

CAL-NEVA ENTERPRISES
PARTNERSHIP AGREEMENT

THIS AGREEMENT, made and entered into this 25TH
day of MARCH, 1966, by and between HARLAN HERT, JOHN
VAN DAELE, J. HARVEY JATHO, WILLIAM EARL POLLARD and ^{W.L.} ~~JENSEN~~
JENSEN, consists of the following mutual covenants, conditions
and promises:

WHEREAS, it is the intention of the parties hereto to
enter into a partnership agreement;

NOW, THEREFORE, it is hereby agreed by and between the
parties hereto as follows:

(1) This Agreement shall constitute all agreements by
and between the parties to date, and it is hereby acknowledged
by the parties hereto that the contents of this Agreement shall
be and are the full agreement between the parties, and that there
are no other agreements, oral or otherwise, between the parties
hereto, as an inducement to enter into this Agreement.

(2) The parties hereto acknowledge that they are all
of the partners as of this date.

(3) The parties hereto acknowledge that they are and
will remain partners until the dissolution of this partnership
by mutual consent.

(4) The firm name of this partnership shall remain
and be CAL-NEVA ENTERPRISES.

(5) The principal place of business of this partner-
ship shall be located at 424 E. Central Avenue, La Habra,
California, and at such other place or places as the partners
shall hereafter determine.

(6) The principal business of this partnership shall
be to farm and ranch real property.

(7) The contribution to the partnership shall be

as follows:

(a) HARLAN HEET - Promissory Note in the amount of \$15,000.00 due and payable on May 10, 1966.

(b) JOHN VAN DAELE - \$15,000.00 cash.

(c) J. HARVEY JATHO - \$15,000.00 cash.

(d) WILLIAM EARL POLLARD - equity in real and personal property in Eureka County, Nevada having a value ~~in excess of \$22,000.00~~ *A 22,200 with wife*

(e) LINDSEY JENSEN - services to be performed on or before May 10, 1966 having a value of \$4,200.00.

(8) Ownership of the partnership shall be as follows:

(a) HARLAN HEET owns 24.5%

(b) JOHN VAN DAELE owns 24.5%

(c) J. HARVEY JATHO owns 24.5%

(d) WILLIAM EARL POLLARD owns 20%

(e) LINDSEY JENSEN owns 6.5%

(9) Management of the partnership business shall be determined annually at a meeting of the partners to be held on the 1st day of OCTOBER of each year, at the principal place of business of the partnership. Each partner need not be present at such annual meeting, but may grant his or her rights to vote at such annual meeting by proxy. Such annual meeting shall be conducted in the same manner as would the annual meeting of a board of directors of a duly organized corporation in the State of California. Each partner shall have a vote in accordance with his percentage of ownership in the partnership business.

At such annual meeting, a general account shall be made of all of the business transacted by the partnership during the previous year, and the partnership shall elect a manager for the partnership business and a secretary-treasurer to transact business for the partnership during the ensuing year.

1 and shall be given such powers as the partners may deem necessary
2 or advisable from time to time.

3 (10) It is acknowledged at the present time that
4 WILLIAM EARL POLLARD is the manager of the partnership and HARLAN
5 HEET is the secretary-treasurer of the partnership.

6 (11) Books of account shall be kept by the partnership
7 and proper entries made therein of all economic transactions, all
8 assets and all liabilities. One set of books shall be kept by
9 the manager and the other set of books shall be kept by the
10 secretary-treasurer. All partners shall have free access to
11 examine same during regular business hours.

12 (12) Distribution of profits derived from the
13 partnership business shall be in accordance with the percentages
14 set forth in paragraph (8) above, and payable in accordance with
15 a partnership decision.

16 (13) All funds of the partnership shall be deposited
17 in two (2) separate accounts in accordance with the directions
18 of the partners, at FIRST NATIONAL BANK OF NEVADA, Eureka Branch,
19 within forty-eight (48) hours after receipt. One of said accounts
20 shall require the signature of any two (2) partners acting
21 together, or the signature of the manager, acting alone. The
22 other account shall require the signature of any two (2) partners
23 acting together.

24 (14) None of the partners shall, without the consent
25 of the others, compound, release or discharge any debt which
26 shall be due and owing to the partnership, without first obtaining
27 the full consent of all partners.

28 (15) The losses of the partnership, if any, shall be
29 borne in the same proportion as the profits and shall first be
30 paid out of any accrued profits, then from net assets, and last
31 from additional contributions in proportion to the aforementioned
32 percentages.

(16) Each partner shall promptly pay his own debts, and indemnify the other partners and the capital and property of the partnership against the same and all expenses on account thereof.

(17) This partnership shall be governed by the laws of the State of California now in effect or which may be hereafter enacted.

(18) No partner shall sell, transfer, or hypothecate his partnership interest, or any part thereof, without first giving to the other partners in said partnership, the right to purchase said interest, or loan money thereon. A partner desiring to sell, transfer or hypothecate any or all of the partnership interest owned by him shall give thirty (30) days written notice to the secretary-treasurer of the partnership, stating therein the amount of his partnership interest which he desires to transfer, sell, or hypothecate, and the sale price

AWTON, CHRISTENSEN,
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1 partner of the terms as set forth in said notice to sell or
2 transfer said interest, or borrow thereon, within the thirty (30)
3 day period herein prescribed, then in that event, said partner
4 shall have the right to transfer, sell or hypothecate his
5 interest upon the open market to anyone who is not a partner
6 in said partnership, but in no event shall he sell said interest
7 for a less amount than was specified in his notice to the
8 secretary-treasurer of the partnership. In the event that any of
9 the rights of purchase or loan in this paragraph are claimed by
10 more than one partner, then and in that event, the amount of
11 interest which each partner shall be entitled to purchase or make
12 loans upon, shall be the ratio represented by a fraction, the
13 numerator of which is the amount of partnership interest he
14 owns, and the denominator of which is the total sum of the partner-
15 ship interest owned by all partners desiring to exercise this
16 right.

17 (19) In the event of the death of a partner, the
18 balance of said partners are hereby given the option, in pro-
19 portion to their ownership interest in the whole, to purchase
20 the deceased partner's interest therein at book value for cash.
21 Said option shall continue for ninety (90) days next succeeding
22 said partner's death. In the event said option is not taken up
23 by the remaining partners, said partnership interest shall then
24 pass in accordance with the laws of succession or the decedent's
25 will, at which time the executors, administrators, legatees
26 and/or heirs shall be bound by all of the terms and conditions
27 contained herein.

28 (20) The duties of the manager shall be to manage
29 the business of the partnership in accordance with instant
30 agreement. Specifically, the manager shall be permitted to
31 draw checks on one of the accounts at FIRST NATIONAL BANK OF
32 NEVADA, Eureka Branch, on his signature alone so long as said

check does not exceed ONE THOUSAND and NO/100 (\$1,000.00) DOLLARS.

The manager is hereby restricted from incurring an obligation with any one person and/or firm for more than ONE THOUSAND and NO/100 (\$1,000.00) DOLLARS without the signature of another partner.

The manager shall immediately post a fidelity bond in the sum of TWENTY-FIVE THOUSAND and NO/100 (\$25,000.00) DOLLARS to inure to the benefit of the partnership, said premium to be considered as partnership expense.

Until altered by the partnership, the manager shall be entitled to draw FOUR HUNDRED and NO/100 (\$400.00) DOLLARS per month during the planting and harvesting seasons only. ~~The~~

~~manager shall not be entitled to draw any money from the partnership~~

~~at all other times~~ *good NO J.H.G. W.E.P.M.*

The duties of the secretary-treasurer shall be to expedite the duties designated in instant agreement.

The duties of both the manager and the secretary-treasurer may be altered, added to, deleted and/or amended at the will of the partnership as hereinabove set forth.

(21) This Agreement shall be binding upon and inure to the benefit of the heirs, executors and assigns of the partners herein.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

Harlan Heet
HARLAN HEET
 461 S. Harbor Boulevard
 La Habra, California

William Earl Pollard
WILLIAM EARL POLLARD
 P.O. Box 272
 Eureka, Nevada

John Van Daele
JOHN VAN DAELE
 2510 Shady Valley Lane
 La Habra, California

W. Jensen
W. JENSEN
 440 W. Whittier Boulevard
 La Habra, California

J. Harvey Jatho
J. HARVEY JATHO
 18616 Virginia Avenue
 Whittier, California

