and maintain the same, at Tenant's expense, which amount shall be payable by Tenant to Landlord within thirty (30) days after demand.

12. Real Property Taxes .

12.1 Payment of Taxes. Landlord shall pay all Real Property Taxes, as defined in Section 12.2, applicable to the Premises during the entire Term of this Lease.

12.2 Definition of Real Property Taxes. The term "**Real Property Taxes**" means any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed upon the Premises by any authority having the direct or indirect power to tax, including any city, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, levied against any legal or equitable interest of Landlord in the Premises or in the Landlord's Real Property, Landlord's right to rent or other income therefrom, and/or Landlord's business of leasing the Premises.

13. Personal Property Taxes. Tenant shall pay prior to delinquency all taxes assessed against and levied upon Tenant's personal property on the Premises. When possible, Tenant shall cause Tenant's personal property to be assessed and billed separately from the Landlord's Real Property. If any of Tenant's personal property shall be assessed with the Landlord's Real Property, Tenant shall pay Landlord the taxes attributable to Tenant within ten (10) days after receipt of a written statement setting forth in particularity the taxes applicable to Tenant's personal property.

14. Utilities and Water. Tenant shall obtain and pay directly to the provider thereof, at Tenant's sole cost during the Term, all sewer, electrical, water, telephone, and other utilities supplied to the Premises. Tenant shall pay for its trash disposal with respect to the Premises.

15. Damage and Destruction. In the event of damage or destruction to all or any portion of the Premises, whether or not such damage is material, and whether or not such damage is insured, neither Landlord nor Tenant shall have any obligation to repair or restore such affected portion of the Premises; provided, however, Landlord and Tenant shall each have the right to make such repairs as they deem necessary or desirable. This Section shall not apply to (a) damage resulting from any breach of this Lease by Tenant, from any violation by, or with the permission of, Tenant of any of the Environmental Laws or any damage caused by the gross negligence or willful misconduct of Tenant (other than damage to, or destruction of, the Houses, as which Tenant shall have no repair or restoration obligation), or (b) damage resulting from a breach of this Lease by Landlord, from any violation by, or with the permission of, Landlord of any Environmental Laws or any damage caused by the gross negligence or willful misconduct of Landlord.

16. Default; Breach; Remedies.

16.1 Default; Breach. A "**Default**" means a failure by Tenant to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to Tenant under this Lease. A " **Breach**" means the occurrence of any one or more of the following Defaults, and, where a grace period for cure after notice is specified herein, the failure by Tenant to cure such Default prior to the expiration of the applicable grace period:

16.1.1 The failure by Tenant to make any monetary payment required to be made by Tenant hereunder, where such failure continues for a period of five (5) days following written notice thereof.

16.1.2 Except as provided in Section 24 below, a Default by Tenant other than a Default described in Section 16.1.1 above, where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this Lease by Tenant if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

16.1.3 The occurrence of any of the following events: (i) The making by Tenant of any general arrangement or assignment for the benefit of creditors; (ii) Tenant's becoming a "debtor" as defined in 11 U.S.C. §101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this Section 16.1.3 is contrary to any applicable Law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

16.2 Remedies. If there exists a non-monetary Breach, Landlord may at its option (but without obligation to do so), cure such Breach on Tenant's behalf. The reasonable third-party out-of-pocket costs of any such performance by Landlord shall be due and payable by Tenant to Landlord within thirty (30) days after receipt by Tenant of an invoice therefor, together with documentation supporting the amount thereunder reasonably satisfactory to Tenant and such amount shall accrue interest at ten percent (10%) per annum compounded monthly until paid. In the event of a Breach, with or without further notice or demand, and without limiting Landlord in the exercise of any right or remedy that Landlord may have by reason of such Breach, Landlord may do any of the following:

16.2.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the Term shall terminate and Tenant shall immediately vacate and surrender possession of the Premises to Landlord. In such event Landlord shall be obligated to mitigate its damages, and shall be entitled to recover from Tenant such sums as are permitted by applicable Law.

16.2.2 Pursue any other remedy now or hereafter available to Landlord at law or in equity.

16.3 Breach by Landlord. Landlord shall not be deemed in breach or default of this Lease unless Landlord has received notice from Tenant of such breach or default and Landlord fails to cure such breach or default within a reasonable time thereafter. For purposes of this Section 16.3, except in the case of emergencies, a reasonable time shall be deemed to be thirty (30) days after receipt by Landlord of written notice specifying the obligation of Landlord that has not been performed; provided, however, that if the nature of Landlord's breach or default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a breach or default of this Lease by Landlord if Landlord commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

17. Subordination and Non-Disturbance.

17.1 Tenant shall, within fifteen (15) Business Days after written request by Landlord, execute all documents reasonably required by a Mortgagee to subordinate its rights under this Lease to the lien of any mortgage, under a deed of trust, or other lien now or hereafter placed on the Premises, and to any renewals, modifications, refinancings and extensions thereof (collectively "**Mortgage**" and the party having the benefit of a Mortgage being referred to as a "**Mortgagee**"); provided, however, that Tenant shall not be required to subordinate its rights under this Lease, unless Landlord delivers to Tenant, a recordable, commercially reasonable form of non-disturbance agreement executed by the Mortgagee, which in all events shall include provisions to the effect that (i) so long as there is not a continuing Breach under this Lease, Tenant's rights to possession and the other terms of this Lease shall be undisturbed and remain in full force and effect (ii) Tenant shall not be named as a defendant in any foreclosure action or proceeding that may be instituted by the Mortgagee; (iii) if the Mortgagee or other purchaser acquires title to the Premises through foreclosure or otherwise, this Lease shall continue in full force and effect as a direct lease between Tenant and the purchaser, and the purchaser shall assume and perform all of the terms and covenants of this Lease for the period from and after the date it acquires title; and (iv) such other customary and commercially reasonable covenants requested by Tenant.

17.2 Attornment by Tenant. If the Mortgage or other purchaser acquires title to the Premises through foreclosure, deed in lieu of foreclosure, or otherwise, Tenant shall attorn to the purchaser or transferee upon any such foreclosure or other transfer and recognize such Mortgagee or other purchaser as Landlord under this Lease.

17.3 Estoppel Certificate. Each Party (as "**Responding Party**") shall, within ten (10) days after written notice from the other Party (the "**Requesting Party**"), execute and deliver to the Requesting Party a commercially reasonable estoppel certificate in favor of those third parties as are reasonably requested by the Requesting Party. Such certificate shall provide for the other Party to certify this Lease is unmodified and in full force and effect (or if there have been modifications, the same is in full force and effect as so modified), whether to the Requesting Party's actual knowledge Landlord or Tenant, as the case may be, is in default or breach hereunder, and such other factual matters reasonably requested by the Requesting Party that cannot be determined by reviewing this Lease.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Interest on Past-Due Obligations. Any monetary payment due Landlord hereunder and not received by Landlord within ten (10) days following Tenant's receipt of written notice of such delinquency shall bear interest from the eleventh (11th) day after such notice at the rate of ten percent (10%) per annum, compounded monthly, but not exceeding the maximum rate allowed by Law.

20. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

21. No Prior or Other Agreements. This Lease contains all agreements between the Parties with respect to the occupancy of the Premises by Tenant, all prior agreements among the Parties with respect to the subject matter of this Lease, whether oral or written, are merged herein and shall be of no force or effect.

22. Notices. Any notice, demand, request or communication required or permitted to be given by any provision of this Lease shall be in writing and shall be delivered personally to the Party to whom the same is directed, sent by registered or certified mail, return receipt requested, or sent by Federal Express or any other courier service guaranteeing overnight delivery, addressed to any Party at the address appearing below such Party's name on the signature page to this Lease or by electronic transmission to the electronic mail address set below such Party's name on the signature page to this Lease (followed by notice by mail sent in the manner described above, or by Federal Express or other courier service), or to such other address as each Party may from time to time specify by notice in accordance with this Section 22. Any such notice shall be deemed to have been delivered, given, and received for all purposes as of the date so delivered, at the applicable address, provided that notices received on a day that is not a business day, or after 5:00 p.m. (at the location to which delivery is to be made) on a business day shall be deemed received on the next business day. The inability to deliver a notice because of a changed address of which no notice was given or an inoperative facsimile number for which no notice was given of a substitute number, or any rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any Party hereto may be given by legal counsel for such Party.

23. Waivers. One or more waivers by Landlord or Tenant of any breach or default of any term, covenant or condition contained in this Lease shall not be a waiver of any subsequent breach or default of the same or any other term, covenant or condition.

24. Holdover. If Tenant holds over on any Stage after the scheduled expiration date of such Stage (as the same may be extended pursuant to Section 4.1 above) or at the expiration of the Term, then notwithstanding the provisions of Section 16.1.2 above, Tenant shall be in Breach (without any notice thereof or opportunity to cure).

25. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

26. Binding Effect; Choice of Law. This Lease shall be binding upon and inure to the benefit of the Parties, and their respective legal representatives, successors, transferees and assigns and be governed by the laws of California.

27. Legal and Other Costs. If any Party obtains a judgment against any other Party in connection with a dispute with regard to this Lease Agreement, such Party shall be entitled to recover from the non-prevailing Party its court costs, costs of collection and reasonable attorneys' fees and disbursements incurred in connection therewith and in any appeal or enforcement proceeding thereafter, in addition to all other recoverable costs. The provisions of this Section 27 shall survive any termination of this Agreement.

28. Landlord's Access; Showing Premises. It is anticipated that during the Term, Landlord will be planning for the development of its Project on the Landlord's Real Property in accordance with Project Entitlements. Tenant hereby grants to Landlord and Landlord's agents, employees, contractors and consultants access to the Premises twenty-four (24) hours per day, seven (7) days per week for the entire Term provided any such access other than during normal business hours shall be subject to a minimum of twenty-four (24) hours prior written notice to Tenant. Any such access by Landlord shall be for the purpose of preparing for development of the Project (which shall not be deemed to include any construction activities thereon) and such other purposes as Landlord shall desire, including showing the same to prospective lenders or purchasers or to Landlord's contractors, architects or other agents in connection with Landlord's proposed development of Landlord's Real Property, providing such activities of Landlord do not unreasonably interfere with the Tenant operations on the Premises. Landlord and Landlord's agents shall also have the right to enter the Premises at any time, in the case of an emergency.

29. Termination; Merger. Unless specifically stated otherwise in writing by Landlord, the voluntary or other surrender of this Lease by Tenant, the mutual termination or cancellation hereof, or a termination hereof by Tenant pursuant to Section 4.1 above or by Landlord for Breach by Tenant, shall automatically terminate any sublease or lesser estate in the Premises.

30. Consents. Except as otherwise expressly provided in this Lease, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld, conditioned or delayed.

31. Quiet Possession. Upon observance and performance of all of the covenants, conditions and provisions on Tenant's part to be observed and performed under this Lease, Tenant shall have quiet possession of the Premises for the entire Term hereof, subject to all of the provisions of this Lease.

32. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay under the provisions of this Lease, plus interest at the maximum rate allowable by Law.

33. Authority. If either Party hereto is a corporation, limited liability company or partnership, then such Party represents and warrants that the person or persons executing this Lease on its behalf is duly authorized to execute and deliver this Lease and that this Lease is binding upon the corporation, limited liability company or partnership.

34. Contingency. This Lease is contingent upon occurrence of the Closing and shall be null and void and of no force and effect unless the Closing occurs.

35. Exhibits. The exhibits attached to this Lease are hereby incorporated herein by this reference.

36. Counterpart Execution; Facsimile Signatures. This Lease may be executed in any number of counterparts, each of which may be executed by less than all of the Parties, each of which shall be enforceable against the Parties actually executing such counterparts, and all of which together shall constitute one and the same agreement. Executed copies of the signature pages of this Lease sent by facsimile or transmitted electronically shall be treated as originals, fully binding and with full legal force and effect, and the Parties waive any rights they may have to object to such treatment.

37. Amendments. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification.

38. Indemnification.

38.1 Tenant Indemnity. To the fullest extent permitted by Law, Tenant shall indemnify, defend and hold harmless Landlord and its agents, lenders, predecessors, successors, Affiliates and their respective partners, employees, Affiliates and agents (collectively, the " **Landlord Parties**") from and against any and all losses, claims, demands, liabilities, actions, penalties, judgments, damages, costs and expenses, including without limitation court costs and reasonable attorneys' fees (individually, a " **Claim**" and collectively, "**Claims**") caused by, a Breach or Default or from the negligence or willful misconduct of Tenant or any other "Tenant Parties" (as defined below) or from the acts or omissions of the Grading Contractor or otherwise in connection with the Grading Contract. Notwithstanding the foregoing, Tenant shall not be obligated to indemnify Landlord for any Claim to the extent such Claim is caused by, arises out of, or results from (i) the negligence or willful misconduct of Landlord or any of the other Landlord Parties or (ii) a breach or default of this Lease by Landlord.

38.2 Landlord Indemnity. To the fullest extent permitted by Law, Landlord shall indemnify, defend and hold harmless Tenant, and its agents, lenders, predecessors, successors and Affiliates, and their respective partners, employees, Affiliates and agents (collectively, the " **Tenant Parties**") from and against any and all Claims caused by Landlord's breach or default of its obligations under this Lease or from the negligence or willful misconduct of Landlord or any Landlord Parties. Notwithstanding the foregoing, Landlord shall not be required to indemnify Tenant against any Claim to the extent such Claim is caused by, arises out of, or results from (i) the negligence or willful misconduct of Tenant or any other Tenant Parties, or (ii) a Breach or Default of this Lease by Tenant.

38.3 General. This Section 38 is not intended and shall not relieve any insurance carrier of its obligations under policies covered or required to be carried pursuant to the provisions of this Lease. The provisions of Section 38 shall survive the expiration or sooner termination of this Lease with respect to any Stage as to any Claims occurring prior to such expiration or termination.

39. Transfers. Tenant shall not, without the prior written consent of the Landlord which consent may be withheld by Landlord in Landlord's sole discretion, assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, or sublet the Premises or any part thereof, except as otherwise expressly provided herein with respect to the Houses and the Soccer Fields.

40. Waiver of Consequential Damages. Notwithstanding anything to the contrary contained in this Lease, neither Landlord nor Tenant shall be liable under any circumstances for, and each hereby releases the other from all liability for, any form of special or consequential damages however occurring, including, but not limited to, loss of profits, loss of business opportunity, loss of goodwill or loss of use, except that this sentence shall not limit the indemnification obligations of either Party under this Lease with respect to third-party claims.

[SIGNATURE PAGES BEGIN ON FOLLOWING]

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

LANDLORD:

Limoneira Lewis Community Builders, LLC,
a Delaware limited liability company

By: Limoneira EA 1 Land, LLC,
a Delaware limited liability company,
its sole Member

By: Limoneira Company,
a Delaware corporation,
its sole Member

By: /s/ Harold S. Edwards
Name: Harold S. Edwards
Its: Chief Executive Officer

Notice Address:

Limoneira Lewis Community Builders, LLC
1156 N. Mountain Avenue
Upland, California 91786
Attention: John M. Goodman

TENANT:

Limoneira Company,
a Delaware corporation

By: /s/ Joseph D. Rumley
Name: Joseph D. Rumley
Title: Chief Financial Officer

Notice Address:

1141 Cummings Road
Santa Paula, California 93068
Attention: Mr. Harold Edwards
Email: hedwards@limoneira.com

RETAINED PROPERTY DEVELOPMENT AGREEMENT

This Retained Property Development Agreement ("Agreement") is entered into as of November 10, 2015, and is between LIMONEIRA COMPANY, a Delaware corporation ("LIMCO"), and LIMONEIRA LEWIS COMMUNITY BUILDERS, LLC, a Delaware limited liability company ("Company").

RECITALS

LIMCO and Lewis Santa Paula Member, LLC, a Delaware limited liability company ("Lewis"), are parties to a Contribution Agreement dated as of September 4, 2015 (as it may be amended, the "Contribution Agreement"), pursuant to which LIMCO will contribute to Company the property described in Exhibit A (the "Project Real Property") which will be developed by the Company into a master-planned residential community (the "Project") in accordance with the EA1 Specific Plan, inclusive of all amendments thereto, and all of the other Entitlements for the Project. Capitalized terms used but not defined in this Agreement will have the meanings given to those terms in that certain Amended and Restated Limited Liability Company Agreement of the Company (the "Company LLC Agreement") between Limoneira EA1 Land, LLC ("Limoneira") and Lewis, including Schedule 6.2 of the Company LLC Agreement.

As a condition to contributing the East Area 1 Property, LIMCO is requiring that Company (a) arrange for the Project Real Property to be subdivided to make the parcel depicted on Exhibit B (the "Retained Property") a legal parcel, (b) transfer the Retained Property back to LIMCO or its designee, and (c) arrange for the design and construction of certain improvements to the Retained Property as part of Company's improvement and development of the Project, subject to certain reimbursements by LIMCO of (i) the Retained Property's fair share of the overall cost of the Project's backbone improvements and certain other overall Project costs as set forth in this Agreement, and (ii) the fair share of certain of the overall cost of the Project's water and sewer backbone improvements and certain other overall Project costs as set forth in this Agreement allocated to that other parcel depicted on Exhibit B-1 owned by LIMCO and referred to herein as the "EA2 Property". Company is willing to undertake these obligations, subject to the terms and conditions of this Agreement.

LIMCO and Company wish to define their mutual rights and obligations with respect to the arrangements in the immediately preceding paragraph and other associated arrangements provided in this Agreement.

The Parties consequently agree as follows:

ARTICLE 1
DEFINITIONS

1.1 CERTAIN DEFINITIONS. For purposes of this Agreement, the following definitions apply.

"Additional Permitted Exceptions" is defined in Section 2.3.2.

"Business Day" has the meaning given to this term in the Contribution Agreement.

"Closing Date" has the meaning given to this term in the Contribution Agreement.

"Consultant" means each engineer, architect, or other consultant Company engages directly to design, engineering, or similar services for any portion of the Superpad Project.

"Contractor" means each contractor Company engages directly to perform any portion of the Superpad Work.

"Cure Period" means, with respect to a Defaulting Party, a period of 30 calendar days after the Defaulting Party receives written notice of its default from the Non-Defaulting Party, except if the breach can be cured but cannot reasonably be cured within such 30 day period, then the period will continue, if the Defaulting Party commences to cure the breach within such 30 day period, for so long as the Defaulting Party diligently prosecutes the cure to completion, up to 60 calendar days.

"Defaulting Party" is defined in Section 4.1.

"EA2 Reimbursement" means the payment required by LIMCO to Company in accordance with Section 3.4 below.

"Environmental Laws" has the meaning given to this term in the Contribution Agreement.

"Force Majeure" means causes beyond the reasonable control of the Party claiming the benefit of the Force Majeure (and in the case of Company, beyond the reasonable control of its Manager, Manager Affiliate, Consultants and Contractors), including war or national defense preemptions, national emergency, acts of terrorism, riot or civil commotion, fire or casualty, acts of God, unforeseeable changes in Applicable Laws, and unusual delays or unreasonable refusals by governmental entities in issuing permits or approvals required by Applicable Laws. Force Majeure does not include financial difficulties of the Party claiming the benefit of Force Majeure excepting any failure by Limoneira to make all of its required Capital Contributions or Member Loans under the Company LLC Agreement which shall be a Force Majeure event.

"Government Agreements" has the meaning given to this term in the Contribution Agreement.

"Lewis" is defined in the Recitals to this Agreement.

"Lien" means any mechanics' or materialmen's lien, or stop payment notice, and all other liens, legal or equitable.

"Non-Defaulting Party" is defined in Section 4.1.

"Party" means LIMCO and/or Company, as the context may dictate.

"Superpad Plans" means all Plans that include any portion of the Superpad Project and which may include portions of the Project in addition to the Superpad Project.

"Person" (and "person") means any natural person and any type of public or private entity.

"Pre-Closing Agreements" has the meaning given to this term in the Contribution Agreement.

"Property" means the Project Real Property.

"Reconveyance" is defined in Section 2.2.1.

"Reconveyance Closing Date" is defined in Section 2.3.

"Reconveyance Escrow Instructions" is defined in Section 2.3.1.

"Retained Property Reimbursement" means the payment required by LIMCO to Company in accordance with Section 3.4 below.

"Retained Property Deed" is defined in Section 2.3.1.

"Subdivision Map" means the Conveyance Map as defined in the Contribution Agreement.

"Superpad Agreement" means each agreement between Company and a Consultant or Contractor that includes services or work for the Superpad Project, as it may be amended from time to time. The Superpad Agreements may include services and work for the Property in addition to the Retained Property.

"Superpad Improvements" means the improvements required in order to satisfy the requirements of Exhibit E.

"Superpad Project" means the development of the Superpad Plans and the performance of the Superpad Work as contemplated in this Agreement. This term includes both the process of carrying out this project, as well as the materials, equipment, and other work-products that constitute the end-product, whether any of the foregoing are completed or partially completed.

"Superpad Work" means all the physical construction of the Superpad Improvements performed on or about the Retained Property by or on behalf of any Contractor in connection with the work contemplated in the Superpad Plans, and any materials and equipment supplied or installed at the Retained Property by or on behalf of any Contractor in connection with such work.

"Title Company" has the meaning given to this term in the Contribution Agreement.

ARTICLE 2
SUBDIVISION AND RECONVEYANCE OF RETAINED PROPERTY

2.1 SUBDIVISION. Company shall use its commercially reasonable efforts to prepare the Subdivision Map in accordance with Section 3.3 of the Contribution Agreement and the Approved Business Plan. The Parties shall cooperate to include in the Subdivision Map any easements requested pursuant to Section 5.1. After obtaining LIMCO's approval over the Subdivision Map insofar as it pertains to the Retained Property, such approval not to be unreasonably withheld, Company shall use its commercially reasonable efforts to cause the Subdivision Map to be approved by relevant governmental authorities and recorded in accordance with Applicable Laws, Section 3.3 of the Contribution Agreement and the Approved Business Plan (the accomplishment of the requirements in this sentence, the "Subdivision"). Company shall use its commercially reasonable efforts to record the Subdivision Map within 12 months after the Closing Date (subject to extensions due to Force Majeure as provided in Section 5.5.2). Company is responsible for paying all costs associated with the Subdivision Map subject to the Retained Property Reimbursement.

2.2 ARRANGEMENTS PENDING TRANSFER OF RETAINED PROPERTY.

2.2.1 ***Holding of Retained Property.*** Pending the reconveyance of the Retained Property to LIMCO or its designee (the "Reconveyance"), Company shall hold the Retained Property in trust for the benefit of LIMCO, and at all times subject to (a) the obligation hereunder to reconvey the Retained Property to LIMCO or its designee free and clear of any and all encumbrances Company may have placed on the Retained Property, including any liens of any deeds of trust, other than Additional Permitted Exceptions, and (b) the restrictions on Company's use and enjoyment of the Retained Property, as described in this Section 2.2. Without limitation, Company shall not obtain any Project Loan (as defined in the Company LLC Agreement) before the Reconveyance.

2.2.2 ***LIMCO's Rights to Retained Property.*** Until the Reconveyance, LIMCO retains the exclusive rights to use and occupy the Retained Property, and Company has no rights to any income generated by the Retained Property or to develop, improve (except as otherwise contemplated by this Agreement or the Company LLC Agreement), sell, assign, lease or transfer (other than to LIMCO as required herein), encumber or pledge all or any portion of the Retained Property at any time. LIMCO acknowledges that it will have sole and exclusive possession of the Property under the Lease Agreement and of the Retained Property so Company shall have no liability or responsibility for any damage to or change in the physical condition of the Retained Property prior to the Reconveyance and LIMCO shall take all actions it deems necessary to secure the Retained Property until the Reconveyance at its sole cost and expense.

2.2.3 ***Costs Relating to Retained Property Before Reconveyance.*** Until the Retained Property is reconveyed to LIMCO or its designee, LIMCO is responsible for all real estate taxes, personal property taxes and assessments that may be levied or assessed against the Retained Property, and for costs for insurance and maintenance and repairs of the Retained Property (to the extent such maintenance and repair is not required as a result of any acts or omissions of Company in breach of this Agreement). In cases where Company pays these costs initially, LIMCO shall reimburse Company for these costs as provided in Section 3.4.1.

2.3 RECONVEYANCE OF RETAINED PROPERTY TO LIMCO. Concurrent with or immediately preceding the Subdivision, Company shall reconvey bare legal title to the Retained Property to LIMCO or its designee without any payment or other consideration on the terms set forth herein (such reconveyance, the "Reconveyance", and the date on which the Reconveyance is effected, the "Reconveyance Closing Date").

2.3.1 ***Reconveyance Escrow.*** The reconveyance will be accomplished pursuant to escrow instructions among Company, LIMCO and Title Company substantially in the form attached as Exhibit C (the "Reconveyance Escrow Instructions"), which Company and LIMCO shall execute and deliver concurrently herewith. Company and LIMCO or its designee shall execute such additional and supplementary escrow instructions as may be appropriate to enable Title Company to comply with the terms of this Agreement, except that in the event of a conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement will control. Within three (3) Business Days after recordation of the Subdivision Map Company shall execute and deliver to Title Company pursuant to the Reconveyance Escrow Instructions, a grant deed in the form attached as Exhibit D (the "Retained Property Deed").

2.3.2 ***Condition of Title to the Retained Property on Reconveyance.*** Except for the Superpad Project and agreements entered into in connection therewith or in connection with the Subdivision or the Project or the Entitlements, Company shall reconvey the Retained Property to LIMCO or its designee with title in the same condition as set forth on that certain Title Report attached hereto as Exhibit F, subject only to the following additional title exceptions (collectively, "Additional Permitted Exceptions"): (i) non-monetary covenants, conditions, restrictions, easements, reservations, rights and rights of way of record placed on the Retained Property as a result of the Subdivision or the Project (as approved by the Executive Committee of the Company); (ii) non-delinquent general, special and supplemental real property taxes and assessments; and (iii) title exceptions created by or through any act or omission, or with the written consent, of LIMCO or its Affiliates (including Limoneira) or agents (other than Company). Company shall remove (a) all Liens, if any, attributable to the acts of Company, Lewis or its Affiliates, Manager or any Manager Affiliate (other than Liens attributable to any acts of Limoneira or its Affiliates including the failure of Limoneira to make any of its Capital Contributions required under the Company LLC Agreement) and (b) any other title exceptions, other than any Additional Permitted Exceptions, which would have a material adverse effect on the value or anticipated use of the Retained Property or obtain from Title Company an endorsement to the Title Policy at the Reconveyance Date affirmatively insuring against such Liens and other title exceptions in a form reasonably acceptable to LIMCO at Company's sole expense prior to the Reconveyance.

EXCEPT AS SET FORTH IN THE CONTRIBUTION AGREEMENT OR IN THE RETAINED PROPERTY DEED, THE TRANSFER OF THE RETAINED PROPERTY HEREUNDER IS AND WILL BE MADE ON AN "AS IS, WHERE IS" BASIS. COMPANY HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY OR ANY OTHER MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, AS TO THE AREA OF THE LAND.

2.3.3 ***Closing Costs.*** LIMCO shall pay (a) any escrow charges and other escrow-related costs in connection with the Reconveyance, (b) title insurance costs for the Retained Property Title Policy (as defined below), (c) state, county and city transfer taxes payable in connection with the Reconveyance, and (d) property taxes applicable to the Retained Property, to the extent they have been paid by Company and not previously reimbursed pursuant to Section 3.4.1.

2.3.4 ***Title Policy.*** LIMCO or its designee will be entitled to receive, at its sole cost and expense, an owner's policy of title insurance substantially in the form issued to the Company for the Property on the Closing Date but insuring just the Retained Property modified to include the Additional Permitted Exceptions, in an amount equal to the fair market value of the Retained Property as determined by LIMCO (the "Retained Property Title Policy"), except that delivery of the Retained Property Title Policy will not be a condition to Company's obligation to reconvey the Retained Property to LIMCO or its designee as provided herein.

ARTICLE 3
DEVELOPMENT OF RETAINED PROPERTY

3.1 CONSULTANTS AND CONTRACTORS.

3.1.1 ***Superpad Agreements.*** Company shall engage Consultants and Contractors to design and develop the Project, including the Superpad Project, in accordance with the Company Agreement, the Approved Business Plan and the Approved Budget. Such engagement shall be direct, in Company's individual capacity, and not as LIMCO's agent. In engaging such Consultants and Contractors, Company shall comply with the requirements of the Company LLC Agreement with respect to "Approved Contracts" as defined in Schedule 6.2 of the Company LLC Agreement. Additionally, Company shall in each Superpad Agreement require the Consultant or Contractor to, and require its subconsultants or subcontractors to, (a) include LIMCO as an additional insured with respect to such party's general liability insurance policies, on a primary and non-contributing basis, (b) include LIMCO as an indemnitee in any indemnity provisions in the agreement, (c) include LIMCO as a party to any warranties under the Superpad Agreement and otherwise permit Company to assign the correction and warranty obligations of Contractor and its subcontractors with respect to the Superpad Work to LIMCO on a non-exclusive basis, and (d) designate LIMCO as a third-party beneficiary of the Superpad Agreement, insofar as the Superpad Agreement pertains to the Superpad Project.

3.1.2 ***Compliance with Applicable Laws.*** Company shall comply, and shall require its Consultants and Contractors and their subconsultants and subcontractors to comply, with Applicable Laws in connection with the Superpad Plans and Superpad Work.

3.2 ARRANGEMENTS REGARDING SUPERPAD PLANS.

3.2.1 ***Development of Superpad Plans.*** Company shall require Consultants to prepare the Superpad Plans, proceeding through schematic design, design development, and construction documents phases. Company shall upon request permit LIMCO to review the Superpad Plans for the rough grading work on the Retained Property (the "Superpad Grading Plans") as they are developed, and shall obtain LIMCO's consent to its proposed final version of the Superpad Grading Plans before submitting them to governmental entities for a grading permit, which consent shall not be unreasonably withheld, delayed or conditioned and shall be deemed given if written notice of disapproval is not delivered to Company stating the changes to the Superpad Grading Plans required for LIMCO's consent within ten (10) business days after its receipt of the Superpad Grading Plans.

3.2.2 ***Revisions to Superpad Plans.*** Once the final Superpad Plans are approved by the City, Company shall not make, or permit Consultants or Contractors to make, any revision to the Superpad Plans that will cause the Superpad Work to deviate in any material manner from any specifications or requirements in Exhibit E (including arrangements agreed by LIMCO pursuant to Exhibit E) without LIMCO's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned and shall be deemed given if written notice of disapproval is not delivered to Company stating the changes to the Superpad Plans required for LIMCO's consent within ten (10) business days after its receipt.

3.3 SUPERPAD CONSTRUCTION.

3.3.1 ***License to Enter Retained Property.*** LIMCO grants to Company and its Consultants and Contractors a license to enter onto the Retained Property, and alter the Retained Property, for purposes of performing the Superpad Work. Company shall not alter the Retained Property except as contemplated in this Agreement.

3.3.2 ***Permits.*** Company shall arrange for and obtain at the appropriate time any permits, licenses, or approvals necessary for proper execution and completion of the Superpad Work in accordance with Applicable Laws and this Agreement, and (c) any tests, inspections, and approvals of portions of the Superpad Project required under Applicable Laws. Company shall also send any notices required under Applicable Laws in connection with the Superpad Project.

3.3.3 ***Performance of Superpad Work.*** Company shall require its Contractors to perform the Superpad Work in accordance with the Superpad Plans as they may be revised from time to time in accordance with this Agreement, and to complete all of the Superpad Work no later than completion of Phase 1B of the Project as described in the Approved Business Plan, provided Company shall cooperate, with LIMCO, at no additional material cost or expense to Company, to complete certain of that work with Phase 1A of the Project in accordance with Exhibit E (subject to extensions due to Force Majeure as provided in Section 5.5.2). The timing of the commencement of construction of Phase 1B will be determined by the Company in its sole discretion.

3.3.4 ***Safety of Superpad Work.*** Company shall require its Contractors to be responsible for and have control over (a) means, methods, techniques, and procedures for the Superpad Work and (b) initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Superpad Work. Company shall require that its Contractors maintain a safe worksite, take all necessary precautions for the safety and security of persons or property, and provide protection to prevent damage, injury, or loss to persons or property, including employees performing the Superpad Work, other persons that may encounter or be affected by the Superpad Work, the Superpad Work itself, and any other personal or real property that may be affected by the Superpad Work. Company shall promptly cause the Contractors, at their expense, to repair and otherwise remedy any damage to the Retained Property arising out of the Superpad Work.

3.3.5 ***Hazardous Materials.*** Company shall require its Contractors to be responsible for the proper delivery, handling, application, storage, removal, and disposal, in compliance with Applicable Laws, of all materials and substances brought to the Retained Property by such Contractors or subcontractors or otherwise used or consumed in the performance of the Superpad Work. If any Contractor encounters any pre-existing hazardous materials at the Retained Property, Company shall promptly notify LIMCO and shall not permit its Contractors to disturb the hazardous materials unless otherwise directed by LIMCO.

3.3.6 ***Warranty.*** Company shall, concurrent with the payment of the Retained Property Reimbursement and EA1 reimbursement, assign to LIMCO on a non-exclusive basis, all warranties, correction obligations and indemnities provided under the Superpad Agreements.

3.3.7 ***Correction of Defective Superpad Work Before Completion.*** During the period before completion of the Superpad Work, Company shall require its Contractors to replace, repair, or otherwise correct any Superpad Work that does not conform with Applicable Laws or the Superpad Plans, or is otherwise defective.

3.3.8 ***Correction of Defective Superpad Work After Completion.*** During the one-year period after completion of the Superpad Work, and during any longer correction period that may be required under a Superpad Agreement, Company shall cause the applicable Contractor(s),at their own expense, to replace, repair, or otherwise correct any Superpad Work that is discovered within this period to be defective or nonconforming. Nothing in this Section is to be construed to establish a period of limitation with respect to any other obligations Company has under this Agreement. If defects or nonconformities appear after any applicable correction period, Company shall (without modifying Company's other obligations under this Agreement) reasonably cooperate with LIMCO to enable LIMCO to exercise whatever rights Company may have against Consultants or Contractors under Superpad Agreements with respect to such defects or nonconformities.

3.4 COST REIMBURSEMENTS.

3.4.1 ***Costs for Retained Property Before Reconveyance.*** LIMCO shall reimburse Company for costs Company pays that are LIMCO's responsibility under Section 2.2.3, and for other reasonable third party out of pocket expenses reasonably incurred by Company that are directly related to the maintenance and repairs of the Retained Property with respect to the period when Company holds legal title to the Retained Property.

3.4.2 ***Closing Costs.*** LIMCO shall reimburse Company for costs Company pays that are LIMCO's responsibility under Section 2.3.3.

3.4.3 ***Retained Property Reimbursement/EA2 Reimbursement.*** LIMCO shall reimburse Company for that amount equal to its fair share percentage of those Project costs set forth in Exhibit G attached hereto which the parties have agreed all benefit the Retained Property which shall be calculated upon completion of the Superpad Improvements in the manner set forth in Exhibit G (the "Retained Property Reimbursement"). LIMCO shall also reimburse Company for that amount equal to its fair share percentage of those Project costs set forth in Exhibit H attached hereto which the parties have agreed all benefit the EA2 Property calculated upon completion of the Improvements identified in Exhibit H in the manner set forth in Exhibit H (the "EA2 Property Reimbursement"). All costs used in the foregoing calculations shall be actual costs paid to the Contractors for any completed work, or the amount in any Approved Contracts for any work under contract but not yet completed, or the estimate for the cost of any work in the Approved Budget not yet under contract. "Completion" as used herein means final inspection and acceptance by the City for LIMCO to construct and occupy buildings on the Retained Property and certified as complete by the Company's civil engineer.

3.4.4 ***Payment Arrangements.*** Reimbursements by LIMCO of amounts due under this Section 3.4 will be paid within 45 days after receiving invoices from Company. If LIMCO reasonably disputes that an amount requested for payment by Company is properly payable, LIMCO may withhold that amount pending resolution of the dispute. Except as provided in this Section 3.4 or otherwise specifically provided in this Agreement, Company shall pay all costs associated with its obligations under this Agreement.

3.4.5 ***Books and Records.*** Company shall provide LIMCO and its representatives with reasonable access to books and records regarding its billings under this Agreement and regarding the Superpad Project during the term of this Agreement and for three years thereafter.

ARTICLE 4
DEFAULT AND TERMINATION

4.1 **EVENTS OF DEFAULT.** The occurrence of any of the following events (each, an "Event of Default") will constitute an event of default and the Party so defaulting (the "Defaulting Party") will thereafter be deemed to be in default without any further action whatsoever on the part of the other Party (the "Non-Defaulting Party") other than with respect to any notice specifically required by this Agreement:

(a) Bad Conduct by such Party or its Affiliate in connection with the Retained Property, the Superpad Project, or this Agreement;
(b) The occurrence of a Voluntary Bankruptcy Event or Involuntary Bankruptcy Event, as each such term is defined in the Company LLC Agreement, with respect to the Defaulting Party; or
(c) The occurrence of any of the following events, except if the event is reasonably susceptible of cure, then the event will not constitute an Event of Default unless and until such occurrence is not cured within a Cure Period after notice of such default is given by the other Party:

(i) If any material representation, warranty, or other statement of fact made by that Party contained in this Agreement is materially misleading in any material respect;
(ii) A Party fails to perform any other material obligation or act required of that Party by the provisions of this Agreement;
(iii) Any transfer by a Party in violation of Section 5.9.1; or
(iv) Any other material breach by a Party of this Agreement.

4.2 **REMEDIES.** With respect to each Event of Default, the Non-Defaulting Party will have all rights and remedies set forth in this Agreement and all available remedies at law and in equity. Notwithstanding any termination of this Agreement, Company's obligation to effect the Subdivision under Section 2.1 and reconvey the Retained Property to LIMCO or its designee under Section 2.3 will not terminate and will continue until these obligations are satisfied, subject to LIMCO's rights to require specific performance of these obligations if an Event of Default by Company includes Company's failure to perform these obligations.

ARTICLE 5
GENERAL PROVISIONS

5.1 **MUTUAL ACCESS RIGHTS.** LIMCO acknowledges that Company may need licenses or easements with respect to portions of the Retained Property in order to develop and use the Project (as defined in the Company LLC Agreement) as intended, and Company acknowledges that LIMCO may need licenses or easements with respect to portions of the Property in order to develop and use the Retained Property for its intended purpose after the completion of the Superpad Project. Each Party shall cooperate to grant such access and construction rights and easements, grading and slope easements, drainage rights, and other reasonable rights as may be reasonably requested by the other Party from time to time to effect the purposes described in this Section, as long as the requested rights do not unreasonably burden the Party granting the rights. This Section will survive the completion of the Superpad Project, until completion of the Project.

5.2 INDEMNIFICATION.

5.2.1 ***Indemnification by Company.*** To the fullest extent permitted by Applicable Laws, Company shall indemnify and defend LIMCO and its managers, officers, directors, employees, and agents from and against all claims, demands, damages, losses, liabilities, Liens, and expenses, including reasonable attorneys' fees and dispute-related costs (collectively, "Claims"), to the extent arising out of or relating to (a) the negligent acts or omissions of Company or Manager or any Manager Affiliate (collectively, "Company Parties"), in connection with the Retained Property or the Superpad Project, (b) any breach by Company of a requirement of this Agreement, (c) any Bad Conduct of Company or Lewis Manager or any of its Affiliates in connection with any matter related to this Agreement, or (d) any breach or violation of a Government Agreement, Project Entitlement, or Pre-Closing Agreement by Company. Notwithstanding the foregoing, Company is not obligated to defend or indemnify LIMCO to the extent the Claim arises out of the negligence or Bad Conduct of any LIMCO Parties. Company's obligations under this Section will survive any termination of this Agreement.

5.2.2 ***Indemnification by LIMCO.*** To the fullest extent permitted by Applicable Laws, LIMCO shall indemnify and defend Company from and against all Claims to the extent arising out of or relating to (a) the negligent acts or omissions of LIMCO, Limoneira or any of their Affiliates (collectively, "LIMCO Parties"), in connection with the Retained Property or the Superpad Project, (b) any breach by LIMCO of a requirement under this Agreement, (c) any Bad Conduct of any LIMCO Parties in connection with any matter related to this Agreement, (c) Company's holding of legal title to the Retained Property prior to the Reconveyance, except to the extent caused by any negligent acts or omissions of any Company Parties or (d) any breach or violation of a Government Agreement, Project Entitlement, or Pre-Closing Agreement by LIMCO. Notwithstanding the foregoing, LIMCO is not obligated to defend or indemnify Company to the extent the Claim arises out of the negligence or Bad Conduct of any Company Parties. LIMCO's obligations under this Section will survive any termination of this Agreement.

5.2.3 ***Limitation on Indemnities.*** Before enforcing its rights under Section 5.2.1 or 5.2.2 (as applicable), each Party shall first seek defense and indemnity from any insurer that may provide coverage for the Claim (*i.e.*, under a policy with respect to which that Party is included as an insured or additional insured), regardless of the cause of that Claim, and each Party's obligations under this Section 5.2 will apply only to the extent that defense and indemnity is not timely provided by any applicable insurer.

5.3 SUBROGATION WAIVER. LIMCO AND COMPANY WAIVE ALL RIGHTS AGAINST EACH OTHER AND AGAINST EACH OTHER'S CONTRACTORS AND THEIR SUBCONTRACTORS OF EVERY TIER AND THE AGENTS AND EMPLOYEES OF EACH OF THE FOREGOING, FOR DAMAGES CAUSED BY FIRE OR OTHER CAUSES OF LOSS OCCURRING ON AND AFTER THE DATE ON WHICH THIS AGREEMENT IS EXECUTED TO THE EXTENT THOSE DAMAGES ARE COVERED BY PROPERTY INSURANCE CARRIED BY THE WAIVING PARTY. NEITHER PARTY WAIVES ANY RIGHT TO RECOVER DEDUCTIBLES OR AMOUNTS NOT COVERED DUE TO DEDUCTIBLES OR SELF-INSURED RETENTIONS.

5.4 LIENS. SUBJECT TO REIMBURSEMENT BY LIMCO AS PROVIDED IN SECTION 3.4, AND SUBJECT TO LIMONEIRA MAKING ALL CAPITAL CONTRIBUTIONS AND MEMBER LOANS AS AND WHEN REQUIRED UNDER THE COMPANY LLC AGREEMENT, COMPANY SHALL PAY WHEN DUE ALL THIRD-PARTY OBLIGATIONS IT INCURS IN CONNECTION WITH ITS OBLIGATIONS UNDER THIS AGREEMENT. LIMCO IS NOT RESPONSIBLE FOR PAYMENTS TO CONTRACTORS. COMPANY SHALL KEEP THE RETAINED PROPERTY, THE EA2 PROPERTY, THE SUPERPAD PROJECT, AND FUNDS RELATED TO THE SUPERPAD PROJECT FREE FROM ALL MECHANICS' AND MATERIALMEN'S LIENS (INCLUDING STOP PAYMENT NOTICES) AND ALL OTHER LIENS, LEGAL OR EQUITABLE, ARISING OUT OF THE SUPERPAD PROJECT OR THE PROJECT, OTHER THAN LIENS ATTRIBUTABLE TO LIMCO'S FAILURE TO MAKE PROPER PAYMENT AS REQUIRED IN THIS AGREEMENT. IF ANY LIEN IS RECORDED AGAINST THE RETAINED PROPERTY OR EA2 PROPERTY BY ANY CONSULTANT OR CONTRACTOR, OR ANY OF THEIR SUBCONSULTANTS OR SUBCONTRACTORS, OR ANY OTHER PERSON CLAIMING BY, THROUGH, OR UNDER COMPANY (OTHER THAN LIENS ATTRIBUTABLE TO LIMCO'S FAILURE TO MAKE PROPER PAYMENT OR LIMONEIRA'S FAILURE TO MAKE ALL CAPITAL CONTRIBUTIONS AND MEMBER LOANS AS AND WHEN REQUIRED UNDER THE COMPANY LLC AGREEMENT), COMPANY SHALL DISCHARGE OR BOND OVER THE LIEN, AND CAUSE IT TO BE REMOVED OF RECORD, WITHIN 30 DAYS AFTER IT WAS RECORDED. COMPANY'S OBLIGATIONS UNDER THIS SECTION WILL SURVIVE FINAL COMPLETION OF THE SUPERPAD PROJECT.

5.5 TIME.

5.5.1 ***Time is of the Essence.*** Subject to Section 5.5.2, time is of the essence with respect to this Agreement.

5.5.2 ***Force Majeure Extensions.*** Either Party (for purposes of this Section, the "Non-Performing Party") will be entitled to an extension of its time-sensitive obligations under this Agreement to the extent the Non-Performing Party's non-performance of its obligation is due to Force Majeure, on condition that (a) the Non-Performing Party notifies the other Party of the Force Majeure and anticipated delay within 30 days after the Force Majeure event occurs and (b) the Non-Performing Party continues to diligently attempt to overcome the Force Majeure and perform its obligation.

5.5.3 ***Calendar Days.*** Except as otherwise provided in this Agreement, the term "day" refers to calendar days.

5.6 NOTICES.

5.6.1 ***Formal Communications.*** Any notice, demand, request or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Party to whom the same is directed, sent by registered or certified mail, return receipt requested, or sent by Federal Express or any other courier service guaranteeing overnight delivery, addressed to the Party at the address appearing below such Party's name in this Section or by electronic transmission to the electronic mail address set below such Party's name (followed by notice by mail sent in the manner described above, or by Federal Express or other courier service):

If to LIMCO:

Limoneira
1141 Cummings Road
Santa Paula, California 93060
Attention: Mr. Harold Edwards
Email: hedwards@limoneira.com

With a copy to:
Pircher, Nichols & Meeks
1925 Century Park East, Suite 1700
Los Angeles, California 90067
Attention: Real Estate Notices (KMH/AMP 5735.2)
Email: realestatenotices@pircher.com
khogaboom@pircher.com

If to Company:

Lewis Santa Paula Member, LLC
1156 N. Mountain Avenue
Upland, California 91786
Attention: John M. Goodman
Email: john.goodman@lewisop.com

With a copy to:

Lewis Operating Corp.
1156 N. Mountain Avenue
Upland, California 91786
Attention: W. Bradford Francke, Esq.
Email: brad.francke@lewisop.com

and to:

Limoneira
1141 Cummings Road
Santa Paula, California 93060
Attention: Mr. Harold Edwards
Email: hedwards@limoneira.com

and to:

Pircher, Nichols & Meeks
1925 Century Park East, Suite 1700
Los Angeles, California 90067
Attention: Real Estate Notices (KMH/MDS 5735.2)
Email: realestatenotices@pircher.com
khogaboom@pircher.com

or to such other address as each Party may from time to time specify by notice in accordance with this Section. Any such notice shall be deemed to have been delivered, given, and received for all purposes as of the date so delivered, at the applicable address; provided that notices received on a day that is not a Business Day, or after 5:00 p.m. (at the location to which delivery is to be made) on a Business Day shall be deemed received on the next Business Day. Notice to a Party shall not be effective unless and until each required copy of such notice specified in this Section (or as the Parties may from time to time specify by notice in accordance with this Section) is given. The inability to deliver a notice because of a changed address of which no notice was given or an inoperative facsimile number for which no notice was given of a substitute number, or any rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any Party hereto may be given by legal counsel for such Party.

5.6.2 Routine Communications. Notwithstanding Section 5.6.1, the Parties may send routine approvals and other routine communications under this Agreement via email to the representative(s) designated by the other Party to represent it in connection with this Agreement without needing to also send the notice by the other means required in the first sentence of Section 5.6.

5.7 PROVISIONS RELATED TO DISPUTES.

5.7.1 Dispute Resolution Process.

5.7.1.1 *Initiating Disputes.* Each and every controversy, dispute, or claim between the Parties arising out of or relating to this Agreement or the transactions contemplated hereby ("Dispute") that is not settled in writing within 30 days after the date (the "Claim Date") upon which any such Party gives written notice to the other that a Dispute exists, must be submitted for binding adjudication to a reference proceeding in California, without a jury, in accordance with the provisions of Section 638, et seq. of the California Code of Civil Procedure ("CCP"), or their successor sections. The procedures in this Section 5.7.1 constitute the exclusive means for the resolution of any such Dispute, including, without limitation, whether such Dispute is subject to such reference proceedings and regardless of whether such Dispute includes any tort claims.

5.7.1.2 *Referee Appointment.* The referee must be a retired Judge of the Superior Court in Ventura County (the "Court") selected by mutual agreement of the parties to the Dispute, and if they cannot so agree within 30 days after the Claim Date, then the referee will be promptly selected by the Presiding Judge of the Court (or his or her representative) and in accordance with CCP §640. The referee will be appointed to sit as a temporary judge, with all of the powers for a temporary judge, as authorized by law, and upon selection should take and subscribe to the oath of office as provided for in Rule 244 of the California Rules of Court (or any subsequently enacted Rule). Each party will have one peremptory challenge of a referee selected by the Court pursuant to CCP §170.6. The referee will (a) be requested to set the matter for hearing within 90 days after the referee's appointment, and (b) try any and all issues of law or fact and report a statement of decision upon them, if possible, within 30 days after all parties have rested and the case has been submitted for decision. Any decision rendered by the referee will be final, binding and conclusive (except as otherwise provided expressly in this Agreement) and judgment thereon must be entered pursuant to CCP §644 in any court in the State of California having jurisdiction.

5.7.1.3 *Dispute Resolution.* Any party may apply for a reference proceeding by filing a petition for a hearing and/or trial by reference pursuant to CCP §638 at any time after the earlier of (a) 30 days following notice of the Claim Date, or (b) commencement by a Party of a regular (non-reference) legal action involving a Dispute. All discovery permitted herein will be at the discretion of the referee and must be completed no later than 15 days before the first hearing (trial) date established by the referee. The referee may extend such period in the event of a party's refusal to provide requested discovery for any reason whatsoever, including, without limitation, legal objections raised to such discovery or unavailability of a witness due to absence or illness. No party shall be entitled to "priority" in conducting discovery. Subject to the discretion of the referee, depositions may be taken by either party upon seven days' written notice, and request for production or inspection of documents must be responded to within 14 days after service. All disputes relating to discovery that cannot be resolved by the parties must be submitted to the referee whose decision shall be final and binding upon the parties. Pending appointment of the referee as provided herein, the Court is empowered to issue temporary and/or provisional remedies, as appropriate.

5.7.1.4 *Manner of Proceedings.* Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of all hearings, the order of presentation of evidence and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter except that when any party so requests, a court reporter will be used at any hearing conducted before the referee. The party making such a request shall have the obligation to arrange for and pay for the court reporter. The costs of the court reporter at the trial shall be borne equally by the parties. All other costs shall be divided equally between all of the parties to the proceeding; provided, however, that such costs, along with all other costs and expenses, including, without limitation, attorneys' fees, shall be subject to award, in full or in part, by the referee, in the referee's discretion, to the prevailing party. Unless the referee so awards attorneys' fees, each party will be responsible for such party's own attorneys' and expert witness fees and costs.

5.7.1.5 *Determination of Issues.* The referee shall determine all issues in accordance with existing case law and the statutory law of the State of Delaware; provided, however, that the referee shall apply the rules of civil procedure and evidence applicable to proceedings at law in the State of California. The referee will be empowered to enter equitable as well as legal relief, to provide all temporary and/or provisional remedies and to enter equitable orders that will be binding upon the parties. The referee shall issue written findings of fact and conclusions of law, a written statement of decision, and a single judgment at the close of the reference proceeding that shall dispose of all of the claims of the parties that are the subject of the reference. The Parties expressly reserve the right to contest or appeal from the final judgment or any appealable order or appealable judgment entered by the referee. The Parties also expressly reserve the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

5.7.2 ***JURY TRIAL WAIVER.*** TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES HERETO EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY DISPUTE IN ANY ACTION, PROCEEDING, OR OTHER LITIGATION OF ANY TYPE BROUGHT BY EITHER OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. THE PARTIES HERETO EACH AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A REFERENCE PROCEEDING AS PROVIDED ABOVE BUT THIS WAIVER SHALL BE EFFECTIVE EVEN IF, FOR ANY REASON WHATSOEVER, SUCH CLAIM OR CAUSE OF ACTION CANNOT BE TRIED BY SUCH REFERENCE PROCEEDING. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM, OR OTHER PROCEEDING THAT SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER WILL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT.

5.7.3 ***Severability.*** Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal, invalid, or unenforceable for any reason, then such illegality, invalidity, or unenforceability will not affect the legality, validity, or enforceability of the remainder of this Agreement.

5.7.4 ***Governing Law.*** The laws of the State of Delaware (without reference to the rules regarding conflict or choice of laws of such State) govern the construction and interpretation of this Agreement.

5.7.5 ***No Waiver.*** The failure of either Party to seek redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision or condition of this Agreement will not constitute a waiver of the terms of such covenant, agreement, provision or condition at subsequent times, or of the terms of any other covenant, agreement, provision or condition of this Agreement.

5.7.6 ***Attorneys' Fees.*** If any proceeding is commenced by any Party that arises out of, or relates to, this Agreement (including any reference proceeding), the prevailing Party in such proceeding shall be entitled to recover reasonable attorneys' and expert witness fees and costs. Any judgment or order entered in any legal proceeding shall contain a specific provision providing for the recovery of all costs and expenses of suit including, without limitation, reasonable attorneys' and expert witness fees, costs and expenses incurred in connection with (a) enforcing, perfecting and executing such judgment; (b) post-judgment motions; (c) contempt proceedings; (d) garnishment, levy, and debtor and third-party examinations; (e) discovery; and (f) bankruptcy litigation.

5.8 INTERPRETATIONAL MATTERS.

5.8.1 ***Construction.*** Every covenant, term, and provision of this Agreement is to be construed simply according to its fair meaning and not strictly for or against any Party.

5.8.2 ***Entire Agreement.*** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement, and supersedes all other prior agreements, whether written or oral, between the Parties that relate to the subject matter of this Agreement. No modification of this Agreement be effective unless it is made in a writing executed by the Parties.

5.8.3 ***Headings.*** Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

5.8.4 ***Binding Agreement.*** Subject to the restrictions on transfers set forth herein, this Agreement will inure to the benefit of and be binding upon Company and LIMCO, and their respective successors and assigns. Whenever in this instrument a reference is made to Company or LIMCO, such reference will be deemed to include a reference to that Party's successors and assigns.

5.9 GENERAL PROVISIONS.

5.9.1 ***Assignment.*** Company shall not assign any of its rights or obligations under this Agreement, whether by operation of law or otherwise, without LIMCO's prior approval, and any assignment without LIMCO's consent will be void. LIMCO shall not assign any of its rights or obligations under this Agreement, whether by operation of law or otherwise, without Company's prior approval, and any assignment without Company's consent will be void, except LIMCO may assign this Agreement without Company's consent to any Affiliate of LIMCO.

5.9.2 ***Further Instruments.*** Each Party, upon the request of the other Party, shall perform further reasonable acts and execute, acknowledge, and deliver any documents that may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

5.9.3 ***No Joint Venture or Partnership.*** Company's relationship to LIMCO under this Agreement is that of an independent contractor. LIMCO and Company are not joint venturers or partners in connection with the undertakings provided in this Agreement.

5.9.4 ***Execution In Counterparts; Electronic Signatures.*** This Agreement may be executed in any number of counterparts, each of which may be executed by only one Party, each of which will be enforceable against the Party actually executing such counterpart, and all of which together will constitute one and the same agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically as an attachment to an email will be treated as originals, fully binding and with full legal force and effect, and the Parties waive any rights they may have to object to such treatment.

5.9.5 ***Exhibits.*** The following exhibits are attached to, and form a part of, this Agreement:

Exhibit A.	Description of the Property
Exhibit B.	Depiction of the Retained Property
Exhibit B-1	Depiction of EA2 Property
Exhibit C.	Reconveyance Escrow Instructions
Exhibit D.	Retained Property Deed
Exhibit E.	Description of Superpad Improvements
Exhibit F.	Title Report
Exhibit G.	Retained Property Reimbursement Schedule
Exhibit H.	EA2 Property Reimbursement Schedule

The parties have executed this Agreement as of the date stated at the beginning of this Agreement.

LIMCO:

LIMONEIRA COMPANY,
a Delaware corporation

By: /s/ Joseph D. Rumley
Name: Joseph D. Rumley
Title: Chief Financial Officer

COMPANY:

LIMONEIRA LEWIS COMMUNITY BUILDERS, LLC,
a Delaware limited liability company

By: Lewis Santa Paula Member, LLC,
a Delaware limited liability company,
its Manager

By: Lewis Operating Corp.,
a California corporation,
its Manager

By: /s/ John M. Goodman
Name: John M. Goodman
Its: Senior Vice President

Exhibit 99.1

Limoneira Company:
Investor Relations
John Mills
Partner
ICR
646-277-1254

Limoneira Company Announces Formation of Limoneira Lewis Community Builders, LLC to Develop Harvest at Limoneira, Formerly Santa Paula Gateway Project

–Limoneira Received $18 Million From Formation of Development Partnership with The Lewis Group of Companies-

SANTA PAULA, Calif.—November 16, 2015— Limoneira Company (the "Company" or "Limoneira") (NASDAQ: LMNR) announced today that on November 10, 2015, Limoneira Lewis Community Builders, LLC, a development partnership between the Limoneira Company and The Lewis Group of Companies ("The Lewis Group"), was formed. Limoneira received $18 million ($16.8 million net of transaction expenses) upon the establishment of the partnership in addition to $2 million the Company received from The Lewis Group in September 2015, in anticipation of the formation of the partnership. Limoneira Lewis Community Builders, LLC is a 50%/50% partnership between Limoneira and The Lewis Group that will engage in the residential development of the Harvest at Limoneira (formerly Santa Paula Gateway Project and East Area 1).

The formation of the partnership culminated with Limoneira's contribution of its East Area 1 property and The Lewis Group's contribution of $20 million. The funds were distributed to Limoneira upon closing the transaction, which it expects to record as a reduction in the basis of its investment. Limoneira expects to receive 25% to 80% of the net cash flow of the project, based on cash flow milestones provided in the partnership agreement, which is estimated to aggregate approximately 70% of total net cash flows to Limoneira, including the initial $20 million distribution, and the balance of net cash flows to the Lewis Group over the estimated seven to ten year life of the project.

The Lewis Group and Limoneira both have significant experience in residential development. The Lewis Group, based in Upland, California, is a multi-generational company with a longstanding successful track record in home building and master planned community development in the Western United States. Founded in 1955, The Lewis Group's focus is on land development, master planned community development, and income property development, including commercial centers, industrial and apartments. Limoneira, founded in 1893, has been involved in community development in the cities of Santa Paula and Ventura since its inception. Past real estate development projects include McKevett Heights (1920's), The Blanchard Development (1950's), Hillsborough (1980's) and Vista Point (1990's) in Santa Paula and Limco Del Mar in Ventura (1970's).

Harvest at Limoneira includes the development of a 500 acre master planned community with approximately 1,500 residential units. The build-out of lots is expected to begin in 2016. Limoneira Lewis Community Builders anticipates receiving security deposits from homebuilders for lots sales in mid-2017, and the sale of lots is expected to begin in the fourth quarter of 2017. Several homebuilders are expected to participate in home construction at Harvest at Limoneira. The diversity and price points of housing types will provide opportunities to a wide buyer profile. Home prices are estimated to range from $300,000 to $750,000. Limoneira Lewis Community Builders expects to recognize revenue upon delivery of lots to homebuilders and Limoneira anticipates recording its share of the partnership's earnings under the equity method.

Previously stated projected cash flow for Limoneira over the seven to ten year life of the project of approximately $100 million is based on an average home price of $480,000. Limoneira estimates that each $50,000 increase in the median home price for the project will result in approximately $20 million to $30 million of additional net cash flow for Limoneira over the life of the project. The median home price in Ventura County is currently $516,400.

The Limoneira Lewis Community Builders project does not include any commercial property development. Limoneira retains all commercial property in the Santa Paula Gateway Project, which consists of 15 acres, or 150,000 buildable square feet, in East Area 1, and 25 owned acres plus 8 acres optioned, or 350,000 buildable square feet, in East Area 2. Limoneira expects to commence infrastructure development for commercial property in the Santa Paula Gateway Project in 2017.

Harold Edwards, President and Chief Executive Officer of Limoneira, stated, "We are excited to finalize the development partnership with The Lewis Group and to continue to move forward developing the Santa Paula Gateway Project, which we officially renamed Harvest at Limoneira. Both The Lewis Group and Limoneira have significant experience over many decades in real estate development, and our shared culture and values will help make the project successful for both organizations. We expect strong demand for Harvest at Limoneira's new homes to be driven by the development's highly desirable location that is fourteen miles from the Pacific Ocean and accessible to several major highways and the greater Los Angeles area, as well as the limited supply of new homes throughout Ventura County."

Mr. Edwards added, "Beyond the residential development through Limoneira Lewis Community Builders, Limoneira is also focused on the development of over 40 acres of commercial properties in the area. Interest from potential tenants for the development has been very encouraging, and we are in the process of evaluating the best options for the commercial market. The residential and commercial development projects represent opportunities for significant cash flow for Limoneira and are an example of our execution on our long-term plan to unlock the value of our extensive real estate assets. We look forward to strategically reinvesting proceeds from our real estate development projects into our global agribusiness, enabling us to progress on our goal to become one of the leading citrus agribusinesses in the world."

About Limoneira Company

Limoneira Company, a 120-year-old international agribusiness headquartered in Santa Paula, California, has grown to become one of the premier integrated agribusinesses in the world. Limoneira (pronounced lē mon´âra) is a dedicated sustainability company with approximately 10,700 acres of rich agricultural lands, real estate properties and water rights in California and Arizona. The Company is a leading producer of lemons, avocados, oranges, specialty citrus and other crops that are enjoyed throughout the world. For more about Limoneira Company, visit www.limoneira.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on Limoneria's current expectations about future events and can be identified by terms such as "expect," "may," "anticipate," "intend," "should be," "will be," "is likely to," "strive to," and similar expressions referring to future periods.

The Companies believe the expectations reflected in the forward-looking statements are reasonable but cannot guarantee future results, level of activity, performance or achievements. Actual results may differ materially from those expressed or implied in the forward-looking statements. Therefore, the Companies caution you against relying on any of these forward-looking statements. Factors which may cause future outcomes to differ materially from those foreseen in forward-looking statements include, but are not limited to: changes in laws, regulations, rules, quotas, tariffs and import laws; weather conditions that affect production, transportation, storage, import and export of fresh product; increased pressure from crop disease, insects and other pests; disruption of water supplies or changes in water allocations; pricing and supply of raw materials and products; market responses to industry volume pressures; pricing and supply of energy; changes in interest and currency exchange rates; availability of financing for land development activities; political changes and economic crises; international conflict; acts of terrorism; labor disruptions, strikes or work stoppages; loss of important intellectual property rights; inability to pay debt obligations; inability to engage in certain transactions due to restrictive covenants in debt instruments; government restrictions on land use; and market and pricing risks due to concentrated ownership of stock. Other risks and uncertainties include those that are described in the Companies' SEC filings, which are available on the SEC's website at http://www.sec.gov. The Companies undertake no obligation to subsequently update or revise the forward-looking statements made in this press release, except as required by law.