

1 DAVID R. ZARO (BAR NO. 124334)
2 JOSHUA A. DEL CASTILLO (BAR NO. 239015)
3 NORMAN M. ASPIS (BAR NO. 313466)
4 ALLEN MATKINS LECK GAMBLE
5 MALLORY & NATSIS LLP
6 865 South Figueroa Street, Suite 2800
7 Los Angeles, California 90017-2543
8 Phone: (213) 622-5555
9 Fax: (213) 620-8816
10 E-Mail: dzaro@allenmatkins.com
11 jdelcastillo@allenmatkins.com
12 naspis@allenmatkins.com

13 Attorneys for Receiver
14 GEOFF WINKLER

15 UNITED STATES DISTRICT COURT
16 CENTRAL DISTRICT OF CALIFORNIA
17 WESTERN DIVISION

18 SECURITIES AND EXCHANGE
19 COMMISSION,

20 Plaintiff,

21 v.

22 RALPH T. IANNELLI and ESSEX
23 CAPITAL CORP.,

24 Defendants.

Case No. 2:18-cv-05008-FMO-AFM

DECLARATION OF RECEIVER,
GEOFF WINKLER, IN SUPPORT
OPPOSITION TO PROPOSED
INTERVENOR CVL'S MOTION TO
INTERVENE AND TO REMOVE
CVL'S ASSETS FROM THE COURT-
ORDERED FREEZE [ECF NO. 115]

[Opposition filed concurrently herewith]

Date: October 24, 2019
Time: 10:00 a.m.
Ctrm: 6D
Judge Hon. Fernando M. Olguin

25
26
27
28

DECLARATION OF GEOFF WINKLER

I, Geoff Winkler, declare as follows:

1. I am the Court-appointed permanent receiver (the "Receiver") for Defendant Essex Capital Corporation ("Essex") and its subsidiaries and affiliates (collectively, the "Receivership Entities" or "Entities") in the above-entitled matter. I make this Declaration in support of my concurrently filed Opposition to the Motion to Intervene and to Remove CVL's Assets from the Court-ordered Asset Freeze of proposed intervenor 915 Elm Avenue CVL, LLC ("CVL").

2. The facts presented in this Declaration are based on my personal knowledge, including as developed from my review of documents relating to the business and financial activities of the Receivership Entities, including as to CVL. These documents include, but are not limited to, bank and other financial statements obtained, pursuant to my authority as Receiver, from the files of the Receivership Entities and from third parties, including banks, other financial institutions, and individuals and entities who transacted with the Receivership Entities.

3. CVL's purchase of its business operations and other personal and real property (collectively, the "Lumber Yard") was funded, in large part, by a seller carryback note (the "Gally Note") issued by Essex to James Gally, the Lumber Yard's seller, in the amount of \$1.5 million, and two loans (the "MBT Loans") obtained by CVL from Montecito Bank & Trust ("MBT") in the respective initial principal amounts of \$1,158,750 and \$1,225,000. Roughly concurrently with the Gally Note, CVL executed notes payable to Essex (inclusive with a note in the amount of \$125,000 payable from CVL to Mr. Iannelli, the "CVL Notes") in the initial principal amount of at least \$1,625,000, apparently in order to provide for and fund, among other things, the repayment of the Gally Note. Attached hereto as **Exhibit 1** is a true and correct copy of the Essex Note. Attached hereto as **Exhibits 2** and **3** are true and correct copies of the notes memorializing the MBT Loans, which reflect that the MBT Loans are cross-defaulted against the Essex Note.

1 Attached hereto as **Exhibit 4** are true and correct copies of the documents
2 collectively identified in my concurrently filed Opposition as the "CVL Notes." The
3 Receivership Entities' records reflect that Essex paid over \$400,000 to Mr. Gally in
4 the pre-receivership period in connection with its payment obligation on the Gally
5 Note; however, the Gally Note is now in default. The CVL Notes are in default, and
6 CVL has made no associated payments to Essex in the post-receivership period.

7 4. In addition to the Gally Note, which funded a substantial portion of the
8 purchase of the Lumber Yard, significant cash from Essex was transferred to CVL.
9 Specifically, on January 11, 2016, \$500,000 was transferred from an Essex account
10 at First Republic Bank to Defendant Ralph Iannelli's personal account at MBT. On
11 January 13, 2016, \$393,460 of this amount was transferred from Mr. Iannelli's MBT
12 account to CVL. Attached hereto as **Exhibit 5** is a true and correct excerpt of a First
13 Republic Bank statement reflecting the transfer of \$500,000 from Essex to
14 Mr. Iannelli. Attached hereto as **Exhibit 6** is a true and correct, redacted excerpt of
15 an MBT account statement reflecting Mr. Iannelli's receipt of these funds and
16 subsequent transfer of \$393,460. Attached hereto as **Exhibit 7** is a true and correct
17 excerpt of an MBT account statement reflecting CVL's receipt of this \$393,460.

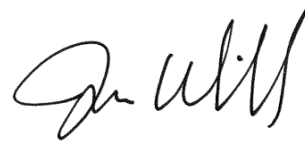
18 5. On July 12, 2016, \$125,000 was transferred from an Essex account at
19 MBT to Mr. Iannelli's personal account at MBT. That same day, the \$125,000 was
20 transferred from Mr. Iannelli's MBT account to CVL. Attached hereto as **Exhibit 8**
21 is a true and correct copy of an MBT account statement reflecting the transfer of
22 \$125,000 from Essex to Mr. Iannelli. Attached hereto as **Exhibit 9** is a true and
23 correct, redacted copy of an MBT account statement reflecting Mr. Iannelli's receipt
24 of \$125,000. Attached hereto as **Exhibit 10** is a true and correct excerpt of an MBT
25 account statement reflecting CVL's receipt of this \$125,000 from Mr. Iannelli.

26 6. On October 13, 2016, \$125,000 was transferred from an Essex account
27 at MBT to Mr. Iannelli's personal account at MBT. That same day, the \$125,000
28 was transferred from Mr. Iannelli's MBT account to CVL. Attached hereto as

1 **Exhibit 11** is a true and correct copy of an MBT account statement reflecting the
2 transfer of \$125,000 from Essex to Mr. Iannelli. Attached hereto as **Exhibit 12** is a
3 true and correct, redacted copy of an MBT account statement reflecting
4 Mr. Iannelli's receipt of \$125,000. Attached hereto as **Exhibit 13** is a true and
5 correct excerpt of an MBT account statement reflecting CVL's receipt of this
6 \$125,000 from Mr. Iannelli.

7
8 I declare under penalty of perjury under the laws of the State of California
9 that the foregoing is true and correct.

10 Executed this 1st day of October 2019, at Salem, Oregon.

11
12
13 

14 _____
15 GEOFF WINKLER
16
17
18
19
20
21
22
23
24
25
26
27
28

PROMISSORY NOTE

\$1,500,000.00

January 14, 2016

Santa Barbara, California

For value received, Essex Capital Corporation, a California corporation ("Borrower"), hereby promises to pay to James Gally ("Registered Owner"), the principal sum of One Million Five Hundred Thousand Dollars (\$1,500,000). Interest shall accrue from the date of this Note on the unpaid principal amount of this Note at a rate equal to the lesser of six percent (6%) per annum and the maximum legal rate, compounded annually, and shall be paid quarterly. This Note is subject to the following terms and conditions.

1. Maturity. The principal balance of this Note shall be paid as follows: \$250,000.00 shall be paid one year from the date hereof and the remaining principal balance of \$1,250,000.00 shall be paid on the third anniversary of the date hereof. All accrued interest, and all other amounts payable by Borrower under this Note, shall be immediately due and payable, upon the occurrence of an Event of Default (as defined in Section 7 below) and without the need for Registered Owner to make any demand or provide any notice under this Note (the "Maturity Date").

2. Payment; Prepayment. All payments under this Note shall be made in lawful money of the United States of America at Registered Owner's address set forth in Section 10, below, or such other place as Registered Owner may designate in writing from time to time. All payments under this Note shall be credited first to the accrued interest and other charges, costs and expenses then due and payable and the remainder applied to principal.

3. Guaranty. The obligations of Borrower under this Note are guaranteed by Ralph Iannelli, an officer, director and principal shareholder of Borrower ("Guarantor"), pursuant to the Guaranty set forth below.

4. Representations. Borrower hereby represents and warrants to Registered Owner that all of the following are true, correct and complete.

(a) **Organization.** Borrower is duly incorporated, validly existing and in good standing under the laws of the State of California.

(b) **Authority.** Borrower has the power and authority to execute and deliver this Note, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Borrower of this Note and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action by the Board of Directors of Borrower. This Note has been duly and validly executed and delivered by Borrower and,

assuming the due authorization, execution and delivery by the other parties hereto, constitutes the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general principles of equity. Borrower has taken all action required by law and its charter documents to duly authorize the execution and delivery by Borrower of this Note and the performance of its obligations hereunder.

(c) **No Conflicts.** The execution and delivery by Borrower of this Note, the performance of its obligations under this Note and the consummation of the transactions contemplated hereby do not and will not: (i) conflict with or result in a violation or breach of any of the terms, conditions or, provisions of the charter documents of Borrower; or (ii) conflict with or result in a violation or breach of, constitute (with or without notice or lapse of time or both) a default under, or require Borrower to obtain any consent, approval or action of, make any filing with or give any notice to any person or entity, the terms of, any law or order applicable to Borrower or any material contract, license or agreement to which Borrower is a party or by which any of its assets are bound which have not been obtained or made.

7. Default. (a) **Events of Default.** Upon the happening of any of the following events (an "Event of Default"), Registered Owner may, at his option, declare immediately due and payable the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums payable at the time of such declaration pursuant to this Note. Such events are the following:

(i) The failure of Borrower to pay in full when due any installment of principal or interest or both or Late Payment charges or Additional Payments, unless such failure is cured within five (5) days;

(ii) The default of Borrower in the performance of any of its obligations under this Note, whether or not requiring the payment of money, but excluding the payment of any installment of principal, interest or both, unless such default is cured to Registered Owner's reasonable satisfaction within thirty (30) days after Registered Owner's delivery to Borrower of written notice of such default;

(iii) The default of Guarantor in the performance of any of his obligations under the Guaranty Agreement, whether or not requiring the payment of money, unless such default is cured to Registered Owner's reasonable satisfaction within (A) if the failure of performance is the non-payment of money, five (5) days after the date on which Registered Owner fails to perform, and (B) if the failure is a failure of performance of any of Guarantor's obligations under the Guaranty Agreement, but excluding the payment of any monetary amount, thirty (30) days after Registered Owner's delivery to Guarantor of written notice of such default;

(iv) The occurrence of any event of bankruptcy of Borrower or Guarantor, including, but not limited to, the filing by or against Borrower or Guarantor of a voluntary or involuntary petition under any provision of the Federal Bankruptcy Code, Borrower's or Guarantor's consent to a general assignment for the benefit of creditors, or Borrower's or Guarantor's admission in writing of his inability to pay his

debts generally as they come due; or

(v) The liquidation or dissolution of Borrower or the approval by the Board of Directors or shareholders of Borrower of the liquidation or dissolution of Borrower.

(b) Notice of Default. Upon the occurrence of an Event of Default described in any of clauses (ii) or (iii) of Section 7(a), above, Registered Owner may deliver to Borrower written notice of the occurrence of such Event of Default and, unless such Event of Default is cured prior to the end of the applicable cure period, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this Note. Upon the occurrence of an Event of Default described in any of clauses (i), (iv), (v) or (vi) of Section 7(a), above, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable upon the occurrence of such Event of Default and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this Note.

(c) Delay. The delay or failure of Registered Owner to declare a default or to deliver written notice of default upon the occurrence of any Event of Default shall not constitute a waiver of Registered Owner's right to declare a default or to deliver notice of default at any subsequent time in respect of the same event or any other event. No exercise of the rights and powers granted in or held pursuant to this Note by Registered Owner, and no delays or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time and from time to time.

(d) Remedies Cumulative. Registered Owner's rights and remedies under this Note upon the occurrence of an Event of Default are cumulative and Registered Owner's exercise of any such remedies shall not limit or restrict in any way his right to exercise the same or any other remedy in respect of the same or any other Event of Default.

8. Payment to Registered Owner. Borrower is obligated to pay the principal amount and any stated interest thereon only to the Registered Owner of this Note and only the Registered Owner of the Note shall be entitled to payment of the principal amount and interest on the principal amount.

9. Transfer; Successors and Assigns. Borrower may not assign, pledge, or otherwise transfer this Note or any of its rights or obligations thereunder without the prior written consent of Registered Owner, which consent may be withheld for any reason or no reason.

10. Notices.

Any notice required or permitted by this Note shall be in writing and shall be deemed delivered (a) if delivered personally, upon receipt, or (b) if sent by recognized over-night courier service, one (1) business day after delivery to the courier or delivery service, or (c)

if sent by facsimile or other form of electronic transmission that provides for confirmation of delivery or notice of non-delivery, one (1) business day after transmission, or (d) if sent by U.S. first class, certified or registered mail with postage prepaid and return receipt requested, five (5) days after deposit with the U.S. Postal Service addressed to the party to be notified at such party's address or facsimile number set forth below or as subsequently modified by written notice.

Company: Essex Capital Corporation
1486 East Valley Road
Santa Barbara, California 93108
Attention: Ralph T. Iannelli,
President
Fax No.: 805-565-0993
Email: Ralph@essexcapitalcorp.com

Registered Owner:
James Gally
777 Chalk Hill Road
Solvang, CA93463

11. **Payment Limitations.** The indebtedness reflected in this Note relates to the sale of assets by James Gally and certain entities owned by him to 915 Elm Avenue CVL, LLC ("Buyer") pursuant to an Asset Purchase Agreement entered into among those entities as of December 7, 2015 and subsequently amended on December 21, 2015, January 4, 2016 and January 13, 2016 (the "Agreement"). Any payments due to Owner hereunder may be off set by Borrower against claims made pursuant to the Agreement by the Buyer, but only to the extent provided for in the Agreement.

12. Miscellaneous Provisions.

(a) **Officers and Directors Not Liable.** Except for any liability that any officer or director may have by reason of being the Guarantor under the Guaranty Agreement, in no event shall any officer or director of Borrower be liable for any amounts due or payable pursuant to this Note.

(b) **Loss of Note.** Upon receipt by Borrower of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Note or any Note exchanged for it, and indemnity satisfactory to Borrower (in case of loss, theft or destruction) or surrender and cancellation of such Note (in the case of mutilation), Borrower shall make and deliver in lieu of such Note a new Note of like tenor.

(c) **Waiver of Notice of Protest, etc.** Borrower hereby waives presentment, protest, notice of protest, notice of nonpayment, notice of dishonor and any and all other notices or demands relative to this Note, except as specifically provided herein.

(d) **Amendments and Waivers.** Any term of this Note may be amended only with the written consent of Borrower and Registered Owner. Any amendment or waiver affected in accordance with this Section 11(d) shall be binding upon Borrower,

Registered Owner and each transferee of any Note.

(e) Severability. The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

(f) Counterparts. This Note may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single agreement.

(g) Interpretation. Borrower and Registered Owner have each had the opportunity to review and discuss with independent legal counsel this Note and the transactions contemplated herein. Therefore, the normal rule of construction that an agreement shall be interpreted against the drafting party shall not apply.

(h) Arbitration. Unless the relief sought requires the exercise of the equity powers of a court of competent jurisdiction, any dispute arising in connection with the interpretation or enforcement of the provisions of this Agreement, or the application or validity thereof, shall be submitted to arbitration. Such arbitration proceedings shall be conducted with JAMS/Endispute (www.JAMSADR.com) ("JAMS") in Santa Barbara County, California, in accordance with the Commercial Arbitration Rules then obtaining of JAMS. The arbitration shall be conducted before a single arbitrator. The parties shall use their reasonable efforts to select a mutually acceptable arbitrator. If the parties have not selected a mutually acceptable arbitrator within thirty (30) days after the commencement of the arbitration, the arbitrator shall be selected in accordance with the rules of the JAMS. The arbitrator shall establish discovery procedures reasonable in light of the amount in controversy and the nature of the dispute and discovery shall not be limited to the discovery procedures set forth in the JAMS Rules. This agreement to arbitrate shall be specifically enforceable. Any award rendered in any such arbitration proceedings shall be final and binding on each of the parties hereto, and judgment may be entered thereon in any court of competent jurisdiction. Any arbitration shall be conducted in private and neither party shall make any public announcement or disclosure about the conduct, status or result of any arbitration without the prior written consent of the other party; provided that, on not less than fifteen (15) days prior written notice thereof to the other party, which notice shall include a copy of the proposed announcement or disclosure, a party may make such public announcement or disclosure regarding the arbitration as may be required by law or court order.

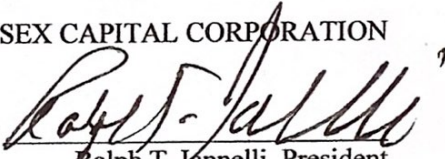
(i) WAIVER OF JURY TRIAL. IN THE EVENT THE ARBITRATION PROVISION SET FORTH IN SECTION 11(h), ABOVE IS DETERMINED TO BE UNENFORCEABLE AND/OR REGISTERED OWNER IS NAMED IN ANY ACTION AT LAW WHICH WOULD OTHERWISE REQUIRE THE RESOLUTION OF ANY DISPUTE BETWEEN REGISTERED OWNER AND BORROWER TO BE HEARD IN A COURT OF LAW, THEN TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, BORROWER WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM,

DEMAND, ACTION, OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS NOTE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE. BORROWER ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY REGISTERED OWNER THAT THE PROVISIONS OF THIS SECTION CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH REGISTERED OWNER HAS RELIED, IS RELYING AND WILL RELY IN ENTERING INTO THIS NOTE AND MAKING THE LOAN THEREUNDER. ANY PERSON MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 11(i) WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER TO THE WAIVER OF HIS RIGHTS TO TRIAL BY JURY.

(j) Governing Law. This Note shall be governed by and construed in accordance with the internal laws of the State of California applicable to contracts made and to be fully performed in the State of California and without regard to any conflicts of laws.

ESSEX CAPITAL CORPORATION

By:


Ralph T. Iannelli, President

AGREED TO AND ACCEPTED:

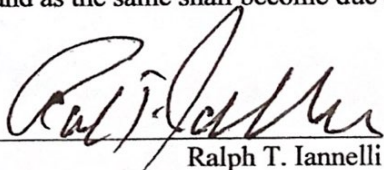
By:


James Gally

Guaranty

Ralph T. Iannelli, as President and the sole shareholder of Borrower, hereby personally, irrevocably and unconditionally guarantees to James Gally, as and for his own debt, until final and indefeasible payment thereof has been made, the full, prompt, and punctual payment of all amounts due under this Note when and as the same shall become due and payable.

By:


Ralph T. Iannelli

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$1,158,750.00	01-08-2016	01-15-2026	1-3-28162	06		842	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.

Borrower: 915 Elm Avenue CVL, LLC
1486 East Valley Road
Santa Barbara, CA 93108

Lender: Montecito Bank & Trust
P.O. Box 2460
Santa Barbara, CA 93120

Principal Amount: \$1,158,750.00

Date of Note: January 8, 2016

PROMISE TO PAY. 915 Elm Avenue CVL, LLC ("Borrower") promises to pay to Montecito Bank & Trust ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Million One Hundred Fifty-eight Thousand Seven Hundred Fifty & 00/100 Dollars (\$1,158,750.00), together with interest on the unpaid principal balance from January 8, 2016, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 4.750%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 119 regular payments of \$6,658.33 each and one irregular last payment estimated at \$858,844.23. Borrower's first payment is due February 15, 2016, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on January 15, 2026, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

PREPAYMENT FEE. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Upon prepayment of this Note, Lender is entitled to the following prepayment fee: The principal of this Note may be prepaid in whole or in part at any time; provided, however, that upon prepayment of the principal of this Note in whole or in part, Lender is entitled to the following prepayment fee: Borrower shall pay, as consideration for acceptance of any Excess Payments, an amount equal to three percent (3%) of any Excess Payments made during the period of the 1st through 36th months after the date of this Note; two percent (2%) of any Excess Payments made during the period of the 37th through the 60th months after the date of this Note; and one percent (1%) of any Excess Payments made during the period of the 61st through the 72nd months after the date of this Note. "Excess Payments" mean the aggregate of any additional payments or reductions in principal made in excess of the regular principal repayment amount scheduled under the terms of this Note for the given period. Except for the foregoing, Borrower may pay all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Montecito Bank & Trust, P.O. Box 2460 Santa Barbara, CA 93120.

LATE CHARGE. If a payment is 11 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$5.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, the interest rate on this Note shall, if permitted under applicable law, immediately increase by 6.000 percentage points.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any loan.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

ADDITIONAL EVENT OF DEFAULT. Borrower is entering into a new loan with James Gally as creditor (the "Gally Loan") as part of the consideration being paid by 15 Elm Avenue CVL, LLC, a California limited liability company, as Buyer, to James Gally; Carpinteria Valley Lumber Co., Inc., a California corporation and J&G Properties, LLC, a California limited liability company, as Sellers, pursuant to that certain Asset Purchase Agreement dated as of December 7, 2015 by and between Buyer and Sellers (the "Purchase Transaction"). The Gally Loan is in the principal amount of \$1,500,000.00 and is dated on or about even date hereof and is individually guaranteed by Ralph Iannelli. In addition to any other Event of Default described herein, a default under the terms and conditions of the Gally Loan is a Default as defined by, and under the terms of the Loan.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

EXPENSES. If Lender institutes any suit or action to enforce any of the terms of this Note, Lender shall be entitled to recover such sum as the court may adjudge reasonable. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the loan payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, to the extent permitted by applicable law. Borrower also will pay any court costs, in addition to all other sums provided by law.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$25.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

COLLATERAL. Borrower acknowledges this Note is secured by the following collateral described in the security instrument listed herein: a Deed of Trust dated January 8, 2016, to a trustee in favor of Lender on real property located in Santa Barbara County, State of California. That agreement contains the following due on sale provision: Lender may, at Lender's option, declare immediately due and payable all sums secured by the Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

DISCRETIONARY APPLICATION OF PAYMENTS. Notwithstanding anything to the contrary herein, the manner of payment application shall be in Lender's sole discretion.

LIMITATION OF LENDER'S OBLIGATION TO FUND NOTE. Lender shall have no obligation to fund this Note and no further obligations under this Note or Related Documents if this Note and Related Documents are not fully executed and returned to Lender's exclusive possession on or before the earlier of (1) the expiration date of the commitment letter extended to Borrower for the Loan, if any; or (2) 15 calendar days after the date hereof. Lender shall have no obligation to notify Borrower of Lender's determination of whether to fund the Loan. Any extension of the time frame set forth above must be in writing and signed by Lender to be effective. Notwithstanding the foregoing, in the event Lender funds this Note in whole or in part, at any time, including without limitation, after the dates specified above, each and every term set forth herein and in the Related Documents will be effective and in full force and effect.

CROSS-DEFAULT. In addition to any other Event of Default described herein, a default under any other note or credit agreement from Borrower to Lender shall, at Lender's option, constitute a default under this Note.

AMORTIZATION PERIOD. The Amortization Period (as defined below) for the Loan exceeds the term of the Loan. Accordingly, the final payment for the Loan will include all unpaid interest accrued at the then current interest rate together with the entire unamortized principal balance of the Loan (a "Balloon Payment"). The Amortization Period is twenty five (25) years.

DISPUTE RESOLUTION.

WAIVER OF JURY TRIAL. To the extent permitted by law, in connection with any claim, dispute, action or proceeding (a "Claim"), whether brought in state or federal court, the parties hereby expressly, intentionally and deliberately waive any right they may otherwise have to trial by jury of any such Claim.

JUDICIAL REFERENCE. To the extent a predispute waiver of trial by jury is not enforceable under applicable law, any Claim, including any and all questions of law or fact relating thereto, shall, at the written request of any Party, be determined by reference pursuant to California Code of Civil Procedure ("CCP") Section 638 et seq. and as set forth below.

The parties shall select a single neutral referee, who shall be a retired California state or federal court judge. If the parties are unable to agree upon a referee within ten (10) calendar days after one party serves a written notice of intent for judicial reference upon the other party, then the referee will be selected by the court in accordance with CCP Section 640(b).

The referee shall render a written statement of decision and shall conduct the proceedings in accordance with the CCP, California Rules of Court, and California Evidence Code, except as otherwise specifically agreed by the parties and approved by the referee. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of CCP Sections 644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court.

Notwithstanding the foregoing, each party acknowledges that its violation of this Agreement may cause irreparable injury to the other party, and agrees that the other party shall be entitled to seek temporary and preliminary injunctive relief in a court of competent jurisdiction located within Santa Barbara, California, without the necessity of proving actual damages or posting a bond, to prevent such violation.

This clause shall not preclude parties from seeking provisional remedies in aid of judicial reference from a court of appropriate jurisdiction and

PROMISSORY NOTE
3022
(Continued)

Loan No: 1-3-28162

nothing contained herein shall prevent a transferee of Borrower's interests pursuant to a judicial or nonjudicial foreclosure or a deed in lieu of foreclosure from pursuing an unlawful detainer action against any occupant of the Collateral, if any. No act to take or dispose of any collateral securing any obligation owed by Borrower to Lender ("Collateral") shall constitute a waiver of this judicial reference agreement or be prohibited by this judicial reference agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, Claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to rescind, reform or otherwise modify any agreement relating to the Collateral, shall also be submitted to judicial reference.

The parties agree that in the event of an action for judicial foreclosure pursuant to CCP Section 726, or any similar provision in any other state, the commencement of such an action will not constitute a waiver of the right to judicial reference and the court shall refer to the referee as much of such action, including counterclaims, as lawfully may be referred to a referee. Judgment upon any award rendered by any referee may be entered in any court having jurisdiction.

Nothing in this Agreement shall preclude any party from seeking injunctive relief, but no equitable relief other than injunctive relief shall be sought from such court. The statute of limitations, estoppel, waiver, laches, and similar doctrines, which would otherwise be applicable in an action brought by a party, shall be applicable in any judicial reference proceeding.

In the event that any provision of this Agreement relating to judicial reference is found to be illegal or unenforceable, the remainder of this Agreement shall remain in full force and effect.

Fees, Costs and Expenses. During the pendency of any Claim which is submitted to judicial reference in accordance with this Agreement, each of the parties to such Claim shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Agreement, unless the referee orders otherwise. The compensation of the referee shall not exceed the prevailing rate for like services.

Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and legal expenses, incurred in connection with any Claim. Lender may hire or pay someone else to help enforce this Agreement or defend a Claim, and Borrower shall pay such costs and expenses. Costs and expenses include Lender's inside and outside attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys', experts' and witnesses' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the referee or court.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: Montecito Bank & Trust, P.O. Box 2460, Santa Barbara, CA 93120.

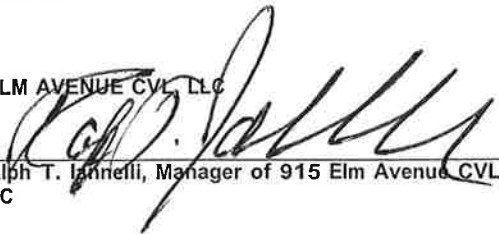
GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

915 ELM AVENUE CVL, LLC

By: 
Ralph T. Iannelli, Manager of 915 Elm Avenue CVL, LLC

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$1,225,000.00	01-08-2016	01-15-2026	1-2-28164	09		842	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.

Borrower: 915 Elm Avenue CVL, LLC
 1486 East Valley Road
 Santa Barbara, CA 93108

Lender: Montecito Bank & Trust
 P.O. Box 2460
 Santa Barbara, CA 93120

Principal Amount: \$1,225,000.00

Date of Note: January 8, 2016

PROMISE TO PAY. 915 Elm Avenue CVL, LLC ("Borrower") promises to pay to Montecito Bank & Trust ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Million Two Hundred Twenty-five Thousand & 00/100 Dollars (\$1,225,000.00), together with interest on the unpaid principal balance from January 8, 2016, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 5.750%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 120 payments of \$13,512.45 each payment. Borrower's first payment is due February 15, 2016, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on January 15, 2026, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing. All payments must be made in U.S. dollars and must be received by Lender consistent with any written payment instructions provided by Lender. If a payment is made consistent with Lender's payment instructions but received after 6:00 PM Pacific Time, Monday through Friday (or received on Saturdays, Sundays or any Federal holidays), Lender will credit Borrower's payment on the next business day.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Montecito Bank & Trust, P.O. Box 2460 Santa Barbara, CA 93120.

LATE CHARGE. If a payment is 11 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$5.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, the interest rate on this Note shall, if permitted under applicable law, immediately increase by 6.000 percentage points.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter

**PROMISSORY NOTE
(Continued)**

Loan No: 1-2-28164

Page 2

continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

ADDITIONAL EVENT OF DEFAULT. Borrower is entering into a new loan with James Gally as creditor (the "Gally Loan") as part of the consideration being paid by 15 Elm Avenue CVL, LLC, a California limited liability company, as Buyer, to James Gally; Carpinteria Valley Lumber Co., Inc., a California corporation and J&G Properties, LLC, a California limited liability company, as Sellers, pursuant to that certain Asset Purchase Agreement dated as of December 7, 2015 by and between Buyer and Sellers (the "Purchase Transaction"). The Gally Loan is in the principal amount of \$1,500,000.00 and is dated on or about even date hereof and is individually guaranteed by Ralph Iannelli. In addition to any other Event of Default described herein, a default under the terms and conditions of the Gally Loan is a Default as defined by, and under the terms of the Loan.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

EXPENSES. If Lender institutes any suit or action to enforce any of the terms of this Note, Lender shall be entitled to recover such sum as the court may adjudge reasonable. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the loan payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, to the extent permitted by applicable law. Borrower also will pay any court costs, in addition to all other sums provided by law.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$25.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by all assets described in that certain Commercial Security Agreement of even date herewith.

LIMITATION OF LENDER'S OBLIGATION TO FUND NOTE. Lender shall have no obligation to fund this Note and no further obligations under this Note or Related Documents if this Note and Related Documents are not fully executed and returned to Lender's exclusive possession on or before the earlier of (1) the expiration date of the commitment letter extended to Borrower for the Loan, if any; or (2) 15 calendar days after the date hereof. Lender shall have no obligation to notify Borrower of Lender's determination of whether to fund the Loan. Any extension of the time frame set forth above must be in writing and signed by Lender to be effective. Notwithstanding the foregoing, in the event Lender funds this Note in whole or in part, at any time, including without limitation, after the dates specified above, each and every term set forth herein and in Related Documents will be effective and in full force and effect.

DISCRETIONARY APPLICATION OF PAYMENTS. Notwithstanding anything to the contrary herein, the manner of payment application shall be in Lender's sole discretion.

CROSS-DEFAULT. In addition to any other Event of Default described herein, a default under any other note or credit agreement from Borrower to Lender shall, at Lender's option, constitute a default under this Note.

DISPUTE RESOLUTION.

WAIVER OF JURY TRIAL. To the extent permitted by law, in connection with any claim, dispute, action or proceeding (a "Claim"), whether brought in state or federal court, the parties hereby expressly, intentionally and deliberately waive any right they may otherwise have to trial by jury of any such Claim.

JUDICIAL REFERENCE. To the extent a predispute waiver of trial by jury is not enforceable under applicable law, any Claim, including any and all questions of law or fact relating thereto, shall, at the written request of any Party, be determined by reference pursuant to California Code of Civil Procedure ("CCP") Section 638 et seq. and as set forth below.

The parties shall select a single neutral referee, who shall be a retired California state or federal court judge. If the parties are unable to agree upon a referee within ten (10) calendar days after one party serves a written notice of intent for judicial reference upon the other party, then the referee will be selected by the court in accordance with CCP Section 640(b).

The referee shall render a written statement of decision and shall conduct the proceedings in accordance with the CCP, California Rules of Court, and California Evidence Code, except as otherwise specifically agreed by the parties and approved by the referee. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of CCP Sections 644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court.

Notwithstanding the foregoing, each party acknowledges that its violation of this Agreement may cause irreparable injury to the other party, and agrees that the other party shall be entitled to seek temporary and preliminary injunctive relief in a court of competent jurisdiction located within Santa Barbara, California, without the necessity of proving actual damages or posting a bond, to prevent such violation.

This clause shall not preclude parties from seeking provisional remedies in aid of judicial reference from a court of appropriate jurisdiction and nothing contained herein shall prevent a transferee of Borrower's interests pursuant to a judicial or nonjudicial foreclosure or a deed in lieu of foreclosure from pursuing an unlawful detainer action against any occupant of the Collateral, if any. No act to take or dispose of any collateral securing any obligation owed by Borrower to Lender ("Collateral") shall constitute a waiver of this judicial reference agreement or be prohibited by this judicial reference agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, Claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to rescind, reform or otherwise modify any agreement relating to the Collateral, shall also be submitted to judicial reference.

The parties agree that in the event of an action for judicial foreclosure pursuant to CCP Section 726, or any similar provision in any other state, the commencement of such an action will not constitute a waiver of the right to judicial reference and the court shall refer to the referee as much of such action, including counterclaims, as lawfully may be referred to a referee. Judgment upon any award rendered by any referee may be entered in any court having jurisdiction.

Nothing in this Agreement shall preclude any party from seeking injunctive relief, but no equitable relief other than injunctive relief shall be

**PROMISSORY NOTE
(Continued)**

Loan No: 1-2-28164

Page 3

sought from such court. The statute of limitations, estoppel, waiver, laches, and similar doctrines, which would otherwise be applicable in an action brought by a party, shall be applicable in any judicial reference proceeding.

In the event that any provision of this Agreement relating to judicial reference is found to be illegal or unenforceable, the remainder of this Agreement shall remain in full force and effect.

Fees, Costs and Expenses. During the pendency of any Claim which is submitted to judicial reference in accordance with this Agreement, each of the parties to such Claim shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Agreement, unless the referee orders otherwise. The compensation of the referee shall not exceed the prevailing rate for like services.

Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and legal expenses, incurred in connection with any Claim. Lender may hire or pay someone else to help enforce this Agreement or defend a Claim, and Borrower shall pay such costs and expenses. Costs and expenses include Lender's inside and outside attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys', experts' and witnesses' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the referee or court.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: Montecito Bank & Trust, P.O. Box 2460, Santa Barbara, CA 93120.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

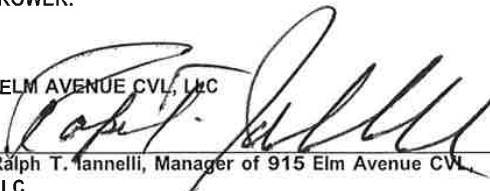
PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

915 ELM AVENUE CVL, LLC

By:


Ralph T. Fannelli, Manager of 915 Elm Avenue CVL
LLC

Handwritten signature

PROMISSORY NOTE

\$1,500, 000.00

January 14, 2016

Santa Barbara, California

For value received, **915 Elm Avenue CVL, LLC**, a California limited liability company ("**Borrower**"), hereby promises to pay to **Essex Capital Corporation** ("**Registered Owner**"), the principal sum of One Million Five Hundred Thousand Dollars (\$1,500,000). Interest shall accrue from the date of this Note on the unpaid principal amount of this Note at a rate equal to the lesser of six percent (6%) per annum and the maximum legal rate, compounded annually, and shall be paid at maturity. This Note is subject to the following terms and conditions.

1. Maturity. The principal balance of this Note shall be paid on the third anniversary of the date hereof. All accrued interest, and all other amounts payable by Borrower under this Note, shall be immediately due and payable, upon the occurrence of an Event of Default (as defined in Section 7 below) and without the need for Registered Owner to make any demand or provide any notice under this Note (the "Maturity Date").

2. Payment; Prepayment. All payments under this Note shall be made in lawful money of the United States of America at Registered Owner's address set forth in Section 7, below, or such other place as Registered Owner may designate in writing from time to time. All payments under this Note shall be credited first to the accrued interest and other charges, costs and expenses then due and payable and the remainder applied to principal.

3. Representations. Borrower hereby represents and warrants to Registered Owner that all of the following are true, correct and complete.

(a) Organization. Borrower is duly formed, validly existing and in good standing under the laws of the State of California.

(b) Authority. Borrower has the power and authority to execute and deliver this Note, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Borrower of this Note and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action by the Board of Managers of Borrower. This Note has been duly and validly executed and delivered by Borrower and, assuming the due authorization, execution and delivery by the other parties hereto, constitutes the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general principles of equity. Borrower has taken all action required by law and its charter documents to duly authorize the execution and delivery by Borrower of this Note and the performance of its obligations hereunder.

(c) No Conflicts. The execution and delivery by Borrower of this Note, the performance of its obligations under this Note and the consummation of the transactions contemplated hereby do not and will not: (i) conflict with or result in a violation or breach of any of the terms, conditions or, provisions of the formation documents of Borrower; or (ii) conflict with or result in a violation or breach of, constitute (with or without notice or lapse of time or both) a default under, or require Borrower to obtain any consent, approval or action of, make any filing with or give any notice to any person or entity, the terms of, any law or order applicable to Borrower or any material contract, license or agreement to which Borrower is a party or by which any of its assets are bound which have not been obtained or made.

4. Default. (a) Events of Default. Upon the happening of any of the following events (an "Event of Default"), Registered Owner may, at his option, declare immediately due and payable the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums payable at the time of such declaration pursuant to this Note. Such events are the following:

(i) The failure of Borrower to pay in full when due any installment of principal or interest or both or Late Payment charges or Additional Payments, unless such failure is cured within five (5) days;

(ii) The default of Borrower in the performance of any of its obligations under this Note, whether or not requiring the payment of money, but excluding the payment of any installment of principal, interest or both, unless such default is cured to Registered Owner's reasonable satisfaction within thirty (30) days after Registered Owner's delivery to Borrower of written notice of such default;

(iii) The occurrence of any event of bankruptcy of Borrower or Guarantor, including, but not limited to, the filing by or against Borrower or Guarantor of a voluntary or involuntary petition under any provision of the Federal Bankruptcy Code, Borrower's or Guarantor's consent to a general assignment for the benefit of creditors, or Borrower's or Guarantor's admission in writing of his inability to pay his debts generally as they come due; or

(iv) The liquidation or dissolution of Borrower or the approval by the Board of Managers or members of Borrower of the liquidation or dissolution of Borrower.

(b) Notice of Default. Upon the occurrence of an Event of Default described in any of clauses (ii) or (iii) of Section 4(a), above, Registered Owner may deliver to Borrower written notice of the occurrence of such Event of Default and, unless such Event of Default is cured prior to the end of the applicable cure period, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this Note. Upon the occurrence of an Event of Default described in any of clauses (i) or (iv) of Section 4(a), above, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable upon the occurrence of such Event of Default and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this

Note.

(c) Delay. The delay or failure of Registered Owner to declare a default or to deliver written notice of default upon the occurrence of any Event of Default shall not constitute a waiver of Registered Owner's right to declare a default or to deliver notice of default at any subsequent time in respect of the same event or any other event. No exercise of the rights and powers granted in or held pursuant to this Note by Registered Owner, and no delays or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time and from time to time.

(d) Remedies Cumulative. Registered Owner's rights and remedies under this Note upon the occurrence of an Event of Default are cumulative and Registered Owner's exercise of any such remedies shall not limit or restrict in any way his right to exercise the same or any other remedy in respect of the same or any other Event of Default.

5. Payment to Registered Owner. Borrower is obligated to pay the principal amount and any stated interest thereon only to the Registered Owner of this Note, and only the Registered Owner of the Note shall be entitled to payment of the principal amount and interest on the principal amount.

6. Transfer, Successors and Assigns. Borrower may not assign, pledge, or otherwise transfer this Note or any of its rights or obligations thereunder without the prior written consent of Registered Owner, which consent may be withheld for any reason or no reason.

7. Notices. Any notice required or permitted by this Note shall be in writing and shall be deemed delivered (a) if delivered personally, upon receipt, or (b) if sent by recognized over-night courier service, one (1) business day after delivery to the courier or delivery service, or (c) if sent by facsimile or other form of electronic transmission that provides for confirmation of delivery or notice of non-delivery, one (1) business day after transmission, or (d) if sent by U.S. first class, certified or registered mail with postage prepaid and return receipt requested, five (5) days after deposit with the U.S. Postal Service addressed to the party to be notified at such party's address or facsimile number set forth below or as subsequently modified by written notice.

Registered Owner:

Essex Capital Corporation
1486 East Valley Road
Santa Barbara, California 93108
Attention: Ralph T. Iannelli,
President
Fax No.: 805-565-0993
[Email: Ralph@essexcapitalcorp.com](mailto:Ralph@essexcapitalcorp.com)

Borrower:

915 Elm Avenue, CVL LLC
915 Elm Ave.
Carpinteria, CA 93113

8. Miscellaneous Provisions.

(a) Officers and Directors Not Liable. In no event shall any officer or Manager of Borrower be liable for any amounts due or payable pursuant to this Note.

(b) Loss of Note. Upon receipt by Borrower of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Note or any Note exchanged for it, and indemnity satisfactory to Borrower (in case of loss, theft or destruction) or surrender and cancellation of such Note (in the case of mutilation), Borrower shall make and deliver in lieu of such Note a new Note of like tenor.

(c) Waiver of Notice of Protest, etc. Borrower hereby waives presentment, protest, notice of protest, notice of nonpayment, notice of dishonor and any and all other notices or demands relative to this Note, except as specifically provided herein.

(d) Amendments and Waivers. Any term of this Note may be amended only with the written consent of Borrower and Registered Owner. Any amendment or waiver affected in accordance with this Section 11(d) shall be binding upon Borrower, Registered Owner and each transferee of any Note.

(e) Severability. The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

(f) Counterparts. This Note may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single agreement.

(g) Interpretation. Borrower and Registered Owner have each had the opportunity to review and discuss with independent legal counsel this Note and the transactions contemplated herein. Therefore, the normal rule of construction that an agreement shall be interpreted against the drafting party shall not apply.

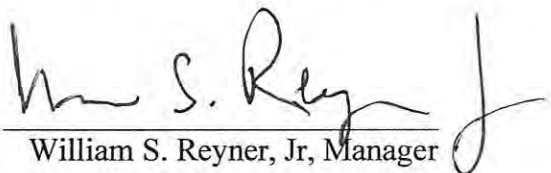
(h) Arbitration. Unless the relief sought requires the exercise of the equity powers of a court of competent jurisdiction, any dispute arising in connection with the interpretation or enforcement of the provisions of this Agreement, or the application or validity thereof, shall be submitted to arbitration. Such arbitration proceedings shall be conducted with JAMS/Endispute (www.JAMSADR.com) ("JAMS") in Santa Barbara County, California, in accordance with the Commercial Arbitration Rules then obtaining of JAMS. The arbitration shall be conducted before a single arbitrator. The parties shall use their reasonable efforts to select a mutually acceptable arbitrator. If the parties have not selected a mutually acceptable arbitrator within thirty (30) days after the commencement of the arbitration, the arbitrator shall be selected in accordance with the rules of the JAMS. The arbitrator shall establish discovery procedures reasonable in light of the amount in controversy and the nature of the dispute and discovery shall not be limited to the discovery procedures set forth in the JAMS Rules. This agreement to arbitrate shall be specifically enforceable. Any award rendered in any such arbitration proceedings shall be final and binding on each of

the parties hereto, and judgment may be entered thereon in any court of competent jurisdiction. Any arbitration shall be conducted in private and neither party shall make any public announcement or disclosure about the conduct, status or result of any arbitration without the prior written consent of the other party; provided that, on not less than fifteen (15) days prior written notice thereof to the other party, which notice shall include a copy of the proposed announcement or disclosure, a party may make such public announcement or disclosure regarding the arbitration as may be required by law or court order.

(i) WAIVER OF JURY TRIAL. IN THE EVENT THE ARBITRATION PROVISION SET FORTH IN SECTION 11(h), ABOVE IS DETERMINED TO BE UNENFORCEABLE AND/OR REGISTERED OWNER IS NAMED IN ANY ACTION AT LAW WHICH WOULD OTHERWISE REQUIRE THE RESOLUTION OF ANY DISPUTE BETWEEN REGISTERED OWNER AND BORROWER TO BE HEARD IN A COURT OF LAW, THEN TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, BORROWER WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS NOTE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE. BORROWER ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY REGISTERED OWNER THAT THE PROVISIONS OF THIS SECTION CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH REGISTERED OWNER HAS RELIED, IS RELYING AND WILL RELY IN ENTERING INTO THIS NOTE AND MAKING THE LOAN THEREUNDER. ANY PERSON MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 11(i) WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER TO THE WAIVER OF HIS RIGHTS TO TRIAL BY JURY.

(j) Governing Law. This Note shall be governed by and construed in accordance with the internal laws of the State of California applicable to contracts made and to be fully performed in the State of California and without regard to any conflict of law provisions thereof.

915 ELM AVENUE CVL, LLC

By: 
William S. Reyner, Jr, Manager

PROMISSORY NOTE

\$125,000.00

October 14, 2016

Santa Barbara, California

For value received, **915 Elm Avenue CVL, LLC**, a California limited liability company ("Borrower"), hereby promises to pay to **Essex Capital Corporation** ("Registered Owner"), the principal sum of One Hundred Twenty-Five Thousand Dollars (\$125,000.00). Interest shall accrue from the date of this Note on the unpaid principal amount of this Note at a rate equal to the lesser of six percent (6%) per annum and the maximum legal rate, compounded annually, and shall be paid at maturity. This Note is subject to the following terms and conditions.

1. Maturity. The principal balance of this Note shall be paid on demand. All accrued interest, and all other amounts payable by Borrower under this Note, shall be immediately due and payable, upon the occurrence of an Event of Default (as defined in Section 7 below) and without the need for Registered Owner to make any demand or provide any notice under this Note (the "Maturity Date").

2. Payment; Prepayment. All payments under this Note shall be made in lawful money of the United States of America at Registered Owner's address set forth in Section 7, below, or such other place as Registered Owner may designate in writing from time to time. All payments under this Note shall be credited first to the accrued interest and other charges, costs and expenses then due and payable and the remainder applied to principal.

3. Representations. Borrower hereby represents and warrants to Registered Owner that all of the following are true, correct and complete.

(a) Organization. Borrower is duly formed, validly existing and in good standing under the laws of the State of California.

(b) Authority. Borrower has the power and authority to execute and deliver this Note, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Borrower of this Note and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action by the Board of Managers of Borrower. This Note has been duly and validly executed and delivered by Borrower and, assuming the due authorization, execution and delivery by the other parties hereto, constitutes the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general principles of equity. Borrower has taken all action required by law and its charter documents to duly authorize the execution and delivery by Borrower of this Note and the performance of its obligations hereunder.

(c) No Conflicts. The execution and delivery by Borrower of this Note, the performance of its obligations under this Note and the consummation of the transactions contemplated hereby do not and will not: (i) conflict with or result in a violation or breach of any of the terms, conditions or, provisions of the formation documents of Borrower; or (ii) conflict with or result in a violation or breach of, constitute (with or without notice or lapse of time or both) a default under, or require Borrower to obtain any consent, approval or action of, make any filing with or give any notice to any person or entity, the terms of, any law or order applicable to Borrower or any material contract, license or agreement to which Borrower is a party or by which any of its assets are bound which have not been obtained or made.

4. Default. (a) Events of Default. Upon the happening of any of the following events (an "Event of Default"), Registered Owner may, at his option, declare immediately due and payable the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums payable at the time of such declaration pursuant to this Note. Such events are the following:

(i) The failure of Borrower to pay in full when due any installment of principal or interest or both or Late Payment charges or Additional Payments, unless such failure is cured within five (5) days;

(ii) The default of Borrower in the performance of any of its obligations under this Note, whether or not requiring the payment of money, but excluding the payment of any installment of principal, interest or both, unless such default is cured to Registered Owner's reasonable satisfaction within thirty (30) days after Registered Owner's delivery to Borrower of written notice of such default;

(iii) The occurrence of any event of bankruptcy of Borrower or Guarantor, including, but not limited to, the filing by or against Borrower or Guarantor of a voluntary or involuntary petition under any provision of the Federal Bankruptcy Code, Borrower's or Guarantor's consent to a general assignment for the benefit of creditors, or Borrower's or Guarantor's admission in writing of his inability to pay his debts generally as they come due; or

(iv) The liquidation or dissolution of Borrower or the approval by the Board of Managers or members of Borrower of the liquidation or dissolution of Borrower.

(b) Notice of Default. Upon the occurrence of an Event of Default described in any of clauses (ii) or (iii) of Section 4(a), above, Registered Owner may deliver to Borrower written notice of the occurrence of such Event of Default and, unless such Event of Default is cured prior to the end of the applicable cure period, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this Note. Upon the occurrence of an Event of Default described in any of clauses (i) or (iv) of Section 4(a), above, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable upon the occurrence of such Event of Default and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this

Note.

(c) Delay. The delay or failure of Registered Owner to declare a default or to deliver written notice of default upon the occurrence of any Event of Default shall not constitute a waiver of Registered Owner's right to declare a default or to deliver notice of default at any subsequent time in respect of the same event or any other event. No exercise of the rights and powers granted in or held pursuant to this Note by Registered Owner, and no delays or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time and from time to time.

(d) Remedies Cumulative. Registered Owner's rights and remedies under this Note upon the occurrence of an Event of Default are cumulative and Registered Owner's exercise of any such remedies shall not limit or restrict in any way his right to exercise the same or any other remedy in respect of the same or any other Event of Default.

5. Payment to Registered Owner. Borrower is obligated to pay the principal amount and any stated interest thereon only to the Registered Owner of this Note, and only the Registered Owner of the Note shall be entitled to payment of the principal amount and interest on the principal amount.

6. Transfer, Successors and Assigns. Borrower may not assign, pledge, or otherwise transfer this Note or any of its rights or obligations thereunder without the prior written consent of Registered Owner, which consent may be withheld for any reason or no reason.

7. Notices. Any notice required or permitted by this Note shall be in writing and shall be deemed delivered (a) if delivered personally, upon receipt, or (b) if sent by recognized over-night courier service, one (1) business day after delivery to the courier or delivery service, or (c) if sent by facsimile or other form of electronic transmission that provides for confirmation of delivery or notice of non-delivery, one (1) business day after transmission, or (d) if sent by U.S. first class, certified or registered mail with postage prepaid and return receipt requested, five (5) days after deposit with the U.S. Postal Service addressed to the party to be notified at such party's address or facsimile number set forth below or as subsequently modified by written notice.

Registered Owner:

Essex Capital Corporation
1486 East Valley Road
Santa Barbara, California 93108
Attention: Ralph T. Iannelli,
President
Fax No.: 805-565-0993
[Email: Ralph@essexcapitalcorp.com](mailto:Ralph@essexcapitalcorp.com)

Borrower:

915 Elm Avenue, CVL LLC
915 Elm Ave.
Carpinteria, CA 93113

8. Miscellaneous Provisions.

(a) Officers and Managers Not Liable. In no event shall any officer or Manager of Borrower be liable for any amounts due or payable pursuant to this Note.

(b) Loss of Note. Upon receipt by Borrower of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Note or any Note exchanged for it, and indemnity satisfactory to Borrower (in case of loss, theft or destruction) or surrender and cancellation of such Note (in the case of mutilation), Borrower shall make and deliver in lieu of such Note a new Note of like tenor.

(c) Waiver of Notice of Protest, etc. Borrower hereby waives presentment, protest, notice of protest, notice of nonpayment, notice of dishonor and any and all other notices or demands relative to this Note, except as specifically provided herein.

(d) Amendments and Waivers. Any term of this Note may be amended only with the written consent of Borrower and Registered Owner. Any amendment or waiver affected in accordance with this Section 11(d) shall be binding upon Borrower, Registered Owner and each transferee of any Note.

(e) Severability. The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

(f) Counterparts. This Note may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single agreement.

(g) Interpretation. Borrower and Registered Owner have each had the opportunity to review and discuss with independent legal counsel this Note and the transactions contemplated herein. Therefore, the normal rule of construction that an agreement shall be interpreted against the drafting party shall not apply.

(h) Arbitration. Unless the relief sought requires the exercise of the equity powers of a court of competent jurisdiction, any dispute arising in connection with the interpretation or enforcement of the provisions of this Agreement, or the application or validity thereof, shall be submitted to arbitration. Such arbitration proceedings shall be conducted with JAMS/Endispute (www.JAMSADR.com) ("JAMS") in Santa Barbara County, California, in accordance with the Commercial Arbitration Rules then obtaining of JAMS. The arbitration shall be conducted before a single arbitrator. The parties shall use their reasonable efforts to select a mutually acceptable arbitrator. If the parties have not selected a mutually acceptable arbitrator within thirty (30) days after the commencement of the arbitration, the arbitrator shall be selected in accordance with the rules of the JAMS. The arbitrator shall establish discovery procedures reasonable in light of the amount in controversy and the nature of the dispute and discovery shall not be limited to the discovery procedures set forth in the JAMS Rules. This agreement to arbitrate shall be specifically enforceable. Any award rendered in any such arbitration proceedings shall be final and binding on each of

the parties hereto, and judgment may be entered thereon in any court of competent jurisdiction. Any arbitration shall be conducted in private and neither party shall make any public announcement or disclosure about the conduct, status or result of any arbitration without the prior written consent of the other party; provided that, on not less than fifteen (15) days prior written notice thereof to the other party, which notice shall include a copy of the proposed announcement or disclosure, a party may make such public announcement or disclosure regarding the arbitration as may be required by law or court order.

(i) WAIVER OF JURY TRIAL. IN THE EVENT THE ARBITRATION PROVISION SET FORTH IN SECTION 11(h), ABOVE IS DETERMINED TO BE UNENFORCEABLE AND/OR REGISTERED OWNER IS NAMED IN ANY ACTION AT LAW WHICH WOULD OTHERWISE REQUIRE THE RESOLUTION OF ANY DISPUTE BETWEEN REGISTERED OWNER AND BORROWER TO BE HEARD IN A COURT OF LAW, THEN TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, BORROWER WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS NOTE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE. BORROWER ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY REGISTERED OWNER THAT THE PROVISIONS OF THIS SECTION CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH REGISTERED OWNER HAS RELIED, IS RELYING AND WILL RELY IN ENTERING INTO THIS NOTE AND MAKING THE LOAN THEREUNDER. ANY PERSON MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 11(i) WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER TO THE WAIVER OF HIS RIGHTS TO TRIAL BY JURY.

(j) Governing Law. This Note shall be governed by and construed in accordance with the internal laws of the State of California applicable to contracts made and to be fully performed in the State of California and without regard to any conflict of law provisions thereof.

915 ELM AVENUE CVL, LLC

By: 
William S. Reyner, Jr, Manager

PROMISSORY NOTE

\$125,000.00

July 11, 2016

Santa Barbara, California

For value received, **915 Elm Avenue CVL, LLC**, a California limited liability company ("Borrower"), hereby promises to pay to **Ralph T. Iannelli** ("Registered Owner"), the principal sum of One Hundred Twenty Five Thousand Dollars and Zero Cents (\$125,000.00). Interest shall accrue from the date of this Note on the unpaid principal amount of this Note at a rate equal to the lesser of six percent (6%) per annum and the maximum legal rate, compounded annually, and shall be paid at maturity. This Note is subject to the following terms and conditions.

- 1. Maturity.** The principal balance of this Note shall be paid on the second anniversary of the date hereof. All accrued interest, and all other amounts payable by Borrower under this Note, shall be immediately due and payable, upon the occurrence of an Event of Default (as defined in Section 7 below) and without the need for Registered Owner to make any demand or provide any notice under this Note (the "Maturity Date").
- 2. Payment; Prepayment.** All payments under this Note shall be made in lawful money of the United States of America at Registered Owner's address set forth in Section 7, below, or such other place as Registered Owner may designate in writing from time to time. All payments under this Note shall be credited first to the accrued interest and other charges, costs and expenses then due and payable and the remainder applied to principal.
- 3. Representations.** Borrower hereby represents and warrants to Registered Owner that all of the following are true, correct and complete.

 - a. **Organization.** Borrower is duly formed, validly existing and in good standing under the laws of the State of California.
 - b. **Authority.** Borrower has the power and authority to execute and deliver this Note, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Borrower of this Note and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action by the Board of Managers of Borrower. This Note has been duly and validly executed and delivered by Borrower and, assuming the due authorization, execution and delivery by the other parties hereto, constitutes the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general principles of equity. Borrower has taken all action required by law and its charter documents to duly authorize the execution and delivery by Borrower of this Note and the performance of its obligations hereunder.

- c. No Conflicts. The execution and delivery by Borrower of this Note, the performance of its obligations under this Note and the consummation of the transactions contemplated hereby do not and will not: (i) conflict with or result in a violation or breach of any of the terms, conditions or, provisions of the formation documents of Borrower; or (ii) conflict with or result in a violation or breach of, constitute (with or without notice or lapse of time or both) a default under, or require Borrower to obtain any consent, approval or action of, make any filing with or give any notice to any person or entity, the terms of, any law or order applicable to Borrower or any material contract, license or agreement to which Borrower is a party or by which any of its assets are bound which have not been obtained or made.

4. Default. (a) Events of Default. Upon the happening of any of the following events (an "Event of Default"), Registered Owner may, at his option, declare immediately due and payable the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums payable at the time of such declaration pursuant to this Note. Such events are the following:

- i. The failure of Borrower to pay in full when due any installment of principal or interest or both or Late Payment charges or Additional Payments, unless such failure is cured within five (5) days;
 - ii. The default of Borrower in the performance of any of its obligations under this Note, whether or not requiring the payment of money, but excluding the payment of any installment of principal, interest or both, unless such default is cured to Registered Owner's reasonable satisfaction within thirty (30) days after Registered Owner's delivery to Borrower of written notice of such default;
 - iii. The occurrence of any event of bankruptcy of Borrower or Guarantor, including, but not limited to, the filing by or against Borrower or Guarantor of a voluntary or involuntary petition under any provision of the Federal Bankruptcy Code, Borrower's or Guarantor's consent to a general assignment for the benefit of creditors, or Borrower's or Guarantor's admission in writing of his inability to pay his debts generally as they come due; or
 - iv. The liquidation or dissolution of Borrower or the approval by the Board of Managers or members of Borrower of the liquidation or dissolution of Borrower.
- b. Notice of Default. Upon the occurrence of an Event of Default described in any of clauses (ii) or (iii) of Section 4(a), above, Registered Owner may deliver to Borrower written notice of the occurrence of such Event of Default and, unless such Event of Default is cured prior to the end of the applicable cure period, the entire unpaid principal balance of this Note together with all interest and late charges

thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this Note. Upon the occurrence of an Event of Default described in any of clauses (i) or (iv) of Section 4(a), above, the entire unpaid principal balance of this Note together with all interest and late charges thereon, plus any other sums then payable under this Note, automatically shall be immediately due and payable upon the occurrence of such Event of Default and Registered Owner shall have no obligation to deliver to Borrower any further notice of default or acceleration of this Note.

- c. Delay. The delay or failure of Registered Owner to declare a default or to deliver written notice of default upon the occurrence of any Event of Default shall not constitute a waiver of Registered Owner's right to declare a default or to deliver notice of default at any subsequent time in respect of the same event or any other event. No exercise of the rights and powers granted in or held pursuant to this Note by Registered Owner, and no delays or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time and from time to time.
 - d. Remedies Cumulative. Registered Owner's rights and remedies under this Note upon the occurrence of an Event of Default are cumulative and Registered Owner's exercise of any such remedies shall not limit or restrict in any way his right to exercise the same or any other remedy in respect of the same or any other Event of Default.
- 5. Payment to Registered Owner.** Borrower is obligated to pay the principal amount and any stated interest thereon only to the Registered Owner of this Note, and only the Registered Owner of the Note shall be entitled to payment of the principal amount and interest on the principal amount.
- 6. Transfer, Successors and Assigns.** Borrower may not assign, pledge, or otherwise transfer this Note or any of its rights or obligations thereunder without the prior written consent of Registered Owner, which consent may be withheld for any reason or no reason.
- 7. Notices.** Any notice required or permitted by this Note shall be in writing and shall be deemed delivered (a) if delivered personally, upon receipt, or (b) if sent by recognized over-night courier service, one (1) business day after delivery to the courier or delivery service, or (c) if sent by facsimile or other form of electronic transmission that provides for confirmation of delivery or notice of non-delivery, one (1) business day after transmission, or (d) if sent by U.S. first class, certified or registered mail with postage prepaid and return receipt requested, five (5) days after deposit with the U.S. Postal Service addressed to the party to be notified at such party's address or facsimile number set forth below or as subsequently modified by written notice.

Registered Owner:

Ralph T. Iannelli
1486 East Valley Road
Santa Barbara, CA 93108
Fax No. 805-565-0993
Email: ralph@essexcapitalcorp.com

Borrower:

915 Elm Avenue, CVL LLC
915 Elm Ave.
Carpinteria, CA 93113

8. Miscellaneous Provisions.

- a. Officers and Directors Not Liable. In no event shall any officer or Manager of Borrower be liable for any amounts due or payable pursuant to this Note.
- b. Loss of Note. Upon receipt by Borrower of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Note or any Note exchanged for it, and indemnity satisfactory to Borrower (in case of loss, theft, destruction) or surrender and cancellation of such Note (in the case of mutilation), Borrower shall make and deliver in lieu of such Note a new Note of like tenor.
- c. Waiver of Notice of Protest, etc. Borrower hereby waives presentment, protest, notice of protest, notice of nonpayment, notice of dishonor and any and all other notices or demands relative to this Note, except as specifically provided herein.
- d. Amendments and Waivers. Any term of this Note may be amended only with the written consent of Borrower and Registered Owner. Any amendment or waiver affected in accordance with this Section 11(d) shall be binding upon Borrower, Registered Owner and each transferee of any Note.
- e. Severability. The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.
- f. Counterparts. This Note may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single agreement.
- g. Interpretation. Borrower and Registered Owner have each had the opportunity to review and discuss with independent legal counsel this Note

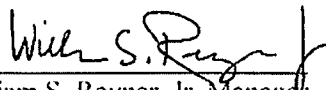
and the transactions contemplated herein. Therefore, the normal rule of construction that an agreement shall be interpreted against the drafting party shall not apply.

- h. Arbitration. Unless the relief sought requires the exercise of the equity powers of a court of competent jurisdiction, any dispute arising in connection with the interpretation or enforcement of the provisions of this Agreement, or the application or validity thereof, shall be submitted to arbitration. Such arbitration proceedings shall be conducted with JAMS/Endispute (www.JAMSADR.com) ("JAMS") in Santa Barbara County, California, in accordance with the Commercial Arbitration Rules then obtaining of JAMS. The arbitration shall be conducted before a single arbitrator. The parties shall use their reasonable efforts to select a mutually acceptable arbitrator. If the parties have not selected a mutually acceptable arbitrator within thirty (30) days after the commencement of the arbitration, the arbitrator shall be selected in accordance with the rules of the JAMS. The arbitrator shall establish discovery procedures reasonable in light of the amount in controversy and the nature of the dispute and discovery shall not be limited to the discovery procedures set forth in the JAMS Rules. This agreement to arbitrate shall be specifically enforceable. Any award rendered in any such arbitration proceedings shall be final and binding on each of the parties hereto, and judgment may be entered thereon in any court of competent jurisdiction. Any arbitration shall be conducted in private and neither party shall make any public announcement or disclosure about the conduct, status or result of any arbitration without the prior written consent of the other party ; provided that, on not less than fifteen (15) days prior written notice thereof to the other party, which notice shall include a copy of the proposed announcement or disclosure, a party may make such public announcement or disclosure regarding the arbitration as may be required by law or court order.
- i. WAIVER OF JURY TRIAL. IN THE EVENT THE ARBITRATION PROVISION SET FORTH IN SECTION 11(h), ABOVE IS DETERMINED TO BE UNENFORCEABLE AND/OR REGISTERED OWNER IS NAMED IN ANY ACTION AT LAW WHICH WOULD OTHERWISE REQUIRE THE RESOLUTION OF ANY DISPUTE BETWEEN REGISTERED OWNER AND BORROWER TO BE HEARD IN A COURT OF LAW, THEN TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, BORROWER WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS NOTE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE. BORROWER ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY REGISTERED OWNER THAT THE PROVISIONS OF THIS SECTION CONSTITUTE A MATERIAL INDUCEMENT UPON

WHICH REGISTERED OWNER HAS RELIED, IS RELYING AND WILL RELY IN ENTERING INTO THIS NOTE AND MAKING THE LOAN THEREUNDER. ANY PERSON MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 11(i) WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER TO THE WAIVER OF HIS RIGHTS TO TRIAL BY JURY.

- j. Governing Law. This Note shall be governed by and construed in accordance with the internal laws of the State of California applicable to contracts made and to be fully performed in the State of California and without regard to any conflict of law provisions thereof.

915 ELM AVENUE CVL, LLC

By: 
William S. Reyner, Jr. Manager



BUSINESS ANALYZED CHECKING

Statement Period:
January 01, 2016 -
January 31, 2016

Account Number:
XXX-XXX4-8847

ESSEX CAPITAL CORPORATION

ACCOUNT ACTIVITY

DATE	DESCRIPTION	AMOUNT
	Withdrawals and Debits	
01/04	INTERNET TRANSFER TO DDA#96200003593 ON 01/04 AT 13.14	\$200,000.00-
01/04	LOAN PAYMENT FIRST REPUBLIC B/LOAN TRANS ID#0210100579	\$25,806.28-
01/06	DOMESTIC WIRE FUNDS-DEBIT TD AMERITRADE CLEARING INC	\$1,905,355.14-
01/06	DOMESTIC WIRE FUNDS-DEBIT ESCROW SERVICES RICHMOND	\$450,000.00-
01/11	DOMESTIC WIRE FUNDS-DEBIT RIKER DANZIG SCHERER HYLAND	\$25,000.00-
01/11	INTERNET TRANSFER TO DDA#96200003593 ON 01/11 AT 12.21	\$500,000.00-
01/11	DOMESTIC WIRE FUNDS-DEBIT TWINLAB CORPORATION	\$318,510.47-
01/12	INTERNET TRANSFER TO DDA#96200003593 ON 01/12 AT 18.13	\$500,000.00-
01/19	DOMESTIC WIRE FUNDS-DEBIT GOLDMAN SACHS	\$2,033,000.00-
01/26	DOMESTIC WIRE FUNDS-DEBIT KINESTRAL TECHNOLOGIES INC	\$403,032.30-
	Total Withdrawals and Debits	\$6,360,704.19-



000000

003815-8-03815-002

Access Checking - 191463331

Account Summary

Date	Description	Amount
01/09/2016	Beginning Balance	\$22,391.88
	7 Credit(s) This Period	\$1,045,014.18
	39 Debit(s) This Period	\$953,282.10
02/08/2016	Ending Balance	\$114,123.96

Interest Summary

Description	Amount
Annual Percentage Yield Earned	0.08%
Interest Days	31
Interest Earned	\$21.91
Interest Paid This Period	\$21.91
Interest Paid Year-to-Date	\$23.11
Interest Withheld Year-to-Date	\$0.00

Electronic Credits

Date	Description	Amount
01/13/2016	Wire Transfer 18140198 RALPH T IANNELLI 321081869 FIRST REPUBLIC BK	\$500,000.00 ✓
01/15/2016		
01/15/2016		
01/27/2016		

Other Credits

Date	Description	Amount
01/15/2016		
02/02/2016		
02/08/2016		

Electronic Debits

Date	Description	Amount
01/11/2016		
01/13/2016		
01/13/2016	TRANSFER	\$393,460.00 ✓
01/15/2016		
01/15/2016		
01/20/2016		
01/20/2016		
01/20/2016		
01/25/2016		
01/25/2016		
01/26/2016		
01/27/2016		
01/28/2016		
02/01/2016		
02/01/2016		
02/01/2016		
02/02/2016		
02/03/2016		
02/04/2016		
02/05/2016		
02/05/2016		
02/08/2016		
02/08/2016		
02/08/2016		

Other Debits

Date	Description	Amount
01/15/2016		
01/15/2016		
01/26/2016		
01/26/2016		
01/29/2016		
02/03/2016		

E000/2000 4E:0000 4:12:00 02:99:00 E:0000

915 Elm Avenue CVL LLC

=====

Basic Business Checking ACCOUNT 191078411

=====

- - - - - OTHER CREDITS - - - - -

DESCRIPTION	DATE	AMOUNT
Wire Transfer 18135029 REYNER FAMILY PARTNERS LP SWF OF 16/01/13 021000021 JPMOR	01/13	222,835.00
ACCOUNT TRANSFER	01/13	393,460.00
MERCHANT BANKCD DEPOSIT 191202329881	01/14	5,312.72
INTUIT PAYROLL S QUICKBOOKS XXXXX1913	01/15	.29
INTUIT PAYROLL S QUICKBOOKS XXXXX1913	01/15	.99
MERCHANT BANKCD DEPOSIT 191202329881	01/15	2,835.07
MERCHANT BANKCD DEPOSIT 191202329881	01/19	1,236.00
MERCHANT BANKCD DEPOSIT 191202329881	01/19	3,657.43
MERCHANT BANKCD DEPOSIT 191202329881	01/19	3,963.72
MERCHANT BANKCD DEPOSIT 191202329881	01/19	6,604.44
MERCHANT BANKCD DEPOSIT 191202329881	01/20	2,206.82
MERCHANT BANKCD DEPOSIT 191202329881	01/21	1,913.55
MERCHANT BANKCD DEPOSIT 191202329881	01/22	3,036.23
MERCHANT BANKCD DEPOSIT 191202329881	01/25	2,206.24
MERCHANT BANKCD DEPOSIT 191202329881	01/25	2,333.44
MERCHANT BANKCD DEPOSIT 191202329881	01/25	2,906.85
MERCHANT BANKCD DEPOSIT 191202329881	01/26	1,405.25
MERCHANT BANKCD DEPOSIT 191202329881	01/27	2,440.11
MERCHANT BANKCD DEPOSIT 191202329881	01/28	3,229.18
MERCHANT BANKCD DEPOSIT 191202329881	01/29	2,959.96

- - - - - CHECKS - - - - -

CHECK #.....TRACE #.DATE.....AMOUNT	CHECK #.....TRACE #.DATE.....AMOUNT
5*000910009442 01/21 206.86	1030 000910026889 01/26 144.90
1001 000910110388 01/13 47.00	1031 000910010550 01/29 1,207.84
1002 000910110802 01/13 160.03	1032 000910004429 01/28 2,242.35
1003*000910024253 01/19 3,909.00	1033*000910002841 01/27 4,372.12
1007*000910007782 01/21 654.28	1035 000910024983 01/26 246.69
1011 000910010129 01/21 1,062.42	1036 000910024631 01/26 1,257.57
1012 000910009179 01/21 511.90	1037 000910026752 01/26 483.00
1013 000195029510 01/19 685.64	1038 000910026370 01/26 10,269.24
1014 000910002716 01/20 1,799.40	1039 000910027688 01/26 3,721.72
1015 000910107046 01/20 818.21	1040 000910025122 01/26 10.70
1016 000910115507 01/22 1,020.69	1041*000910027841 01/26 1,169.60
1017*000910010126 01/21 744.55	1043 000910002290 01/27 172.82
1023 000910005319 01/28 1,384.94	1044 000910025307 01/26 68.80
1024*000910129737 01/26 1,289.18	1045 000910000675 01/27 15,874.17
1026 000910000102 01/27 8,948.92	1046 000910128120 01/26 804.80
1027*000910024918 01/26 1,867.95	1047 000910128239 01/26 169.90
1029 000910002840 01/27 7,690.28	

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

* * * C O N T I N U E D * * *

Basic Business Checking - 191043839 (continued)

Electronic Debits (continued)

Date	Description	Amount
07/15/2016	Wire Transfer 64927 Cornerstone Essex Holdings LLC 102000021 US Bank	\$22,668.00
07/15/2016	Wire Transfer 64915 Carnegie GM Partners LLC 21000021 National Financial	\$64,175.34
07/15/2016	Wire Transfer 64926 Elena Patterson 21000021 JP Morgan Chase Ba	\$64,299.88
07/15/2016	Wire Transfer 64914 Carnegie GM Partners LLC 21000021 National Financial	\$362,559.77
07/15/2016	Wire Transfer 64910 BioQ Pharma Incorporated 121140399 Silicon Valley Ban	\$683,885.59
07/15/2016	PAYCHEX EIB INVOICE X67052300016179	\$103.11
07/15/2016	PAYCHEX TPS TAXES 67041000016444X	\$1,723.69
07/15/2016	Essex Capital Co Perry leas XXXXX4783	\$5,375.00
07/15/2016	Essex Capital Co Brad Wheat XXXXX4783	\$8,333.33
07/15/2016	Essex Capital Co James Dadd XXXXX4783	\$31,567.54
07/18/2016	Wire Transfer 64940 Jefferies LLC 21000018 Bank Of New York	\$100,000.00
07/18/2016	COX COMM SAB BANK DRAFT 342022974603001	\$308.39
07/18/2016	Essex Capital Co Kum Su Kim XXXXX4783	\$7,891.88
07/18/2016	Essex Capital Co Perry leas XXXXX4783	\$31,567.54
07/20/2016	Wire Transfer 65015 Zwick 1994 CRUT KB 71000152 Northern Chicago B	\$21,250.00
07/20/2016	Essex Capital Co Rebecca El XXXXX4783	\$2,025.00
07/21/2016	Essex Capital Co Wallace K. XXXXX4783	\$31,567.54
07/21/2016	Essex Capital Co Perry leas XXXXX4783	\$33,083.39
07/22/2016	Wire Transfer 65064 Clare Wheatley 322271627 JP Morgan Chase Ba	\$8,020.27
07/22/2016	Wire Transfer 65065 Jefferies LLC 21000018 Bank Of New York	\$150,000.00
07/22/2016	Essex Capital Co Brad Wheat XXXXX4783	\$800.00
07/22/2016	Essex Capital Co William S XXXXX4783	\$5,452.49
07/22/2016	Essex Capital Co Reyner Fam XXXXX4783	\$5,452.49
07/22/2016	Essex Capital Co James Glas XXXXX4783	\$7,834.09
07/22/2016	Essex Capital Co James Glas XXXXX4783	\$9,400.91
07/22/2016	Essex Capital Co James Glas XXXXX4783	\$12,580.73
07/22/2016	Essex Capital Co James Dadd XXXXX4783	\$23,675.65
07/22/2016	Essex Capital Co Payments Terrapin Passai	\$34,970.66
07/25/2016	Wire Transfer 65102 UBS Financial Services Christine Ga 26007993 UBS AG Financi	\$2,062.50
07/25/2016	Wire Transfer 65101 Morgan Stanley Smith Barney LLC 21000089 Citibank NYC	\$10,625.00
07/25/2016	Wire Transfer 65090 Jefferies LLC 21000018 Bank Of New York	\$50,000.00
07/25/2016	Essex Capital Co James DAdd XXXXX4783	\$34,724.29
07/27/2016	Wire Transfer 65144 ChowNow Inc 122016066 City National Bank	\$99,998.83
07/28/2016	PAYCHEX PAYROLL 67228600003290X	\$3,433.26
07/28/2016	770441219 Glasheen, Jul 28 XXXXX4783 Glasheen note dated 9-30-15	\$12,534.55
07/28/2016	770441219 R Hill Not Jul 28 XXXXX4783 R Hill Note 11/6/15, Principal Paym	\$15,000.00
07/29/2016	Wire Transfer 65212 William Brad Wheatley 121100782 Bank of the West	\$8,333.33
07/29/2016	PAYCHEX EIB INVOICE X67245700001080	\$85.11
07/29/2016	PAYCHEX TPS TAXES 67232500016454X	\$1,723.67
07/29/2016	ESSEX WOODLANDS BILLPAYER	\$2,000.00

Other Debits

Date	Description	Amount
07/01/2016	Payoff Commercial Loan * 7513	\$61,975.47
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227268	\$59,311.37
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227394	\$30,363.67
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227698	\$66,411.15
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227761	\$2,328.78
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1228230	\$19,843.05
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1228234	\$56,508.23
07/01/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1228247	\$38,766.26
07/01/2016	Wire Transfer Fee 20078519	\$15.00
07/05/2016	Wire Transfer Fee 20083821	\$15.00
07/06/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227868	\$223,049.21
07/06/2016	Wire Transfer Fee 20112065	\$15.00
07/06/2016	Wire Transfer Fee 20115037	\$15.00
07/11/2016	MISCELLANEOUS DEBIT	\$10,000.00
07/11/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227854	\$19,400.93
07/11/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227858	\$65,925.04
07/11/2016	Wire Transfer Fee 20162210	\$15.00
07/12/2016	MISCELLANEOUS DEBIT	\$125,000.00
07/12/2016	Wire Transfer Fee 20173514	\$15.00
07/15/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227404	\$13,897.85
07/15/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227656	\$7,485.36
07/15/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227711	\$15,108.41



MB&T Service Center
6950 Hollister Ave Suite 102
Goleta, CA 93117

RETURN SERVICE REQUESTED

>000194 2005669 0001 092512 10Z

RALPH T IANNELLI
MELISSA R IANNELLI
1486 E VALLEY RD
SANTA BARBARA CA 93108-1241

Statement Ending 08/08/2016

Ralph T Iannelli

Page 1 of 4

Account Number: XXXXXXXX3331

How can we help you?

- Phone (800) 348-0146
- Mail P.O. Box 2460
Santa Barbara, CA
93120-2460
- Online <https://montecito.bank>



Summary of Accounts



Are you still getting paper statements in the mail? We have a solution that's faster, safer and better for the environment! Enroll your accounts in eStatements today and simplify your banking experience.

Through our partnership with the Arbor Day Foundation, we'll plant a tree in a California forest for each account you enroll in eStatements!

Visit montecito.bank/tree for more information.

Account Type	Account Number	Ending Balance
Access Checking	191463331	\$87,767.60

Access Checking - 191463331

Account Summary

Date	Description	Amount
07/09/2016	Beginning Balance	\$48,150.25
	8 Credit(s) This Period	\$286,978.33
	44 Debit(s) This Period	\$247,360.98
08/08/2016	Ending Balance	\$87,767.60

Interest Summary

Description	Amount
Annual Percentage Yield Earned	0.06%
Interest Days	31
Interest Earned	\$4.37
Interest Paid This Period	\$4.37
Interest Paid Year-to-Date	\$34.73
Interest Withheld Year-to-Date	\$0.00

Deposits

Date	Description	Amount
07/14/2016	[REDACTED]	[REDACTED]
07/29/2016	[REDACTED]	[REDACTED]

Electronic Credits

Date	Description	Amount
07/15/2016	[REDACTED]	[REDACTED]
07/15/2016	[REDACTED]	[REDACTED]
07/27/2016	[REDACTED]	[REDACTED]

Other Credits

Date	Description	Amount
07/12/2016	ACCOUNT TRANSFER	\$125,000.00 ✓



2009/10/01 0001 48050 0000 452000 4495002 44100

Statement Ending 08/08/2016

Ralph T Iannelli Page 3 of 4
Account Number: XXXXXXXX3331

Access Checking - 191463331 (continued)

Other Credits (continued)

Date	Description	Amount
07/29/2016		
08/08/2016		

Electronic Debits

Date	Description	Amount
07/11/2016		
07/15/2016		
07/15/2016		
07/19/2016		
07/20/2016		
07/20/2016		
07/21/2016		
07/22/2016		
07/25/2016		
07/25/2016		
07/26/2016		
07/28/2016		
07/28/2016		
07/28/2016		
08/01/2016		
08/02/2016		
08/02/2016		
08/03/2016		
08/03/2016		
08/05/2016		
08/05/2016		
08/08/2016		
08/08/2016		

Other Debits

Date	Description	Amount
07/12/2016	MISCELLANEOUS DEBIT	\$125,000.00 ✓
07/15/2016		
07/15/2016		
07/15/2016		
07/18/2016		
07/20/2016		
07/29/2016		
08/01/2016		
08/02/2016		

Checks Cleared

Check Nbr	Date	Amount	Check Nbr	Date	Amount	Check Nbr	Date	Amount
821	07/11/2016	\$12,000.00 ✓	2719*	07/22/2016	\$85.00 ✓	2724*	08/01/2016	\$349.71 ✓
1854*	07/18/2016	\$8,451.66 ✓	2720	07/25/2016	\$442.09 ✓	2725	08/02/2016	\$850.00 ✓
2715*	07/13/2016	\$185.20 ✓	2721	07/19/2016	\$675.00 ✓	2726	08/05/2016	\$76.21 ✓
2716	07/20/2016	\$180.00 ✓	2722	07/22/2016	\$17,200.00 ✓	2727	08/08/2016	\$97.20 ✓

* Indicates skipped check number

Daily Balances

Date	Amount	Date	Amount	Date	Amount
07/11/2016	\$35,750.25	07/20/2016	\$96,924.49	07/29/2016	\$112,494.04
07/12/2016	\$35,750.25	07/21/2016	\$96,844.51	08/01/2016	\$108,176.79
07/13/2016	\$35,565.05	07/22/2016	\$79,159.51	08/02/2016	\$103,103.10
07/14/2016	\$145,444.51	07/25/2016	\$77,437.50	08/03/2016	\$91,919.94
07/15/2016	\$112,104.58	07/26/2016	\$77,282.98	08/05/2016	\$88,447.03
07/18/2016	\$99,652.92	07/27/2016	\$79,657.08	08/08/2016	\$87,767.60
07/19/2016	\$98,577.92	07/28/2016	\$77,774.04		

2000/2000 105000 552000 5495000 46100

915 Elm Avenue CVL LLC

 Basic Business Checking ACCOUNT 191078411

- - - - - OTHER CREDITS - - - - -

DESCRIPTION	DATE	AMOUNT
MERCHANT BANKCD DEPOSIT 191202329881	07/12	2,614.76
ACCOUNT TRANSFER	07/12	125,000.00
MERCHANT BANKCD DEPOSIT 191202329881	07/13	9,916.54
MERCHANT BANKCD DEPOSIT 191202329881	07/14	4,668.74
MERCHANT BANKCD DEPOSIT 191202329881	07/15	5,829.74
MERCHANT BANKCD DEPOSIT 191202329881	07/18	3,289.07
MERCHANT BANKCD DEPOSIT 191202329881	07/18	4,281.45
MERCHANT BANKCD DEPOSIT 191202329881	07/18	4,370.43
MERCHANT BANKCD DEPOSIT 191202329881	07/19	1,183.12
MERCHANT BANKCD DEPOSIT 191202329881	07/20	3,008.36
MERCHANT BANKCD DEPOSIT 191202329881	07/21	3,292.79
MERCHANT BANKCD DEPOSIT 191202329881	07/22	21,920.20
MERCHANT BANKCD DEPOSIT 191202329881	07/25	3,386.25
MERCHANT BANKCD DEPOSIT 191202329881	07/25	3,481.37
MERCHANT BANKCD DEPOSIT 191202329881	07/25	4,448.06
MERCHANT BANKCD DEPOSIT 191202329881	07/26	1,091.13
MERCHANT BANKCD DEPOSIT 191202329881	07/27	3,202.33
MERCHANT BANKCD DEPOSIT 191202329881	07/28	3,372.04
MERCHANT BANKCD DEPOSIT 191202329881	07/29	3,076.23

- - - - - CHECKS - - - - -

CHECK #.....TRACE #.DATE.....AMOUNT	CHECK #.....TRACE #.DATE.....AMOUNT
1569 000910016032 07/06 1,021.60	1593 000910003197 07/11 349.67
1570 000910111606 07/05 1,100.00	1594 000910011101 07/12 6,477.80
1571 000910015145 07/06 4,000.00	1595 000910112750 07/12 2,911.34
1572 000910103447 07/01 447.12	1596 000910010544 07/12 2,682.34
1573 000910124344 07/07 810.00	1597 000910111730 07/12 18,930.12
1574 000910111646 07/12 908.60	1598 000910113616 07/12 15,379.55
1575 000910128319 07/08 5,791.28	1599 000910010773 07/12 1,326.20
1576 000910011098 07/12 2,376.29	1600 000910010133 07/12 11,112.63
1577*000910002813 07/11 642.14	1601 000910014162 07/13 30.00
1579 000910014549 07/13 385.50	1602 000910003567 07/11 227.00
1580 000910008246 07/12 17,758.44	1603 000910111448 07/12 1,588.49
1581 000910003339 07/11 491.34	1604 000910011093 07/12 730.81
1582*000910117578 07/20 930.80	1605 000910119336 07/28 605.44
1584 000910022585 07/29 530.00	1606 000910009620 07/12 1,845.40
1585 000910010654 07/12 488.76	1607 000910113621 07/12 29,784.05
1586*000910009577 07/12 864.00	1608 000910001624 07/11 554.27
1588 000910111792 07/12 889.25	1609*000910011113 07/12 467.74
1589 000910009434 07/12 306.00	1611 000910324514 07/07 1,728.19
1590 000910002287 07/18 601.30	1612 000910313751 07/19 17,554.39
1591 000910001765 07/11 2,004.00	1613 000910007699 07/19 23,175.07
1592 000910213768 07/12 230.36	1614 000910010605 07/19 129.45

* * * C O N T I N U E D * * *

Basic Business Checking - 191043839 (continued)

Other Debits (continued)

Date	Description	Amount
10/12/2016	Wire Transfer Fee 21283232	\$15.00
10/12/2016	Wire Transfer Fee 21295159	\$15.00
10/13/2016	MISCELLANEOUS DEBIT	\$125,000.00
10/13/2016	Wire Transfer Fee 21299019	\$15.00
10/13/2016	Wire Transfer Fee 21307939	\$15.00
10/14/2016	Loan Documentation *** 8439	\$500.00
10/17/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227711	\$15,108.41
10/17/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227759	\$6,797.63
10/17/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227763	\$5,742.76
10/17/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1228184	\$10,315.40
10/18/2016	Wire Transfer Fee 21358698	\$15.00
10/19/2016	Wire Transfer Fee 21384803	\$15.00
10/20/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227518	\$16,813.03
10/21/2016	Wire Transfer Fee 21413636	\$15.00
10/24/2016	MISCELLANEOUS DEBIT	\$25,000.00
10/24/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227426	\$13,787.14
10/24/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1228351	\$18,562.41
10/25/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227805	\$4,558.94
10/25/2016	Wire Transfer Fee 21452040	\$15.00
10/26/2016	Wire Transfer Fee 21463500	\$15.00
10/27/2016	Corium Residual - MB&T Share	\$56,645.75
10/27/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227458	\$68,725.38
10/28/2016	MISCELLANEOUS DEBIT	\$180,180.85
10/28/2016	Wire Transfer Fee 21509364	\$15.00
10/31/2016	Business Banker Fees	\$587.00
10/31/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1227501	\$10,514.98
10/31/2016	PAYMENT TO COMMERCIAL UNSECURED LOAN 1228054	\$33,995.59

Checks Cleared

Check Nbr	Date	Amount	Check Nbr	Date	Amount	Check Nbr	Date	Amount
8214	10/04/2016	\$3,506.25	8226	10/07/2016	\$5,312.50	8234	10/21/2016	\$13,173.75
8215	10/04/2016	\$8,250.00	8227	10/12/2016	\$42,500.00	8235	10/24/2016	\$140.00
8220*	10/07/2016	\$2,125.00	8228	10/06/2016	\$5,000.00	8236	10/24/2016	\$316,498.08
8221	10/12/2016	\$3,500.00	8229	10/11/2016	\$19,200.00	8237	10/28/2016	\$150.00
8222	10/17/2016	\$3,156.75	8230	10/17/2016	\$13,173.75	8238	10/31/2016	\$25.32
8223	10/17/2016	\$7,891.88	8231	10/19/2016	\$2,426.68	8239	10/31/2016	\$1,324.40
8224	10/25/2016	\$1,345.83	8232	10/18/2016	\$19,972.60	8240	10/31/2016	\$8,109.80
8225	10/07/2016	\$8,500.00	8233	10/21/2016	\$2,369.79			

* Indicates skipped check number

Daily Balances

Date	Amount	Date	Amount	Date	Amount
10/03/2016	\$629,241.91	10/13/2016	\$1,754,975.45	10/24/2016	\$641,633.13
10/04/2016	\$566,822.36	10/14/2016	\$1,996,440.70	10/25/2016	\$1,150,989.07
10/05/2016	\$1,495,418.36	10/17/2016	\$1,148,731.22	10/26/2016	\$1,043,872.98
10/06/2016	\$1,524,343.15	10/18/2016	\$1,112,509.11	10/27/2016	\$961,057.52
10/07/2016	\$1,001,962.51	10/19/2016	\$1,251,081.91	10/28/2016	\$836,249.31
10/11/2016	\$2,302,376.56	10/20/2016	\$1,213,018.88	10/31/2016	\$606,576.81
10/12/2016	\$1,821,498.44	10/21/2016	\$1,086,954.57		

Overdraft and Returned Item Fees

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Statement Ending 11/08/2016

MB&T Service Center
6950 Hollister Ave Suite 102
Goleta, CA 93117

RETURN SERVICE REQUESTED

>000187 2018196 0001 092512 10Z




RALPH T IANNELLI
MELISSA R IANNELLI
1486 E VALLEY RD
SANTA BARBARA CA 93108-1241

Ralph T Iannelli

Page 1 of 4

Account Number: XXXXXXXX3331

How can we help you?

-  Phone (800) 348-0148
-  Mail P.O. Box 2460
Santa Barbara, CA
93120-2460
-  Online <https://montecito.bank>



Summary of Accounts



Are you still getting paper statements in the mail? We have a solution that's faster, safer and better for the environment! Enroll your accounts in eStatements today and simplify your banking experience.

Through our partnership with the Arbor Day Foundation, we'll plant a tree in a California forest for each account you enroll in eStatements!

Visit montecito.bank/tree for more information.

Account Type	Account Number	Ending Balance
Access Checking	191463331	\$71,767.75

Access Checking - 191463331

Account Summary

Date	Description	Amount
10/08/2016	Beginning Balance	\$10,738.25
	11 Credit(s) This Period	\$434,618.81
	35 Debit(s) This Period	\$373,589.31
11/08/2016	Ending Balance	\$71,767.75

Interest Summary

Description	Amount
Annual Percentage Yield Earned	0.04%
Interest Days	32
Interest Earned	\$1.36
Interest Paid This Period	\$1.36
Interest Paid Year-to-Date	\$39.61
Interest Withheld Year-to-Date	\$0.00

Electronic Credits

Date	Description	Amount
10/14/2016	[REDACTED]	[REDACTED]
10/14/2016	[REDACTED]	[REDACTED]
10/25/2016	[REDACTED]	[REDACTED]
10/26/2016	[REDACTED]	[REDACTED]
11/02/2016	[REDACTED]	[REDACTED]

Other Credits

Date	Description	Amount
10/11/2016	[REDACTED]	[REDACTED]
10/13/2016	ACCOUNT TRANSFER	\$125,000.00
10/24/2016	[REDACTED]	[REDACTED]
10/28/2016	[REDACTED]	[REDACTED]



Access Checking - 191463331 (continued)

Other Credits (continued)

Date	Description	Amount
10/31/2016		
11/08/2016		

Electronic Debits

Date	Description	Amount
10/13/2016		
10/17/2016		
10/20/2016		
10/20/2016		
10/20/2016		
10/21/2016		
10/24/2016		
10/24/2016		
10/24/2016		
10/25/2016		
10/27/2016		
10/28/2016		
11/01/2016		
11/01/2016		
11/01/2016		
11/01/2016		
11/03/2016		
11/07/2016		
11/07/2016		
11/07/2016		
11/07/2016		
11/08/2016		
11/08/2016		

Other Debits

Date	Description	Amount
10/13/2016	MISCELLANEOUS DEBIT	\$125,000.00 ✓
10/17/2016		
10/28/2016		
11/01/2016		
11/04/2016		

Checks Cleared

Check Nbr	Date	Amount	Check Nbr	Date	Amount	Check Nbr	Date	Amount
741	10/25/2016	\$5,532.68 ✓	2746	10/19/2016	\$675.00 ✓	2749	11/07/2016	\$4.10 ✓
2742*	10/13/2016	\$1,000.00 ✓	2747	10/31/2016	\$117.82 ✓	3226*	10/24/2016	\$9,952.24 ✓
2745*	10/17/2016	\$181.75 ✓	2748	11/01/2016	\$1,159.83 ✓			

* Indicates skipped check number

Daily Balances

Date	Amount	Date	Amount	Date	Amount
10/11/2016	\$35,738.25	10/24/2016	\$27,911.02	11/02/2016	\$79,469.60
10/13/2016	\$34,338.25	10/25/2016	\$29,597.67	11/03/2016	\$78,926.60
10/14/2016	\$37,750.75	10/26/2016	\$31,971.77	11/04/2016	\$75,926.60
10/17/2016	\$16,606.87	10/27/2016	\$31,816.74	11/07/2016	\$72,211.59
10/19/2016	\$15,931.87	10/28/2016	\$30,587.07	11/08/2016	\$71,767.75
10/20/2016	\$14,009.42	10/31/2016	\$70,669.25		
10/21/2016	\$13,929.44	11/01/2016	\$54,019.60		

2006/0000 660400 5 52000 15419702 29700

915 Elm Avenue CVL LLC

Basic Business Checking ACCOUNT 191078411

OTHER CREDITS

DESCRIPTION	DATE	AMOUNT
MERCHANT BANKCD DEPOSIT 191202329881	10/11	4,030.06
MERCHANT BANKCD DEPOSIT 191202329881	10/11	4,316.51
MERCHANT BANKCD DEPOSIT 191202329881	10/12	17,918.85
MERCHANT BANKCD DEPOSIT 191202329881	10/13	4,367.76
ACCOUNT TRANSFER	10/13	125,000.00
MERCHANT BANKCD DEPOSIT 191202329881	10/14	3,759.82
MERCHANT BANKCD DEPOSIT 191202329881	10/17	3,606.72
MERCHANT BANKCD DEPOSIT 191202329881	10/17	4,593.72
MERCHANT BANKCD DEPOSIT 191202329881	10/17	5,371.73
MERCHANT BANKCD DEPOSIT 191202329881	10/18	1,999.49
MERCHANT BANKCD DEPOSIT 191202329881	10/19	3,042.22
MERCHANT BANKCD DEPOSIT 191202329881	10/20	4,705.19
MERCHANT BANKCD DEPOSIT 191202329881	10/21	2,972.83
MERCHANT BANKCD DEPOSIT 191202329881	10/24	3,120.27
MERCHANT BANKCD DEPOSIT 191202329881	10/24	4,457.33
MERCHANT BANKCD DEPOSIT 191202329881	10/24	6,420.99
MERCHANT BANKCD DEPOSIT 191202329881	10/25	1,425.00
MERCHANT BANKCD DEPOSIT 191202329881	10/26	4,095.47
MERCHANT BANKCD DEPOSIT 191202329881	10/27	6,130.55
MERCHANT BANKCD DEPOSIT 191202329881	10/28	3,794.99
MERCHANT BANKCD DEPOSIT 191202329881	10/31	3,180.83
MERCHANT BANKCD DEPOSIT 191202329881	10/31	3,684.78
MERCHANT BANKCD DEPOSIT 191202329881	10/31	4,501.33

CHECKS

CHECK #.....TRACE #.DATE.....AMOUNT	CHECK #.....TRACE #.DATE.....AMOUNT
1737*000910119351 10/21 1,332.57	1881 000910014558 10/05 387.45
1844*000910013986 10/05 351.10	1882 000910003030 10/11 2,230.16
1852*000910001420 10/03 313.50	1883 000910016570 10/13 19,225.90
1856*000910014744 10/05 779.06	1884 000910025320 10/07 20.00
1858*000910014576 10/05 144.23	1885 000910108471 10/11 2,910.30
1860*000910001896 10/11 748.95	1886 000910004118 10/11 565.53
1862*000910019329 10/06 255.39	1887 000910006515 10/11 1,445.00
1864*000910008864 10/04 26.19	1888 000910011586 10/12 859.47
1866 000910002959 10/03 491.34	1889 000910011985 10/12 360.00
1867 000910014484 10/05 8,872.24	1890 000910001895 10/11 433.70
1868 000910002048 10/03 8,890.46	1891 000910327336 10/07 473.07
1869 000910003283 10/03 159.85	1892 000910004432 10/11 264.80
1870 000910013985 10/05 156.60	1893 000910119839 10/13 267.00
1871 000910002674 10/03 52.00	1894 000910113002 10/12 4,148.35
1872 000910003425 10/03 503.77	1895 000910003031 10/11 1,816.00
1873 000910010605 10/04 121.95	1896 000910002740 10/11 1,666.37
1874*000910001899 10/11 65.80	1897 000910115485 10/12 30.33

* * * C O N T I N U E D * * *

PROOF OF SERVICE

Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation
USDC, Central District of California – Case No. 2:18-cv-05008-FMO-AFM

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 865 S. Figueroa Street, Suite 2800, Los Angeles, California 90017-2543.

On **October 2, 2019**, I caused to be served the document entitled: **DECLARATION OF RECEIVER, GEOFF WINKLER, IN SUPPORT OF OPPOSITION TO PROPOSED INTERVENOR CVL'S MOTION TO INTERVENE AND TO REMOVE CVL'S ASSETS FROM THE COURT-ORDERED FREEZE [ECF NO. 115]** on all the parties to this action addressed as stated on the attached service list.

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with the firm's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

OVERNIGHT DELIVERY: I deposited in a box or other facility regularly maintained by express service carrier, or delivered to a courier or driver authorized by said express service carrier to receive documents, a true copy of the foregoing document(s) in sealed envelope(s) or package(s) designed by the express service carrier, addressed as indicated on the attached service list, with fees for overnight delivery paid or provided for.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare that I am employed in the office of a member of the Bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on **October 2, 2019** at Los Angeles, California.

/s/ Martha Diaz
Martha Diaz

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SERVICE LIST

Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation
USDC, Central District of California – Case No. 2:18-cv-05008-FMO-AFM

Mark Riera, Esq.
Jeffer Mangels Butler & Mitchell LLP
1900 Avenue of the Stars, 7th Floor
Los Angeles, CA 90067-4308

Michael O. Mena
Akerman LLP
98 SE 7th Street, Suite 1100
Miami, FL 33131