

**NINTH AMENDMENT TO WATER SUPPLY AGREEMENT
BETWEEN
WONDERFUL NUT ORCHARDS AND ROOT CREEK WATER DISTRICT**

This Ninth Amendment To Water Supply Agreement (this “Amendment”) is entered into by and between Wonderful Nut Orchards LLC, a Delaware limited liability company (“WNO”), and Root Creek Water District, a California water district (“RCWD”), as of May 9, 2022, (the “Effective Date”). WNO and RCWD are collectively referred to herein as the “Parties,” and individually as a “Party” or by their individual names. Capitalized terms not otherwise provided for in this Amendment shall have the same meaning ascribed to them in the Agreement (defined below).

RECITALS

A. WHEREAS, the Parties entered into that certain Water Supply Agreement between Westside Mutual Water Company and RCWD dated November 1, 2006, as amended and assigned, for the sale and transfer of water (the “Agreement”).

B. WHEREAS, the Agreement provides for WNO to deliver water to RCWD under specified terms. The Agreement also provides for RCWD to make certain annual payments to WNO for water to be delivered to RCWD in the future. These payments are referred to as a “Standby Charge” in the Agreement.

C. WHEREAS, 2022 is classified as a “critical” water year by the United State Bureau of Reclamation.

D. WHEREAS, RCWD has developed, and continues to develop, water supply, infrastructure and management projects to ensure a long-term and cost-effective supply for RCWD, which requires adequate funds and water supply.

E. WHEREAS, the Parties desire to enter into this Amendment to the Agreement to accommodate the unique challenges of the 2022 Water Year and provide supply and funding to RCWD for its water management needs as further set forth below. The Parties also desire to modify WNO’s obligation to deliver water to RCWD in 2022, except as provided by the terms and subject to the conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained and the above Recitals, which are deemed true and correct and incorporated herein, the Parties herein agree as follows:

1. Limited Applicability. The Parties agree that this Amendment shall only apply to the 2022 Water Year and shall have no further force or effect thereafter. Following the 2022 Water Year, the Agreement shall be interpreted and applied without reference to this Amendment.

2. 2022 Water Delivery Request. RCWD agrees that it will request, and WNO shall provide, up to Three Thousand Five Hundred (3,500) acre-feet of total water supply for the 2022 Water Year.

3. 2022 In-District Water.

(a) In-District Water Quantity. WNO shall deliver up to 900 acre-feet of the total water supply for the 2022 Water Year at the RCWD turnout on Madera Irrigation District (“MID”) Lateral 6.2 for beneficial use within RCWD (“In-District Water Supply”). The Parties agree that RCWD shall pay to WNO the rate of \$888.31 per acre-foot for the In-District Water Supply. The cost per acre-foot of the In-District Water Supply is based on the CPI adjustment calculation. WNO shall be obligated to deliver the In-District Water Supply requested by RCWD from the Effective Date to August 31, 2022.

(b) In-District Water Delivery Restrictions. Should MID not run the In-District Water Supply through Lateral 6.2, or if MID is unable to schedule such water for delivery through Lateral 6.2 within the timeframe specified in 3(a), or should RCWD request a reduction in the In-District Water Supply quantity by May 20, 2022, the quantity of the In-District Water Supply provided by WNO will be reduced and the quantity of Transfer Water Supply (as defined in Section 4(a)) will be increased by a like amount.

4. 2022 Transfer Water.

(a) Transfer Water Supply. The difference between the total 3,500 acre-feet of water supply for 2022 requested by RCWD and the In-District Water Supply delivered shall be referred to herein as the “Transfer Water Supply.” The Parties expect the Transfer Water Supply to equal 2,600 acre-feet, subject to an increase pursuant to Section 3(b) above. On behalf of RCWD, WNO shall facilitate delivery of the Transfer Water Supply to one or more districts within Kern County (“Transfer Districts”) for existing agricultural demands within those Transfer Districts during the 2022 Water Year. WNO shall be responsible for all losses of Transfer Water Supply delivered to such Transfer Districts.

(b) Transfer Water Cost and Revenue. The Parties agree that RCWD shall pay to WNO the rate of \$400.00 per acre-foot for the Transfer Water Supply. After arranging for the sale of the Transfer Water Supply, WNO shall ensure payment by Transfer Districts to RCWD of the “Transfer Water Revenue” price of \$1,300 per acre-foot for the Transfer Water Supply sold.

5. Scope of Amendments; No Defaults. Except as specifically set forth in this Amendment, the Parties agree that all terms and conditions of the Agreement are in full force and effect. The Parties further agree that there are no defaults by either Party under the Agreement or conditions known to either Party that will become a default with the passage of time or that would allow either Party to avoid their obligations under the Agreement.

6. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. Binding on Successors. The terms and conditions of this Amendment shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the respective parties hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the Effective Date:

“WNO”

WONDERFUL NUT ORCHARDS LLC, a
Delaware limited liability company

By: _____

Name: _____

Title: _____

“RCWD”

ROOT CREEK WATER DISTRICT, a
California water district

By: _____

Name: _____

Title: _____