

As filed with the Securities and Exchange Commission on August 13, 1997  
Registration No. \_\_\_\_\_

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM S-8  
REGISTRATION STATEMENT  
Under  
THE SECURITIES ACT OF 1933

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TEJON RANCH CO.  
(Exact name of registrant as specified in its charter)

Delaware 77-0196136  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

P.O. Box 1000  
Lebec, California 93243  
(Address of principal executive offices)

Tejon Ranch Co. 1992 Stock Option Plan  
(Full title of the plan)

ROBERT A. STINE  
TEJON RANCH CO.  
P.O. Box 1000  
Lebec, California 93243  
(Name and address of agent for service)  
(805) 248-6774

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered	Proposed maximum aggregate offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock	230,000 (1)	22.625 (2)	5,203.750 (2)	1,576.90

This Registration Statement contains six sequentially numbered pages. The Exhibit Index appears n sequentially numbered page 7.

(1) These shares of Common Stock are reserved for issuance pursuant to the Tejon Ranch Co. 1992 Stock Option Plan. Pursuant to Rule 416(c), there is also being registered such number of additional shares which may become available for purchase pursuant to the foregoing Plan in the event of certain changes in the outstanding shares, including reorganizations, recapitalizations, stock splits, stock dividends and reverse stock splits.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) and based on the average of the high and low prices of the Common Stock of Tejon Ranch Co. on the American Stock Exchange on August 13, 1997 of \$22.625.

Item 1. Omitted pursuant to Form S-8.

Item 2. Omitted pursuant to Form S-8.

Item3. Incorporation of Documents by Reference.

The following documents of Tejon Ranch Co., a Delaware corporation (the "Company"), previously filed with the Securities

and Exchange Commission, are hereby incorporated by reference in this Registration Statement.

(i) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1996;

(ii) The Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 1997 and June 30, 1997;

(iii) The description of the Company's Common Stock contained in the registration statement filed under Section 12 of the Securities Exchange Act of 1934, including any amendment or report filed for the purpose of updating such description.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, prior to the filing of a post-effective amendment which indicates that all securities offered hereunder have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be part hereof from the date of filing of such documents.

Item 4. Description of Securities.  
Not applicable.

Item 5. Interests of Named Experts and Counsel.  
None.

Item 6. Indemnification of Directors and Officers.

Section 145 of the General Corporation Law of Delaware empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as director, officer, employee or agent of another corporation or enterprise. Depending on the character of the proceeding, a corporation may indemnify against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the person identified acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the corporation and, with respect to any criminal action or proceeding, had no cause to believe his or her conduct was unlawful. In the case of an action by or in the right of the corporation, no indemnification may be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that a Court of

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Chancery or the court in which such action or suit was brought shall determine that, despite the adjudication of liability, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. Section 145 further provides that to the extent that a director or officer of a corporation has been successful in the defense of any action, suit or proceeding referred to above or in the defense of any claim, issue or matter herein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

The Certificate of Incorporation of the Company provides, in effect that, the Registrant shall indemnify the persons referred to in Section 145 of the Delaware General Corporation law to the full extent permitted by law, which would include, but not necessarily be limited to, the extent permitted by said Section 145. The Company has also entered in agreement with its officers and directors to provide in effect the indemnification that is authorized by Section 145 of the Delaware General Corporation law and the Company's Certificate of Incorporation.

The Certificate of Incorporation of the Company also provides that directors shall not be liable to the Company or its Stockholders for monetary damages for breach of fiduciary duty as

a director to the extent that exemption from liability or limitation of liability is not permitted under the Delaware General Corporation law. Under Section 102(7) of the Delaware General Corporation law, a corporation may relieve its directors from personal liability to such corporation or its stockholders for monetary damage for any breach of their fiduciary duty as directors except (i) for any breach of the duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law, (iii) for willful or negligent violations of certain provisions of the Delaware General Corporation law imposing requirements with respect to stock purchases, redemptions and dividends or (iv) any transaction from which the director derived an improper personal benefit.

Item 7. Exemption from Registration Claimed.

Not Applicable.

Item 8. Exhibits.

4.1 1992 Tejon Ranch Co. Stock Option Plan.\*

4.2 Form of Stock Option Agreement.

4.3 Restated Certificate of Incorporation of the Company.\*\*

4.4 Restated Bylaws of Company.\*\*\*

5. Opinion of Counsel.

24.1 Consent of Ernst & Young LLP.

24.2 Consent of Counsel.

25.1 Power of Attorney (contained on the signature page of this Registration Statement).

\* This document, filed with the Securities Exchange Commission in Washington, D.C. as Annex A to the Proxy Statement for the Company's Annual Meeting of

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Stockholders for 1993, is incorporated herein by reference.

\*\* This document, filed with the Securities Exchange Commission in Washington, D.C. as Appendix B to the Company's Registration Statement No. 33-12879 filed on March 25, 1987, is incorporated herein by reference.

\*\*\* This document, filed with the Securities and Exchange Commission in Washington, D.C. is Appendix C to the Company's Registration Statement No. 33-12879 filed on March 25, 1987.

Item 9. Undertakings.

1. The undersigned Registrant hereby undertakes:

(i) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

(ii) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(iii) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

2. The undersigned Registrant hereby undertakes that,

for purposes of determining any liability under the Securities Act of 1933, each filing of the Company's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the Securities being registered, the Company will, unless in

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the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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#### SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Lebec, California, on this 12 th day of August, 1997.

TEJON RANCH CO.

By: /s/ Robert A. Stine  
Robert A. Stine,  
President and  
Chief Executive Officer

#### POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Robert A. Stine, Matt J. Echeverria and Dennis Mullins his or her true and lawful attorneys-in-fact and agents, each acting alone, with full powers of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full powers and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might, or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

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Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

President, Director

Robert A. Stine	and Chief Executive Officer	August __, 1997
Allen E. Lyda	Vice President - Finance and Chief Financial Officer (Principal Financial and Principal Accounting Officer)	August __, 1997
Donald Haskell	Director	August __, 1997
Otis Booth, Jr.	Director	August __, 1997
Craig Cadwalader	Director	August __, 1997
Dan T. Daniels	Director	August __, 1997
Rayburn S. Dezember	Director	August __, 1997
Robert F. Erburu	Director	August __, 1997
Clayton W. Frye, Jr.	Director	August __, 1997
Raymond L. Watson	Director	August __, 1997
Phillip L. Williams	Director	August __, 1997

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#### EXHIBIT INDEX

Exhibit No.	Exhibit	Sequentially Numbered Page
4.1	1992 Tejon Ranch Co. Stock Option Plan.	*
4.2	Form of Stock Option Agreement.	
4.3	Restated Certificate of Incorporation of Company.	*
4.4	Restated By-laws of Company.	*
5.	Opinion of Counsel	
24.1	Consent of Ernst & Young LLP.	
24.2	Consent of Counsel.	**
25.1	Power of Attorney.	(contained on the signature page of this Registration Statement)

\* Incorporated herein by reference.

\*\* Included in Exhibit 5.

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EXHIBIT 4.2

TEJON RANCH CO.  
STOCK OPTION AGREEMENT  
PURSUANT TO THE  
1992 EMPLOYEE STOCK INCENTIVE PLAN

This Incentive Stock Option Agreement ("Agreement") is made and entered into as of the Date of Grant indicated below by and between Tejon Ranch Co., a Delaware corporation (the "Company"), and the person named below as Optionee.

WHEREAS, Optionee is an employee, officer or director of the Company and/or one or more of its subsidiaries;

WHEREAS, pursuant to the Company's 1992 Employee Stock Incentive Plan (the "1992 Plan"), the Compensation Committee of the Board of Directors of the Company administering the 1992 Plan (the "Committee") approved the grant to Optionee of an option to purchase shares of the Common Stock, par value \$.50 per share, of the Company (the "Common Stock"), on the terms and conditions set forth in a Stock Option Agreement entered into by Optionee and the Company as of the Date of Grant;

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby amend and restate their agreement as so amended:

1. Grant of Option; Certain Terms and Conditions. The Company hereby grants to Optionee, and Optionee hereby accepts, as of the Date of Grant indicated below, an option (the "Option") to purchase the number of shares of Common Stock indicated below (the "Option Shares") at the Exercise Price per share indicated below. The Option shall become exercisable on and after the Vesting Dates indicated below as to the number of shares indicated with respect to each such Vesting Date, except as otherwise provided in Section 3. The Option shall expire at 5:00 p.m., Los Angeles, California time, on the Expiration Date indicated below and shall be subject to all of the terms and conditions set forth in this Agreement.

Optionee:

Date of Grant:

Number of shares purchasable:

Exercise Price per share:

Expiration Date:

Vesting Dates:

2. Incentive Stock Option; Internal Revenue Code Requirements. The Option is intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code (the "Code") except to the extent that the aggregate Fair Market Value (determined as of the Date of Grant) of the shares of Common Stock with respect to which the Option is exercisable for the first time by Optionee during any calendar year (under the 1992 Plan and all other stock option plans of the Company and its subsidiaries) exceeds \$100,000. Such excess shares are intended to be treated as shares issued pursuant to an Option that is not an incentive stock option described in Section 422 of the Code, in accordance with Section 422(d) of the Code. The number of such excess shares as to which this option is not intended to be treated as an incentive option is \_\_\_\_\_.

The "Fair Market Value" of a share of Common Stock or other security on any day shall be equal to the last sale price, regular way, per share or unit of such other security on such day or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the American Stock Exchange or, if the shares of Common Stock or such other security are not listed or admitted to trading on the American Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the shares of Common Stock or such other security are listed or admitted to trading or, if the shares of Common Stock or such other securities are not listed or admitted to trading on any national securities exchange, the last quoted price or, if

not so quoted, the average of the high bid and low asked prices in the over-the-counter market as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use or, if on any such date the shares of Common Stock or such other security are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in shares of Common Stock or such other security selected by the Board of Directors.

3. Acceleration and Termination of Option.

(a) Termination of Employment.

(i) Definition of Termination. In the event that Optionee shall cease to be an employee of the Company or any of its subsidiaries voluntarily or involuntarily or for any reason whatever, such event is referred to in this Agreement as a "Termination" of Optionee's "Employment."

(ii) Normal Termination. If Optionee's Employment is Terminated for any reason other than those enumerated in this Section 3(a)(ii), then the Option shall terminate three (3) months from the date of such Termination of Employment but in no event later than the Expiration Date. During such three month period, the Option shall be exercisable only if the date of Termination of Employment is after the ninth anniversary of the Date of Grant.

(iii) Death or Permanent Disability. In the event of a Termination of Optionee's Employment by reason of the

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death of Permanent Disability (as hereinafter defined) of Optionee, the Option shall terminate on the first anniversary of the date of such Termination of Employment or the Expiration Date, whichever is earlier.

"Permanent Disability" shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months. The Optionee shall not be deemed to have a Permanent Disability unless proof of the existence thereof shall have been furnished to the Committee in such form and manner, and at such times, as the Committee may require. Any determination by the Committee that Optionee does or does not have a Permanent Disability shall be final and binding upon the Company and Optionee.

(b) Death or Permanent Disability Following Termination of Employment. Notwithstanding anything to the contrary in this Agreement, if Optionee shall die or suffer a Permanent Disability at any time after the Termination of his or her Employment and prior to the Expiration Date, then to the extent that the Option was exercisable on the date of such death or Permanent Disability the Option shall terminate on the earlier of the Expiration Date or the first anniversary of the date of such death.

(c) Acceleration of Option Upon a Change of Control. The Option shall become fully exercisable with respect to all Option Shares in the event of a Change of Control. A "Change of Control" shall mean the first to occur of the following events:

(i) a reorganization, merger or consolidation of the Company, the issuance or transfer of securities of the Company in one transaction or series of related transactions or any other transaction or series of related transactions in each case if and only if as a result of the transaction or transactions persons other than the shareholders immediately prior to such transaction or transactions shall own 80% or more of the voting securities of the Company or its successor after the transaction;

(ii) the sale or transfer by the Company of all or substantially all of its property and assets in a single transaction or series of related transactions; or

(iii) the dissolution or liquidation of the Company.

(d) Discretionary Acceleration. The Committee, in its sole discretion, may accelerate the exercisability of the Option for any reason, including without limitation in the event of death or disablement of Optionee or termination of employment of Optionee by the Company other than for cause.

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(e) Other Events Causing Termination of Option. Notwithstanding anything to the contrary in this Agreement, the Option shall terminate in the event of the occurrence of an event referred to in clause (ii) or (iii) of paragraph (c) above or a merger or consolidation referred to in clause (i) of paragraph (c) above (a "Terminating Event") (even if such Terminating Event occurs after an event referred to in clause (i) of said paragraph (c) above which is not a Terminating Event) unless the terms of any such transaction constituting the Terminating Event otherwise provide. Such termination shall occur on the 30th day following any such Terminating Event (or such later date as the Board of Directors or the Committee shall determine) unless the Board of Directors or the Committee (i) sets an earlier date which is at least ten days prior to the occurrence of the Terminating Event, (ii) notifies the Optionee in writing at least ten days before the occurrence of the Terminating Event of the setting of such date and (iii) accelerates the exercisability of the Option to the extent it would otherwise be exercisable for any part of the thirty day period after such event pursuant to Section 1 or pursuant to paragraph (c) above so that, to such extent, the Option could be exercised for a period of at least ten days prior to the occurrence of the Terminating Event. In such event where the requirements of clauses (i), (ii) and (iii) of the preceding sentence are met, the Option shall expire immediately upon the occurrence of the Terminating Event.

4. Adjustments. In the event that the outstanding securities of the class then subject to the Option are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a cash dividend paid out of earned surplus) or other distribution, stock split, reverse stock split or the like, or in the event that substantially all of the property and assets of the Company are sold, then, the Committee shall make appropriate and proportionate adjustments in the number and type of shares or other securities or cash or other property that may thereafter be acquired upon the exercise of the Option; provided, however, that any such adjustments in the Option shall be made without changing the aggregate Exercise Price of the then unexercised portion of the Option.

5. Exercise. The Option shall be exercisable during Optionee's lifetime only by Optionee or by his or her guardian or legal representative, and after Optionee's death only by the person or entity entitled to do so under Optionee's last will and testament or applicable intestate law. The Option may only be exercised by the delivery to the Company of a written notice of such exercise pursuant to the notice procedures set forth in Section 7 hereof, which notice shall specify the number of Option Shares to be purchased (the "Purchased Shares") and the aggregate Exercise Price for such shares (the "Exercise Notice"), together

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with payment in full of such aggregate Exercise Price as follows:

(a) by the delivery to the Company of a certificate or certificates representing shares of Common Stock, duly endorsed or accompanied by a duly executed stock power, which delivery effectively transfers to the Company good and valid title to such shares, free and clear of any pledge, commitment, lien, claim or other encumbrance (such shares to be valued on the basis of the aggregate Fair Market Value thereof on the date of such exercise), provided that the Company is not then prohibited from



purchasing or acquiring such shares of Common Stock; and/or

(b) by reducing the number of shares of Common Stock to be issued and delivered to Optionee upon such exercise (such reduction to be valued on the basis of the aggregate Fair Market Value (determined on the date of such exercise) of the additional shares of Common Stock that would otherwise have been issued and delivered upon such exercise), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock.

The balance of the Exercise Price not paid by an exchange of shares pursuant to (a) or (b) above shall be paid in cash or by a cashier's or certified bank check payable to the Company.

The Optionee will be obligated to pay the Exercise Price in the manner contemplated by (a) and/or (b) above and will be permitted to pay the Exercise Price in cash only to the extent that it cannot be paid in the manner provided in (a) and (b) above. Notwithstanding the foregoing, the Optionee shall be obligated to pay the Exercise Price in the manner contemplated by (a) above only to the extent that he or she owns shares of Common Stock beneficially, has the power to dispose of those shares and such disposition contemplated by (a) above would not constitute a "disqualifying disposition" of shares resulting in a loss of the special tax treatment afforded incentive stock options.

#### 6. Payment of Withholding Taxes.

(a) If the Company is obligated to withhold an amount on account of any federal, state or local tax imposed as a result of the exercise of the Option, including, without limitation, any federal, state or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax, then Optionee shall, concurrently with such exercise, pay such amount (the "Withholding Liability") to the Company in cash or by a cashier's or certified bank check payable to the Company; provided, however, that, in the discretion of the Committee, the Optionee may, pursuant to an irrevocable election of Optionee (a "Withholding Election") made on or prior to the date of such exercise, instead pay all or any part of the Withholding Liability in the following manner:

(i) by the delivery to the Company of a certificate or certificates representing shares of Common Stock,

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duly endorsed or accompanied by a duly executed stock powers, which delivery effectively transfers to the Company good and valid title to such shares, free and clear of any pledge, commitment, lien, claim or other encumbrance (such shares to be valued on the basis of the aggregate Fair Market Value thereof on the date of such exercise), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock; and/or

(ii) by reducing the number of shares of Common Stock to be issued and delivered to Optionee upon such exercise (such reduction to be valued on the basis of the aggregate Fair Market Value (determined on the date of such exercise) of the additional shares of Common Stock that would otherwise have been issued and delivered upon such exercise), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock.

(b) The Committee shall have sole discretion to approve or disapprove any Withholding Election and may adopt such rules and regulations as are consistent with and necessary to implement the foregoing. The Committee may permit Optionee to make a Withholding Election to pay withholding taxes in excess of the minimum amount required by law, provided that the amount of withholding taxes so paid does not exceed the estimated total federal, state and local tax liability of Optionee attributable to such exercise.

7. Notices. Any notice given to the Company shall be addressed to the Company at P.O. Box 1000, Lebec, California 93243, Attention: President, or at such other address as the Company may hereinafter designate in writing to Optionee. Any notice given to Optionee shall be sent to the address set forth

below Optionee's signature hereto, or at such other address as Optionee may hereafter designate in writing to the Company. Any such notice shall be deemed duly given when delivered personally or five days after mailing by prepaid certified or registered mail return receipt requested.

8. Stock Exchange Requirements; Applicable Laws. Notwithstanding anything to the contrary in this Agreement, no shares of stock issuable upon exercise of the Option, and no certificate representing all or any part of such shares, shall be purchased, issued or delivered if (a) such shares have not been admitted to listing upon official notice of issuance on each stock exchange upon which shares of that class are then listed or (b) in the opinion of counsel to the Company, such issuance or delivery would cause the Company to be in violation of or to incur liability under any federal, state or other securities law, or any requirement of any stock exchange listing agreement to which the Company is a party, or any other requirement of law or of any administrative or regulatory body having jurisdiction over the Company.

9. Restrictions on Transferability.

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(a) Neither the Option nor any interest therein may be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred in any manner other than by will or the laws of descent and distribution.

(b) By accepting the Option, the Optionee for himself or herself and his or her transferees by will or the laws of descent and distribution, represent and agree that all shares of Common Stock purchased upon exercise of the Option will be acquired for investment and not with a view to the distribution thereof unless they have been registered under the Securities Act of 1933, and will otherwise be acquired, held and disposed of and held in accordance with the restrictions of said Act and the rules and regulations of the Securities and Exchange Commission thereunder, that the Company may instruct its transfer agent to restrict further transfer of said shares in its records except upon receipt of satisfactory evidence that such restrictions have been satisfied, that upon each exercise of any portion of the Option, the certificates evidencing the purchased shares shall bear an appropriate legend on the face thereof evidencing such restrictions, and that the person entitled to exercise the same shall furnish evidence satisfactory to the Company (including a written and signed representation) to the effect that the shares are being acquired subject to such restrictions.

10. 1992 Plan. The Option is granted pursuant to the 1992 Plan, as in effect on the Date of Grant, and is subject to all the terms and conditions of the 1992 Plan, as the same may be amended from time to time; provided, however, that no such amendment shall deprive Optionee, without his or her consent, of the Option or of any of Optionee's rights under this Agreement. The interpretation and construction by the Committee of the 1992 Plan, this Agreement, the Option and such rules and regulations as may be adopted by the Committee for the purpose of administering the 1992 Plan shall be final and binding upon Optionee. Until the Option shall expire, terminate or be exercised in full, the Company shall, upon written request therefor, send a copy of the 1992 Plan, in its then-current form, to Optionee or any other person or entity then entitled to exercise the Option.

11. Stockholder Rights. No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Option Shares until the Option shall have been duly exercised to purchase such Option Shares in accordance with the provisions of this Agreement and the Option Shares have been issued.

12. Employment Rights. No provision of this Agreement or of the Option granted hereunder shall (a) confer upon Optionee any right to continue in the employ of the Company or any of its subsidiaries, (b) affect the right of the Company and each of its subsidiaries to terminate the employment of Optionee, with or without cause, or (c) confer upon Optionee any right to participate in any employee welfare or benefit plan or other

program of the Company or any of its subsidiaries other than the 1992 Plan. The Optionee hereby acknowledges and agrees that the Company and each of its subsidiaries may terminate the employment of Optionee at any time and for any reason, or for no reason, unless Optionee and the Company or such subsidiary are parties to a written employment agreement that expressly provides otherwise.

13. Effect on Other Agreement. This Agreement supersedes the Stock Option Agreement between the Optionee and the Company previously entered into with respect to the Option and dated as of the Date of Grant.

14. Governing Law. This Agreement and the Option granted hereunder shall be governed by and construed and enforced in accordance with the laws of the State of Delaware.

IN WITNESS WHEREOF, the Company and Optionee have duly executed this Agreement as of the Date of Grant.

TEJON RANCH CO.  
By:

OPTIONEE

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
Social Security Number

August 7, 1997

(213) 229-7000

Tejon Ranch Co.  
P.O. Box 1000  
Lebec, California 93243

Re: Form S-8 Registration Statement

Dear Ladies and Gentlemen:

We have acted as counsel for Tejon Ranch Co., a Delaware corporation (the "Company"), in connection with the registration by the Company of 230,000 shares of the Company's Common Stock, \$1 par value (the "Shares"), on a Form S-8 Registration Statement (the "Registration Statement") under the Securities Act of 1933, as amended.

On the basis of such investigation as we have deemed necessary, we are of the opinion that (i) the Shares have been duly authorized and (ii) when issued and sold in accordance with the terms of the Company's 1992 Stock Option Plan referred to in the Registration Statement, the Shares will be legally issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as Exhibit 5 to the Registration Statement. In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder.

Very truly yours,  
/s/ Gibson, Dunn & Crutcher LLP

GIBSON, DUNN & CRUTCHER LLP

Exhibit 24.1

CONSENT OF ERNST & YOUNG, LLP.

We consent to the incorporation by reference in the Registration Statement (Form s-8, to be filed on or about August 13, 1997) of our report dated March 10, 1997 with respect to the consolidated financial statements and schedules of Tejon Ranch Co. included in its Annual Report on Form 10-K for the year ended December 31, 1996, filed with the Securities and Exchange Commission.

/s/ERNST & YOUNG LLP

Los Angeles, California  
August 13, 1997