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

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 26, 2018

Limoneira Company

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-34755
(Commission File Number)

77-0260692
(I.R.S. Employer Identification No.)

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

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

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 1 Registrant’s Business and Operations

Item 1.01 Entry into a Material Definitive Agreement

On February 26th, 2018, Limoneira Lewis Community Builders, LLC, a joint venture which Limoneira Company (the “Company”) owns 50% of the interests in (the “Joint Venture”), entered into an unsecured Line of Credit Loan Agreement (the “Loan Agreement”) with Bank of America, N.A. (“Lender”) and a Promissory Note with Lender (the “Note”, and together with the Loan Agreement, the “Loan Documents”), both dated February 22nd, 2018. The Loan Documents provide for a loan to the Joint Venture from the Lender in the amount of \$45,000,000 (the “Loan”). The Loan matures on February 22, 2020, with an option for the Joint Venture to extend the maturity until February 22, 2021, subject to certain conditions. The balance of the Loan is subject to a fluctuating interest rate equal to the LIBOR daily floating rate for that day plus two hundred eighty-five (285) basis points. The Loan Documents include customary default provisions that provide should an event of default occur, the Lender, at its option, may accelerate the maturity of the Loan and declare the unpaid principal balance and accrued but unpaid interest, and all other amounts payable in connection therewith, at once due and payable. The Joint Venture may prepay any amounts outstanding under the Loan Documents without penalty. The loan is considered to be an Off-Balance Sheet Arrangement by the Company.

Additionally, the obligations under the Loan Documents are guaranteed by a Guaranty Agreement (the “Guaranty”), dated February 22, 2018, executed by Richard A. Lewis, individually and as Trustee of the Richard A. Lewis Revocable Trust u/d/t dated August 16, 2004 , Robert E. Lewis, individually and as Trustee of the Robert E. Lewis Revocable Trust u/d/t dated August 17, 2004, Roger G. Lewis, individually and as Trustee of the Roger G. Lewis Revocable Trust u/d/t dated August 20, 2004, Randall W. Lewis, individually and as Trustee of the Randall W. Lewis Revocable Trust u/d/t dated September 1, 2006, and the Company, each as guarantors thereto, on February 26th, 2018.

The foregoing summaries of the Loan Agreement, the Note and the Guaranty are qualified in its entirety by reference to the text of the Supplement, which are filed hereto as Exhibits 10.1, 10.2 and 10.3 and incorporated herein by reference.

Section 2 Financial Information

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information set forth above under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

[10.1 Line of Credit Loan Agreement, by and between Limoneira Lewis Community Builders, LLC and Bank of America, N.A., dated February 22, 2018.](#)

[10.2 Unsecured Promissory Note, by and between Limoneira Lewis Community Builders, LLC and Bank of America, N.A., dated February 22, 2018.](#)

[10.3 Guaranty Agreement, by and among Richard A. Lewis, individually and as Trustee of the Richard A. Lewis Revocable Trust u/d/t dated August 16, 2004 , Robert E. Lewis, individually and as Trustee of the Robert E. Lewis Revocable Trust u/d/t dated August 17, 2004, Roger G. Lewis, individually and as Trustee of the Roger G. Lewis Revocable Trust u/d/t dated August 20, 2004, Randall W. Lewis, individually and as Trustee of the Randall W. Lewis Revocable Trust u/d/t dated September 1, 2006, and Limoneira Company, dated February 22, 2018.](#)

SIGNATURES

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

Dated: March 2, 2018

LIMONEIRA COMPANY

By: /s/ Mark Palamountain

Mark Palamountain

Chief Financial Officer, Treasurer and Corporate

Secretary

**LINE OF CREDIT LOAN AGREEMENT
(Unsecured)**

This LINE OF CREDIT LOAN AGREEMENT (this "**Agreement**") dated as of February 22, 2018, is between BANK OF AMERICA, N.A., a national banking association ("**Lender**"), and LIMONEIRA LEWIS COMMUNITY BUILDERS, LLC, a Delaware limited liability company ("**Borrower**"). Lender has agreed to provide this line of credit (the "**Loan**") to Borrower on the terms and conditions set forth herein. This Loan is revolving and is unsecured.

1. LOAN AMOUNT AND TERMS

1.1 Loan Amount.

(a) During the Availability Period described below, Lender will provide a Loan to Borrower. The amount of the Loan is Forty-Five Million and No/100 Dollars (\$45,000,000.00) (the "**Commitment**").

(b) The Loan a revolving line of credit. Prior to the Maturity Date, Borrower may repay principal amounts and reborrow them.

(c) Each advance must be for at least Five Hundred Thousand Dollars (\$500,000), or if less, the undisbursed portion of the Loan.

(d) Borrower agrees not to permit the outstanding principal balance of the Loan to exceed the Commitment.

(e) Voluntary Termination or Reduction of Commitment. Borrower may, upon not less than five (5) Business Days' prior notice to Lender, terminate the Commitment or permanently reduce the Commitment by a minimum amount of Five Million Dollars (\$5,000,000); provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any prepayments of the Loan made on the effective date thereof, the outstanding amount of the Loan would exceed the amount of the Commitment and, provided further, that once reduced in accordance with this section, the Commitment may not be increased. If the Commitment is terminated in its entirety, all accrued commitment fees to but not including the effective date of such termination.

1.2 Maturity Date; Interest Rate. Borrower is executing a promissory note (the "**Note**") in the amount of the Commitment evidencing the Loan and payable to Lender. The Note sets forth the interest rate, maturity date, extension option and certain other terms and conditions applicable to the Loan.

1.3 Loan Documents. The "**Loan Documents**" are the documents indicated below, each dated as of the date of this Agreement unless indicated otherwise. A capitalized term used in this Agreement but not defined herein has the meaning given in the other Loan Documents.

(a) This Agreement.

(b) The Note.

(c) Guaranty Agreement (the "**Guaranty**") executed by Richard A. Lewis, individually and as Trustee of the Richard A. Lewis Revocable Trust u/d/t dated August 16, 2004 (in each such capacity, "**Richard Lewis**"), Robert E. Lewis, individually and as Trustee of the Robert E. Lewis Revocable Trust u/d/t dated August 17, 2004 (in each such capacity, "**Robert Lewis**"), Roger G. Lewis, individually and as Trustee of the Roger G. Lewis Revocable Trust u/d/t dated August 20, 2004 (in each such capacity, "**Roger Lewis**"), Randall W. Lewis, individually and as Trustee of the Randall W. Lewis Revocable Trust u/d/t dated September 1, 2006 (in each such capacity, "**Randall Lewis**," and, together with Richard Lewis, Robert Lewis and Roger Lewis, individually and collectively, using an interpretation most favorable to Lender, "**Lewis Guarantor**"), and Limoneira Company, a Delaware corporation ("**Limoneira**," and, together with Richard Lewis, Robert Lewis, Roger Lewis and Randall Lewis, individually and collectively, using an interpretation most favorable to Lender, "**Guarantor**").

(d) Borrower Remittance Instructions.

(e) Borrower's Instruction Certificate.

1.4 Defined Terms. Capitalized terms used and not otherwise defined in this Agreement shall have the meanings given to such terms in Exhibit B.

2. FEES AND EXPENSES

2.1 Fees.

(a) Loan Fee. Borrower agrees to pay a fee of Two Hundred Twenty-Five Thousand and No/100 Dollars (\$225,000.00) due upon the closing of the Loan.

(b) Unused Commitment Fee. Borrower agrees to pay a fee on any difference between the Commitment and the amount of credit it actually uses, which fee will be calculated daily at two-tenths of one percent (0.20%) per year based on the daily unused Commitment. The fee is payable quarterly in arrears, commencing on April 1, 2018 and continuing on each July 1, October 1, January 1 and April 1 thereafter through the full and final repayment of the Loan and the termination of the Commitment.

2.2 Expenses and Costs.

(a) Borrower will pay all costs and expenses incurred by Lender in connection with the making, disbursement and administration of the Loan, and in the exercise of any of Lender's rights or remedies under the Loan Documents. Such costs and expenses include expenses and reasonable legal fees of Lender's counsel and any other reasonable fees and costs for services, regardless of whether such services are furnished by Lender's employees or by independent contractors. Borrower acknowledges that the other fees payable to Lender do not include amounts payable by Borrower under this Section 2.2.

(b) Borrower agrees to indemnify Lender from and hold it harmless against any transfer or documentary taxes, assessments or charges imposed by any governmental authority by reason of the execution, delivery and performance of the Loan Documents. Borrower's obligations under this Section 2.2 shall survive payment of the Loan and assignment of any rights hereunder.

3. DISBURSEMENTS, PAYMENTS AND COSTS

3.1 Requests for Credit.

(a) Borrowing Notice. Each draw request shall be made upon the irrevocable written notice of Borrower (including notice via email) in the form of a Borrowing Notice (attached hereto as Exhibit A) as follows:

(i) Each Borrowing Notice shall contain a certification from the Authorized Agent of Borrower that (A) no Default or Event of Default, after giving effect to the requested borrowing, will exist, (B) the aggregate outstanding balance of the Loan after giving effect to the requested borrowing will not exceed the Commitment and setting forth the basis for such calculation, and (C) the proceeds from the requested borrowing will be used only for purposes permitted under this Agreement.

(ii) Each Borrowing Notice shall be submitted to and received by Lender prior to 9:00 a.m. (Pacific time) at least three (3) Business Days prior to the specified borrowing date.

(b) Conditions to Disbursement. Before each extension of credit including the first one, Lender shall receive the following in form and content satisfactory to Lender:

(i) A Borrowing Notice, with a completed Schedule 1 attached thereto; and

(ii) Any other documentation with respect to such extension of credit as may be reasonably requested by Lender.

(c) Monthly Disbursements. Notwithstanding anything herein to the contrary, Borrower shall be entitled to request (and Lender shall be obligated to make) no more than two (2) disbursements of the Loan in any calendar month.

3.2 Disbursement and Payment Records. Each disbursement by Lender and each payment by Borrower will be evidenced by records kept by Lender.

3.3 Telephone and Electronic Mail Authorization.

(a) Subject to Lender's right to advance Loan proceeds as provided in this Agreement, Lender is authorized to make advances as set forth in the Borrower Remittance Instructions. Such authorization may be changed only upon written notice to Lender accompanied by evidence, reasonably satisfactory to Lender, of the authority of the Person giving such notice. Such notice shall be effective not sooner than five (5) Business Days following receipt thereof by Lender, unless otherwise approved by Lender in writing.

(b) Lender is authorized to rely upon the continuing authority of the Authorized Persons and Authorized Signers to bind Borrower as set forth in Borrower's Instruction Certificate. Such authorization may be changed only upon written notice to Lender accompanied by evidence, reasonably satisfactory to Lender, of the authority of the Person giving such notice. Such Notice shall be effective not sooner than five (5) Business Days following receipt thereof by Lender, unless otherwise approved by Lender in writing.

(c) Borrower indemnifies and releases Lender (including its officers, employees, and agents) from all liability, loss, and costs in connection with any act resulting from telephone or electronic mail instructions Lender reasonably believes are made by any individual authorized by Borrower to give such instructions. This indemnity and release shall survive the termination of this Agreement.

3.4 Direct Debit to Loan.

(a) Borrower agrees that Lender may create advances under the Loan to pay interest and any fees that are due under the Loan Documents.

(b) Lender will create such advances on the dates the payments become due. If a due date does not fall on a Banking Day, Lender will create the advance on the first Banking Day following the due date.

(c) If the creation of an advance under the Loan causes the total amount of credit outstanding under the Loan to exceed the limitations set forth in this Agreement, Borrower will immediately pay the excess to Lender upon Lender's demand.

(d) Notwithstanding anything to the contrary, in no event will Lender be required to create advances under the Loan pursuant to this Section.

4. CONDITIONS

Lender must receive the following items, in form and content acceptable to Lender, before it is required to extend any credit to Borrower under this Agreement:

4.1 Authorizations. Evidence that the execution, delivery and performance by Borrower of the Loan Documents have been duly authorized.

4.2 Governing Documents; Good Standing Certificates.

(a) A copy of Borrower's organizational documents and a certificate of good standing for Borrower from the state where formed and from any other state in which Borrower is required to qualify to conduct its business; and

(b) A copy of Limoneira's organizational documents and a certificate of good standing for Limoneira from the state where formed and from any other state in which Limoneira is required to qualify to conduct its business.

4.3 Loan Documents. Duly executed Loan Documents.

4.4 Legal Opinion. A written opinion from Borrower's legal counsel covering such matters as Lender may require. The legal counsel and the content of the opinion must be acceptable to Lender.

4.5 Payment of Fees. Payment of all accrued and unpaid expenses incurred by Lender as provided for by the Loan Documents.

4.6 Other Items. Any other documents and other items Lender may reasonably require as conditions precedent to this Agreement.

5. REPRESENTATIONS AND WARRANTIES

When Borrower signs this Agreement, and until Lender is repaid in full, Borrower makes the following representations and warranties. Each request for an extension of credit constitutes a renewed representation and warranty as to the accuracy of the following.

5.1 Organization of Borrower: Good Standing. Borrower is duly formed and existing under the Laws of the state where organized. In each state in which Borrower does business, it is properly licensed, in good standing, and, where required, in compliance with any fictitious name statute.

5.2 Authorization: Enforceable Agreement. This Agreement and the other Loan Documents are within Borrower's powers, have been duly authorized, and do not conflict with any of its organizational documents. The Loan Documents do not conflict with any Law, agreement, or obligation by which Borrower is bound. This Agreement is a legal, valid and binding agreement of Borrower, enforceable against Borrower in accordance with its terms, and any instrument or document required hereunder, when executed and delivered, will be similarly legal, valid, binding and enforceable.

5.3 Financial Information. All financial and other information that has been or will be supplied to Lender, including the balance sheet of Borrower as of October 31, 2017, and the related profit and loss statement for the period ended on that date, and any financial statements of Borrower and each Guarantor:

(a) Is sufficiently complete to give Lender accurate knowledge of the subject's financial condition, including all material contingent liabilities;

(b) Is in form and content as required by Lender;

(c) Is in compliance with any government regulations that apply; and

(d) Does not fail to state any material facts necessary to make the information contained therein not misleading.

All such information was and will be prepared in accordance with generally accepted accounting principles consistently applied, unless otherwise noted. Since the dates of the financial information specified above, there has been no material adverse change in the business condition (financial or otherwise), operations, properties or prospects of Borrower or any Lewis Guarantor.

5.4 Lawsuits. There is no lawsuit, arbitration, claim or other dispute pending or threatened against Borrower which, if lost, would impair Borrower's financial condition or ability to repay the Loan, except as has been previously disclosed in writing to Lender.

5.5 Title to Assets. Borrower has good and clear title to its assets, and the same are not subject to any mortgages, deeds of trust, pledges, security interests or other encumbrances other than those permitted by Lender in writing.

5.6 Permits, Franchises. Borrower possesses all permits, franchises, contracts and licenses required and all trademark rights, trade name rights, and fictitious name rights necessary to enable it to conduct the business in which it is now engaged.

5.7 Income Tax Returns. Borrower has filed all tax returns and reports required to be filed and has paid all applicable federal, state and local franchise, income and property taxes which are due and payable. Borrower has no knowledge of any pending assessments or adjustments of its income taxes or property taxes for any year, except as have been disclosed in writing to Lender. Borrower is not a "*foreign person*" within the meaning of Section 1445(f) (3) of the Internal Revenue Code of 1986, as amended.

5.8 Other Obligations. Borrower is not in default on any obligation for borrowed money, any purchase money obligation or any other material lease, commitment, contract, instrument or obligation, except as has been previously disclosed in writing to Lender.

5.9 No Default. There exists no Default or Event of Default.

5.10 Location of Borrower. Borrower's place of business (or, if Borrower has more than one place of business, its chief executive office) is located at 1156 N. Mountain Avenue, Upland, California 91786.

5.11 OFAC. Neither Borrower nor Guarantor, nor any of their respective subsidiaries, nor, to the knowledge of Borrower and Guarantor, any director, officer, employee, agent, Affiliate or representative of Borrower, Guarantor or any of their subsidiaries, is a Prohibited Person.

5.12 Anti-Corruption Laws. Borrower, Guarantor and their respective Affiliates have conducted their businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions, and have instituted and maintained policies and procedures designed to promote and achieve compliance with such Laws.

6. COVENANTS

Borrower agrees, so long as credit is available under this Agreement and until Lender is repaid in full:

6.1 Use of Proceeds. To use the proceeds of the Loan only for (a) infrastructure costs for the master planned community known as Harvest at Limoneira located in Santa Paula, California (the "*Project*"), (b) onsite and offsite costs of Phase 1 of the Project known as Haun Creek, and (c) general corporate purposes (including for working capital).

6.2 Financial Information. To provide the following financial information and statements and such additional information as requested by Lender from time to time:

(a) Financial Statements of Borrower: (i) for each fiscal year of such reporting party, as soon as reasonably practicable and in any event within one hundred twenty (120) days after the close of each fiscal year, and (ii) for each of the first three fiscal quarters of each fiscal year of such reporting party, as soon as reasonably practicable and in any event within sixty (60) days after the close of each such fiscal quarter.

(b) Financial Statements of Guarantor: (i) if other than an individual or trust, (A) for each fiscal year of such reporting party, as soon as reasonably practicable and in any event within hundred twenty (120) days after the close of each fiscal year, and (B) for each of the first three fiscal quarters of each fiscal year of such reporting party, as soon as reasonably practicable and in any event within sixty (60) days after the close of such fiscal quarter; or (ii) if an individual or trust, Financial Statements in each instance within one hundred eighty (180) days after the end of each calendar year.

(c) A schedule of (i) the Lewis Guarantor's combined ownership interest in the Lewis Group of Companies as of the end of the first three calendar quarters of each year, which schedule shall be delivered to Lender in each instance within sixty (60) days after the close of each such calendar quarter, and (ii) each Lewis Guarantor's weighted average ownership interest in the Lewis Group of Companies as of the end of each calendar year, which schedule shall be delivered to Lender in each instance within one hundred eighty (180) days after the close of such calendar year.

(d) Financial Statements of Lewis Group of Companies: (i) for each calendar year, as soon as reasonably practicable and in any event within hundred fifty (150) days after the close of each calendar year, and (ii) for each of the first three calendar quarters of each year, as soon as reasonably practicable and in any event within sixty (60) days after the close of such quarter.

(e) Concurrently with the delivery of the financial statements referred to in clause (d)(ii) above, a duly completed compliance certificate in the form attached hereto as Exhibit F, together with all calculations and documentation required therein.

(f) Concurrently with the delivery of the financial statements referred to in clause (b)(ii) above, a duly completed compliance certificate in the form attached hereto as Exhibit G, together with all calculations and documentation required therein.

(g) If requested by Lender, copies of filed federal income tax returns and any extensions thereof, of Borrower and each Guarantor for each taxable year (with all K-1s and other forms and supporting schedules attached if an individual), within thirty (30) days after filing the same, but in any event not later than October 31st of each year.

(h) Additional Financial Reporting may be required at certain times. If Additional Financial Reporting is required by Lender, Borrower shall submit such reporting to Lender within thirty (30) days of each period end for which the statement is requested.

Borrower will keep and maintain full and accurate books and records administered in accordance with sound accounting principles, consistently applied. All Financial Statements shall be in form and detail satisfactory to Lender and shall contain or be attached to the signed and dated written certification of the reporting party in form specified by Lender to certify that the Financial Statements are furnished to Lender in connection with the extension of credit by Lender and constitute a true and correct statement of the reporting party's financial position. All certifications and signatures on behalf of corporations, partnerships, limited liability companies or other entities shall be by a representative of the reporting party satisfactory to Lender. All Financial Statements for a reporting party who is an individual or trust shall be on Lender's then-current personal financial statement form, on Borrower's standard form or in another form satisfactory to Lender. All fiscal year-end Financial Statements of Limoneira shall be audited and certified, without any qualification or exception not acceptable to Lender, by independent certified public accountants acceptable to Lender, and shall contain all reports and disclosures required by generally accepted accounting principles for a fair presentation. All fiscal year-end Financial Statements of the Lewis Group of Companies may be prepared by the applicable reporting party. All fiscal year-end Financial Statements of Borrower shall be audited and certified, without any qualification or exception not acceptable to Lender, by independent certified public accountants acceptable to Lender, and shall contain all reports and disclosures required by generally accepted accounting principles for a fair presentation. All quarterly Financial Statements may be prepared by the applicable reporting party and shall include a minimum of a balance sheet and income statement. Borrower shall provide, upon Lender's request, convenient facilities for the audit and verification of any such statement. Additionally, Borrower will provide Lender at Borrower's expense with all evidence that Lender may from time to time reasonably request in writing as to compliance with all provisions of the Loan Documents.

6.3 Other Information. To provide Lender such additional financial and other information as Lender may reasonably request from time to time.

6.4 Financial Covenants. To cause Guarantor to comply with the financial covenants set forth in Exhibit E attached hereto.

6.5 Taxes and Other Liabilities. To pay and discharge, before the same become delinquent and before penalties accrue thereon, all taxes, assessments and governmental charges upon or against Borrower or any of its properties, and all its other liabilities at any time existing, except to the extent and so long as:

(a) The same are being contested in good faith and by appropriate proceedings in such manner as not to cause any materially adverse effect to Borrower's financial condition or the loss of any right of redemption from any sale thereunder; and

(b) Borrower shall have set aside on its books reserves (segregated to the extent required by generally accepted accounting principles) adequate with respect thereto.

6.6 Other Debts. Not to have outstanding or incur any indebtedness for borrowed money (other than the Loan), or become liable for any indebtedness for borrowed money of any other Person.

6.7 Liens. Not to create, assume, or allow any security interest or lien (including judicial liens) on property Borrower now or later owns, except:

(a) Liens for property taxes not yet due;

(b) Liens outstanding on the date of this Agreement and previously disclosed in writing to and permitted by Lender; and

(c) Liens for assessments under the City of Santa Paula Harvest Community Facilities District No. 1, formed under the Mello-Roos Community Facilities Act of 1982, as amended, Part 1 (commencing with Section 53311) of Division 2 of Title 5 of the California Government Code.

6.8 Loans to Officers. Not to make any loans, advances or other extensions of credit to any of Borrower's executives, officers, directors, shareholders or partners (or any relatives of any of the foregoing).

6.9 Keeping Guarantor Informed. To keep Guarantor informed of Borrower's financial condition and business operations and all other circumstances which may affect Borrower's ability to pay or perform its obligations under the Loan Documents.

6.10 Notices to Lender. To promptly notify Lender in writing of:

(a) Any Default or Event of Default hereunder;

(b) Any lawsuit or arbitration over One Million Dollars (\$1,000,000) against Borrower (or any Guarantor);

(c) Any significant dispute between Borrower or any Guarantor and any Government Authority;

(d) Any material adverse change in Borrower's or any Guarantor's business condition (financial or otherwise), operations, properties or prospects, or ability to repay the Loan; and

(e) Any change in Borrower's name or trade name, legal structure, or place of business (or chief executive office if Borrower has more than one place of business).

6.11 Audits; Books and Records. To maintain adequate books and records and to allow Lender and its agents to inspect Borrower's properties and examine, audit and make copies of books and records at any reasonable time with at least 24 hours advance notice. If any of Borrower's properties, books or records are in the possession of a third party, Borrower hereby authorizes that third party to permit Lender or its agents to have access to perform inspections or audits and to respond to Lender's requests for information concerning such properties, books and records. Lender has no duty to inspect Borrower's properties or to examine, audit, or copy books and records and Lender shall not incur any obligation or liability by reason of not making any such inspection or inquiry. In the event that Lender inspects Borrower's properties or examines, audits, or copies books and records, Lender will be acting solely for the purposes of protecting Lender's security and preserving Lender's rights under this Agreement. Neither Borrower nor any other party is entitled to rely on any inspection or other inquiry by Lender. Lender owes no duty of care to protect Borrower or any other party against, or to inform Borrower or any other party of, any adverse condition that may be observed as affecting Borrower's properties or premises, or Borrower's business. Lender may in its discretion disclose to Borrower or any other party any findings made as a result of, or in connection with, any inspection of Borrower's properties.

6.12 Compliance with Laws. To comply with the Laws (including any fictitious name statute), regulations, and orders of any government body with authority over Borrower's business.

6.13 Preservation of Rights. To maintain and preserve all rights, privileges, and franchises Borrower now has.

6.14 Maintenance of Properties. To make repairs, renewals, or replacements to keep Borrower's properties in good working condition.

6.15 Insurance. To maintain such insurance as is currently in place and was reviewed and preapproved by Lender.

6.16 ERISA and Prohibited Transactions. To comply with the following representations, warranties and covenants, as of the date hereof and throughout the term of the Loan: (a) Borrower is not and will not be (i) an **"employee benefit plan,"** as defined in Section 3(3) of ERISA, (ii) a **"governmental plan"** within the meaning of Section 3(32) of ERISA, or (iii) a **"plan"** within the meaning of Section 4975(e) of the Code; (b) the assets of Borrower do not and will not constitute **"plan assets"** within the meaning of the United States Department of Labor Regulations set forth in Section 2510.3-101 of Title 29 of the Code of Federal Regulations; (c) transactions by or with Borrower are not and will not be subject to state statutes applicable to Borrower regulating investments of fiduciaries with respect to governmental plans; and (d) Borrower will not engage in any transaction that would cause any obligation or any action taken or to be taken hereunder (or the exercise by Lender of any of its rights under this Agreement or any of the other Loan Documents) to be a non-exempt (under a statutory or administrative class exemption) prohibited transaction under ERISA or Section 4975 of the Code. Borrower agrees to deliver to Lender such certifications or other evidence of compliance with the provisions of this Section as Lender may from time to time request. As used herein, **"Code"** means the Internal Revenue Code of 1986, as amended from time to time, and **"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended from time to time.

6.17 Additional Negative Covenants. Not to take any of the following actions, without Lender's written consent:

- (a) Engage in any business activities substantially different from Borrower's present business;
- (b) Liquidate or dissolve Borrower;
- (c) Enter into any consolidation, merger, or other combination, unless Borrower is the surviving entity;
- (d) Sell, assign, lease, transfer or otherwise dispose of all or a substantially all of Borrower's business or Borrower's assets;
- (e) Sell, assign, lease, transfer or otherwise dispose of any assets for less than fair market value or enter into any agreement to do so;

(f) Use any proceeds of the Loan, directly or indirectly, to purchase or carry, or reduce or retire any loan incurred to purchase or carry any "margin stock" (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any margin stock.

6.18 No Consumer Purpose. Not to use this Loan for personal, family, or household purposes. Lender may provide Borrower or any Guarantor with certain disclosures intended for loans made for personal, family, or household purposes. The fact that Lender elects to make such disclosures shall not be deemed a determination by Lender that this Loan will be used for such purposes.

6.19 Cooperation. To take any action reasonably requested by Lender to carry out the intent of the Loan Documents.

6.20 Anti-Corruption Laws. Borrower, Guarantor and their respective Affiliates shall each conduct its businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions, and maintain policies and procedures designed to promote and achieve compliance with such Laws.

6.21 Change of Management. Not to make any changes to the organizational structure of Borrower or Lewis Santa Paula Member, LLC that would result in the failure of Lewis Management Corp. to be the Manager of Lewis Santa Paula Member, LLC or Lewis Santa Paula Member, LLC to be the Member and Manager of Borrower.

6.22 Change of Ownership. Without the prior written consent of Lender (which consent shall not be unreasonably withheld or delayed, but may be conditioned), an aggregate of at least forty-five percent (45%) of the equity interest in Borrower ceases to be owned and controlled, directly or indirectly, in the aggregate, by one or more of the Lewis Guarantors and/or any trust established by or for the benefit of any such Person; provided, however, notwithstanding the foregoing, any Transfer of interest that is a Permitted Transfer shall not be an Event of Default.

6.23 Sanctions. Borrower and Guarantor shall not, directly or indirectly, use any proceeds of the Loan, or lend, contribute or otherwise make available such proceeds to any of their respective subsidiaries or joint venture partners or other individual or entity, to fund any activities of or business with any individual or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction) of Sanctions.

6.24 Anti-Corruption Laws. Neither Borrower nor Guarantor nor any of their respective Affiliates shall directly or indirectly use the proceeds of the Loan for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, or other similar anti-corruption legislation in other jurisdictions.

7. NO COLLATERAL. THIS LOAN IS UNSECURED.

8. DEFAULT

If any of the following events occurs (an “*Event of Default*”), Lender may declare Borrower in default, stop making any additional credit available to Borrower, and require Borrower to repay the entire debt outstanding under this Agreement immediately and without prior notice. However, if an Event of Default occurs under Section 8.4, then the entire debt outstanding under this Agreement shall automatically be due immediately.

8.1 Failure to Pay. Borrower fails to pay any Obligation under this Agreement when due, whether on the scheduled due date or upon acceleration, maturity or otherwise

8.2 Representations and Warranties. Any information contained in any financial statement, schedule, report or any other document delivered by Borrower, Guarantor or any other Person to Lender in connection with the Loan proves at any time not to be in all respects true and accurate, or Borrower, Guarantor or any other Person shall have failed to state any material fact or any fact necessary to make such information not misleading, or any representation or warranty contained in this Agreement or in any other Loan Document or other document, certificate or opinion delivered to Lender in connection with the Loan, proves at any time to be incorrect or misleading in any material respect either on the date when made or on the date when reaffirmed pursuant to the terms of this Agreement.

8.3 Death; Disability. Any Lewis Guarantor dies or becomes incapacitated, unless within ninety (90) days after such death or incapacity a substitute for such Lewis Guarantor acceptable to Lender, in its sole and absolute discretion, agrees to assume and perform the obligations of such Lewis Guarantor in connection with the Loan. In determining whether or not to approve any Person as a substitute Guarantor, Lender may consider, among other things, the net worth and relevant business experience of such Person.

8.4 Bankruptcy. Borrower or any Guarantor files a bankruptcy petition or makes a general assignment for the benefit of creditors, or a bankruptcy petition is filed against Borrower or any Guarantor and such involuntary bankruptcy petition continues undismissed for a period of sixty (60) days after the filing thereof; provided, however, that if any event described in this Section shall occur with respect to Limoneira only, then, so long as the Lewis Guarantors then independently satisfy (i.e., excluding all assets of Limoneira) the financial covenants set forth in Exhibit E attached hereto, such event shall not constitute an Event of Default hereunder.

8.5 Receivers. Borrower or any Guarantor applies for or consents in writing to the appointment of a receiver, bankruptcy trustee or liquidator of Borrower, any Guarantor, or all or substantially all of the other assets of Borrower or any Guarantor, or an order, judgment or decree is entered by any court of competent jurisdiction on the application of a creditor appointing a receiver, trustee or liquidator of Borrower, any Guarantor, or all or substantially all of the other assets of Borrower or any Guarantor; provided, however, that if any event described in this Section shall occur with respect to Limoneira only, then, so long as the Lewis Guarantors then independently satisfy (i.e., excluding all assets of Limoneira) the financial covenants set forth in Exhibit E attached hereto, such event shall not constitute an Event of Default hereunder.

8.6 Judgments. One or more judgments for the payment of money in an aggregate amount in excess of \$1,000,000 shall be rendered against Borrower or any Guarantor, or any combination thereof and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of Borrower or any Guarantor to enforce any such judgment; provided, however, that if any event described in this Section shall occur with respect to Limoneira only, then, so long as the Lewis Guarantors then independently satisfy (i.e., excluding all assets of Limoneira) the financial covenants set forth in Exhibit E attached hereto, such event shall not constitute an Event of Default hereunder.

8.7 Government Action. Any government authority takes action that Lender believes materially adversely affects Borrower's or any Guarantor's financial condition or ability to repay the Loan.

8.8 Material Adverse Change. In the reasonable opinion of Lender, the prospect of payment or performance of all or any part of the Obligations has been impaired because of a material adverse change in the financial condition, results of operations, business or properties of Borrower, Guarantor or any other Person liable for the payment or performance of any of the Obligations; provided, however, that if any event described in this Section shall occur with respect to Limoneira only, then, so long as the Lewis Guarantors then independently satisfy (i.e., excluding all assets of Limoneira) the financial covenants set forth in Exhibit E attached hereto, such event shall not constitute an Event of Default hereunder.

8.9 Default Under Related Documents. An Event of Default (as defined therein) occurs under the Note or any other Loan Document, or Borrower or Guarantor fails to promptly pay, perform, observe or comply with any term, obligation or agreement contained in any of the Loan Documents (within any applicable grace or cure period).

8.10 Other Breach Under This Agreement. Borrower fails to promptly perform or comply with any of the Obligations set forth in this Agreement (other than those expressly described in other Sections of this Article), and such failure continues uncured for a period of thirty (30) days after notice from Lender to Borrower, unless (a) such failure, by its nature, is not capable of being cured within such period, and (b) within such period, Borrower commences to cure such failure and thereafter diligently prosecutes the cure thereof, and (c) Borrower causes such failure to be cured no later than ninety (90) days after the date of such notice from Lender.

8.11 Cross-Default. Borrower or any Guarantor fails to pay any indebtedness (other than the Loan) owed by Borrower or such Guarantor to Lender when and as due and payable (whether by acceleration or otherwise); provided, however, that if any event described in this Section shall occur with respect to Limoneira only, then, so long as the Lewis Guarantors then independently satisfy (i.e., excluding all assets of Limoneira) the financial covenants set forth in Exhibit E attached hereto, such event shall not constitute an Event of Default hereunder.

9. ENFORCING THIS AGREEMENT; MISCELLANEOUS

9.1 Remedies. If an Event of Default occurs under the Loan Documents, Lender may exercise any right or remedy which it has under any of the Loan Documents or which is otherwise available at law or in equity. All of Lender's rights and remedies shall be cumulative. At Lender's option, exercisable in its sole discretion, all of Borrower's obligations under the Loan Documents will become immediately due and payable without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind.

9.2 California Law. This Agreement is governed by California Law but without regard to the choice of law rules of California.

9.3 Dispute Resolution Provision. This Section, including the subsections below, is referred to as the "**Dispute Resolution Provision**." This Dispute Resolution Provision is a material inducement for the parties entering into this Agreement.

(a) This Dispute Resolution Provision concerns the resolution of any controversies or claims between or among the parties, whether arising in contract, tort or by statute, including controversies or claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions or modifications); or (ii) any Loan Document or other document related to this Agreement (collectively, a "**Claim**"). For the purposes of this Dispute Resolution Provision only, the term "**parties**" shall include any parent corporation, subsidiary or affiliate of Lender involved in the servicing, management or administration of any obligation described or evidenced by this Agreement.

(b) Except to the extent expressly provided below, any Claim shall, upon the mutual agreement of the parties, acting in their sole and absolute discretion, be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U.S. Code) (the "**Federal Arbitration Act**"). The Federal Arbitration Act will apply even though this Agreement provides that it is governed by California Law.

(c) Arbitration proceedings will be determined in accordance with the Federal Arbitration Act, the then-current rules and procedures for the arbitration of financial services disputes of the American Arbitration Association or any successor thereof ("**AAA**") and the terms of this Dispute Resolution Provision. In the event of any inconsistency, the terms of this Dispute Resolution Provision shall control. If AAA is unwilling or unable to (i) serve as the provider of arbitration or (ii) enforce any provision of this arbitration clause, Lender may designate another arbitration organization with similar procedures to serve as the provider of arbitration.

(d) The arbitration shall be administered by AAA and conducted, unless otherwise required by Law, in any U.S. state where real or tangible personal property for the Loan is located or if there is no such collateral, in the state specified in the governing law section of this Agreement. All Claims shall be determined by one arbitrator; however, if Claims exceed Five Million Dollars (\$5,000,000), upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within ninety (90) days of the demand for arbitration and close within ninety (90) days of commencement and the award of the arbitrator(s) shall be issued within thirty (30) days of the close of the hearing. However, the arbitrator(s), upon a showing of good cause, may extend the commencement of the hearing for up to an additional sixty (60) days. The arbitrator(s) shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and have judgment entered and enforced.

(e) The arbitrator(s) will give effect to statutes of limitation in determining any Claim and may dismiss the arbitration on the basis that the Claim is barred. For purposes of the application of any statutes of limitation, the service on AAA under applicable AAA rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s), except as set forth at clause (j) of this Dispute Resolution Provision. The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Agreement.

(f) The procedure described above will not apply if the Claim, at the time of the proposed submission to arbitration, arises from or relates to an obligation to Lender secured by real property. In this case, all of the parties to this Agreement, in their sole and absolute discretion, must consent to submission of the Claim to arbitration.

(g) To the extent any Claims are not arbitrated, to the extent permitted by Law the Claims shall be resolved in court by a judge without a jury, except any Claims which are brought in California state court shall be determined by judicial reference as described below.

(h) Any Claim which is not arbitrated and which is brought in California state court will be resolved by a general reference to a referee (or a panel of referees) as provided in California Code of Civil Procedure ("**CCP**") Section 638. The referee (or presiding referee of the panel) shall be a retired Judge or Justice. The referee (or panel of referees) shall be selected by mutual written agreement of the parties. If the parties do not agree, the referee shall be selected by the Presiding Judge of the Court (or his or her representative) as provided in CCP Section 638 and the following related sections. The referee shall determine all issues in accordance with existing California Law and the California rules of evidence and civil procedure. The referee shall be empowered to enter equitable as well as legal relief, provide all temporary or provisional remedies, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a trial, including motions for summary judgment or summary adjudication. The award that results from the decision of the referee(s) will be entered as a judgment in the court that appointed the referee, in accordance with the provisions of CCP Sections 644(a) and 645. The parties reserve the right to seek appellate review of any judgment or order, including orders pertaining to class certification, to the same extent permitted in a court of law.

(i) This Dispute Resolution Provision does not limit the right of any party to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights; or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies. The filing of a court action is not intended to constitute a waiver of the right of any party, including the suing party, thereafter to request or require submittal of the Claim to arbitration or judicial reference as provided herein.

(j) Any arbitration, judicial reference or trial by a judge of any Claim will take place on an individual basis without resort to any form of class or representative action (the **“Class Action Waiver”**). Regardless of anything else in this Dispute Resolution Provision, the validity and effect of the Class Action Waiver may be determined only by a court or referee and not by an arbitrator. The parties to this Agreement acknowledge that the Class Action Waiver is material and essential to the arbitration of any disputes between the parties and is nonseverable from the agreement to arbitrate Claims. If the Class Action Waiver is limited, voided or found unenforceable, then the parties’ agreement to arbitrate shall be null and void with respect to such proceeding, subject to the right to appeal the limitation or invalidation of the Class Action Waiver. **The parties acknowledge and agree that under no circumstances will a class action be arbitrated.**

(k) By agreeing to binding arbitration or judicial reference, the parties irrevocably and voluntarily waive any right they may have to a trial by jury as permitted by Law in respect of any Claim. Furthermore, without intending in any way to limit this Dispute Resolution Provision, to the extent any Claim is not arbitrated or submitted to judicial reference, the parties irrevocably and voluntarily waive any right they may have to a trial by jury to the extent permitted by Law in respect of such Claim. This waiver of jury trial shall remain in effect even if the Class Action Waiver is limited, voided or found unenforceable. **WHETHER THE CLAIM IS DECIDED BY ARBITRATION, BY JUDICIAL REFERENCE, OR BY TRIAL BY A JUDGE, THE PARTIES AGREE AND UNDERSTAND THAT THE EFFECT OF THIS AGREEMENT IS THAT THEY ARE GIVING UP THE RIGHT TO TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW.**

9.4 Presentment, Demands and Notice. Lender shall be under no duty or obligation to make or give any presentment, demands for performances, notices of nonperformance, protests, notices of protest or notices of dishonor in connection with any obligation or indebtedness under the Loan Documents.

9.5 Indemnification. Borrower shall indemnify, save, and hold harmless Lender and its parent and affiliates and all of their directors, officers, employees, agents, successors, attorneys and assigns (collectively, the **“Indemnitees”**) for, from and against the following matters (collectively, the **“Indemnified Matters”**):

(a) Any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, charges, expenses and disbursements (including attorneys' fees, including the reasonable estimate of the allocated cost of in-house counsel and staff) of any kind with respect to the execution, delivery, enforcement, performance and administration of this Agreement and the other Loan Documents, and the transactions contemplated hereby, and with respect to any investigation, litigation or proceeding related to this Agreement, the other Loan Documents, the Loan or the use of the proceeds thereof, whether or not any Indemnitee is a party thereto.

(b) Any and all writs, subpoenas, claims, demands, actions, or causes of action that are served on or asserted against any Indemnitee (if directly or indirectly related to a writ, subpoena, claim, demand, action, or cause of action against Borrower or any affiliate of Borrower); and any and all liabilities, losses, costs, or expenses (including attorneys' fees, including the reasonable estimate of the allocated cost of in-house counsel and staff) that any Indemnitee suffers or incurs as a result of any of such Indemnified Matters.

The obligations of Borrower under this Section shall survive payment of the Loan and assignment of any rights hereunder. The foregoing notwithstanding, Borrower shall have no obligation hereunder to any Indemnitee with respect to Indemnified Matters arising from the gross negligence or willful misconduct of such Indemnitee.

9.6 Attorneys' Fees. In the event of a lawsuit, reference or arbitration proceeding, including any tort proceeding, between or among the parties hereto, the prevailing party is entitled to recover costs and reasonable attorneys' fees (including any allocated costs of in-house counsel) incurred in connection with the lawsuit, reference or arbitration proceeding, as determined by the court, referee or arbitrator.

9.7 Notices. All notices required under this Agreement shall be personally delivered or sent by registered or certified mail, postage prepaid, or email to the addresses on the signature page of this Agreement, or to such other addresses as Lender and Borrower may specify from time to time in writing. Notices shall be effective upon receipt or when proper delivery is refused.

9.8 Successors and Assigns. This Agreement is binding on Borrower's and Lender's successors and assigns. Borrower agrees that it may not assign this Agreement or the other Loan Documents without Lender's prior consent, which consent may be withheld in Lender's sole and absolute discretion. Lender may sell participations in or assign this Loan, and may provide financial information about Borrower to actual or potential participants or assignees, without notice to or consent of Borrower.

9.9 No Third Parties Benefited. This Agreement is made and entered into for the sole protection and benefit of Lender and Borrower and their successors and assigns. No trust fund is created by this Agreement and no other Persons shall have any right of action under this Agreement or any right to the Loan funds.

9.10 Integration; Relation to Any Loan Commitment; Headings. The Loan Documents (a) integrate all the terms and conditions in or incidental to this Agreement, (b) supersede all oral negotiations and prior writings with respect to their subject matter, including any loan commitment to Borrower, and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. No representation, understanding, promise or condition shall be enforceable against any party unless it is contained in the Loan Documents. If there is any conflict between the terms, conditions and provisions of this Agreement and those of any other agreement or instrument, including any other Loan Document, the terms, conditions and provisions of this Agreement shall prevail. Headings and captions are for reference only and shall not affect the interpretation or meaning of any provisions of this Agreement. The exhibits to this Agreement are hereby incorporated in this Agreement.

9.11 Interpretation. Time is of the essence in the performance of this Agreement by Borrower. The word “*include(s)*” means “*include(s), without limitation,*” and the word “*including*” means “*including but not limited to.*” No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Agreement.

9.12 Severability; Waivers; Amendments. This Agreement may not be modified or amended except by a written agreement signed by the parties. Any consent or waiver under this Agreement must be in writing. If any part of this Agreement is not enforceable, the rest of the Agreement may be enforced. If Lender waives a default, it may enforce a later default. No waiver shall be construed as a continuing waiver. No waiver shall be implied from Lender’s delay in exercising or failure to exercise any right or remedy against Borrower. Consent by Lender to any act or omission by Borrower shall not be construed as a consent to any other or subsequent act or omission or as a waiver of the requirement for Lender’s consent to be obtained in any future or other instance. Lender retains all of its rights and remedies, even if it makes an advance after a default or Event of Default.

9.13 Counterparts. This Agreement may be executed in counterparts each of which, when executed, shall be deemed an original, and all such counterparts shall constitute one and the same agreement.

9.14 Electronic Transmission of Data. Lender and Borrower agree that certain data related to the Loan (including confidential information, documents, applications and reports) may be transmitted electronically, including over the internet. This data may be transmitted to, received from or circulated among agents and representatives of Borrower and/or Lender and their affiliates, and other persons or entities involved with the subject matter of this Agreement. Borrower acknowledges and agrees that (a) there are risks associated with the use of electronic transmission and that Lender does not control the method of transmittal or service providers, (b) Lender has no obligation or responsibility whatsoever and assumes no duty or obligation for the security, receipt or third party interception of such transmissions, and (c) Borrower will release, hold harmless and indemnify Lender from any claim, damage or loss, including that arising in whole or part from Lender’s strict liability or sole, comparative or contributory negligence which is related to the electronic transmittal of data.

9.15 USA Patriot Act Notice.

Lender is subject to the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "***Patriot Act***") and the regulations implemented by the U.S. Treasury's Financial Crimes Enforcement Network ("***FinCen***") under the Bank Secrecy Act ("***Additional KYC Regulations***") and Lender hereby notifies Borrower that pursuant to the requirements of the Patriot Act and the Additional KYC Regulations, it is required to obtain, verify and record information that identifies Borrower. Such information includes, but is not limited to, the name and address of Borrower and a list of individuals, if any, who own directly or indirectly at least twenty-five percent (25%) of Borrower (or such lesser equity interest as may be required by applicable Law or the internal policy of Lender), the identification of one individual who manages and controls Borrower, organizational information on the ultimate parent of Borrower, and such other documentation and information that will allow Lender to identify Borrower in accordance with the Patriot Act and Additional KYC Regulations. Borrower shall, promptly following a request by Lender, provide all documentation and other information that Lender requests in order to comply with its internal policy and its ongoing obligation under "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Additional KYC Regulations.

[Signatures Follow on Next Page]

This Agreement is executed as of the date stated at the top of the first page.

Lender:

BANK OF AMERICA, N.A.,
a national banking association

By: /s/ Anne L. Pedron
Name: Anne L. Pedron
Title: Senior Vice President

Address where notices to
Lender are to be sent:

Bank of America, N.A.
520 Newport Center Drive, Suite 1100
Newport Beach, California 92660

BORROWER:

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

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

By: Lewis Management Corp.,
a Delaware corporation,
its Manager

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

Address where notices to
Borrower are to be sent:

Limoneira Lewis Community Builders, LLC
c/o Lewis Management Corp.
1156 N. Mountain Avenue
Upland, California 91786

EXHIBIT A

BORROWING NOTICE

Bank of America, N.A.
520 Newport Center Drive, Suite 1100
Newport Beach, California 92660
Attention: Commercial Real Estate Loan Administration

Re: Line of Credit Loan Agreement dated as of February 22, 2018 (the "**Agreement**") between Bank of America, N.A. ("**Lender**") and Limoneira Lewis Community Builders, LLC ("**Borrower**")

Dear _____:

Reference is made to the Agreement. Capitalized terms used in this Borrowing Notice without definition have the meanings specified in the Agreement.

Pursuant to the Agreement, notice is hereby given that Borrower desires that Lender make the advance described in attached Schedule 1 (the "**Advance**"). Borrower hereby certifies that:

1. Commitment. The outstanding amount of the Loan shall not, after giving effect to the making of the Advance, exceed the Commitment.
2. Representations and Warranties. All representations and warranties of Borrower contained in the Agreement and the other Loan Documents are true and correct as of the date hereof and shall be true and correct on the date of the Advance, both before and after giving effect to the Advance; provided, however, that the representations and warranties of Borrower set forth in the Agreement regarding financial statements shall be deemed to be made with respect to the financial statements most recently delivered to Lender pursuant to the Agreement.
3. No Default or Event of Default. No Default or Event of Default exists as of the date hereof or will result from the making of the Advance.
4. Use of Proceeds. The proceeds of the Advance will be used only as permitted by the Agreement.
5. No Material Adverse Effect. Since the date of the Agreement, there has been no act, omission, change or event which has a material adverse effect on Borrower's or any Lewis Guarantor's business condition (financial or otherwise), operations, properties or prospects, or ability to repay the Loan.

6. Other Conditions. Enclosed are the documents and information requested by Lender as a condition to this Advance.

Very truly yours,

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

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

By: Lewis Management Corp.,
a Delaware corporation,
its Manager

By: _____
Name: _____
Title: _____

Schedule 1
to Borrowing Notice

REQUESTED LOAN

1. Amount of Requested Advance: \$ _____
(Must be \$500,000 or in excess thereof)

2. Purpose of Advance: _____

EXHIBIT B

DEFINITIONS

Capitalized terms used and not otherwise defined in the Agreement shall have the following meanings:

“Additional Financial Reporting” means (a) Financial Statements requested more frequently than quarterly and/or (b) such additional information, reports and statements respecting the business operations and financial condition of each reporting party, as Lender may reasonably request.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Authorized Person” means any representative of Borrower duly designated by Borrower in accordance with Borrower’s Instruction Certificate, authorized to bind Borrower in requesting disbursements of Loan proceeds.

“Authorized Signer” means any representative of Borrower duly designated by Borrower in accordance with Borrower’s Instruction Certificate, authorized to bind Borrower and to act for Borrower for all purposes in connection with the Loan, including requesting disbursements of Loan proceeds, obtaining information pertaining to the Loan, requesting any action under the Loan Documents, providing any certificates, and appointing and changing any Authorized Persons.

“Borrower’s Instruction Certificate” means a certificate provided by or on behalf of Borrower in the form attached hereto as Exhibit C, designating certain Authorized Persons and Authorized Signers as set forth therein.

“Borrower Remittance Instructions” means Borrower’s remittance instructions provided in the form attached hereto as Exhibit D.

“Business Day” shall have the meaning given to such term in the Note.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Default” means an event or circumstance that, with the giving of notice or lapse of time, or both, would constitute an Event of Default under the provisions of this Agreement.

“Designated Jurisdiction” means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

“Expenses” means all fees, charges, costs and expenses of any nature whatsoever incurred at any time and from time to time (whether before or after an Event of Default) by Lender in making, funding, administering or modifying the Loan, in negotiating or entering into any **“workout”** of the Loan, or in exercising or enforcing any rights, powers and remedies provided in the Loan Documents, including attorneys’ fees and court costs.

“Financial Statements” means (a) for each reporting party other than an individual or trust, (i) a balance sheet, income statement, statement of cash flow from Limoneira, (ii) statement of operation, a balance sheet and cash forecast/annual report from Lewis Group of Companies and additional schedules from any party as reasonably determined by Lender, and in form substantially similar to reports previously provided to and approved, including without limitation: amounts and sources of contingent liabilities, reconciliation of changes in equity, liquidity verification, cash flow projections, real estate schedules providing details on each individual real property in the reporting party’s portfolio, including raw land, land under development, construction in process and stabilized properties, any additional schedules as may be required by Lender, and unless Lender otherwise consents, combined statements if the reporting party is a holding company or a parent of a subsidiary entity; and (b) for each reporting party who is an individual or trust, a balance sheet and statement of income from Lewis Guarantor and additional schedules as reasonably determined by Lender, including without limitation: and amounts and sources of contingent liabilities, liquidity verification, and any additional schedules as may be required by Lender. For purposes of this definition and any covenant requiring the delivery of Financial Statements, each party for whom Financial Statements are required is a **“reporting party”** and a specified period to which the required Financial Statements relate is a **“reporting period”**.

“Governmental Authority” or **“Governmental Authorities”** means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Law” or **“Laws”** means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lewis Group of Companies” means the portfolio of corporations, partnerships and limited liability companies historically reported to Lender by Lewis Guarantors as the “Lewis Group of Companies,” as such portfolio may change from time to time as evidenced in the Financial Statements of Lewis Guarantors provided to Lender from time to time in accordance with the Loan Documents.

“Obligations” means all present and future debts, obligations and liabilities of Borrower to Lender arising pursuant to, or on account of, the provisions of this Agreement, the Note or any of the other Loan Documents, including the obligations: (a) to pay all principal, interest, late charges, prepayment premiums (if any) and other amounts due at any time under the Note; (b) to pay all Expenses, indemnification payments, fees and other amounts due at any time under the Loan Documents, together with interest thereon as provided in the Loan Document; (c) to perform, observe and comply with all of the terms, covenants and conditions, expressed or implied, which Borrower is required to perform, observe or comply with pursuant to the terms of this Agreement or any of the other Loan Documents.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Permitted Transfer” means any Transfer of any ownership interest in Borrower and/or Borrower’s manager, any members of Borrower, or related parties such as key principals or Guarantor (collectively, the **“Lewis Parties”**) (a) to (i) one or more Lewis Guarantors, and/or (ii) any one or more entities in which one or more Lewis Guarantors and/or any one or more of their adult lineal descendants, and/or any one or more trusts for the benefit of one or more “members of the immediate family” (see below) of a Lewis Guarantor, continue to own, directly or indirectly, an aggregate of more than 45% of the equity interest of such entity and/or Control such entity, (b) to any adult “member of the immediate family” (meaning the spouse, any sibling, lineal ancestor or descendant, including a stepchild and a legally adopted child, and the spouse of any lineal ancestor or descendant) of any Lewis Guarantor, (c) to one or more trusts for the benefit of one or more Lewis Guarantors and/or any one or more members of the immediate family of a Lewis Guarantor, (d) to John Goodman or one or more trusts for the benefit of John Goodman, (e) to the estates or other successors in interest during administration and prior to distribution of the estates or other successors in interest of one or more of the Lewis Guarantors or John Goodman on account of his/their death, (f) resulting from the substitution of Lewis Family Advisors, LLC, a Nevada limited liability company, as the trustee (**“Professional Trustee”**) under any trust formed by any one or more Lewis Guarantors or any such trust for which one or more Lewis Guarantors is a trustee, provided that members of the immediate family of the Lewis Guarantors, collectively, maintain the right to directly or indirectly appoint the managing directors or similar controlling officers of Professional Trustee, (g) from the estate of John Goodman to John Goodman’s spouse upon the death of John Goodman and the subsequent transfer of such interests to any trust or entity controlled by a Lewis Guarantor or Professional Trustee, or (h) to any combination permitted by clauses (a) through (h) above (collectively, the **“Permitted Owners”**). For the purposes hereof, “adult lineal descendants” and “members of the immediate family” shall include minor children as beneficiaries under a trust. Notwithstanding the foregoing, no Transfer shall be a Permitted Transfer if (y) the proposed or actual transferee thereof is subject to any Sanction, or (z) after giving effect to such Transfer (i) a Default or Event of Default has occurred and is continuing at the time of such Transfer or (ii) either Borrower or Borrower’s manager fails, for any reason whatsoever, to be Controlled, directly or indirectly, by one or more of the Permitted Owners (one or more of whom shall be a Lewis Guarantor, Professional Trustee or John Goodman). Borrower shall pay to Lender all costs and expenses actually incurred by Lender, if any, in connection with each Permitted Transfer, including, without limitation, reasonable attorneys’ fees. If, after giving effect to any Permitted Transfer, any Person shall (1) acquire, or become a holder of, twenty-five percent (25%) or more of (aa) the Property, or (bb) the direct or indirect legal or beneficial ownership interest in Borrower, or (2) acquire Control of Borrower, then (A) Borrower shall provide Lender with notice of any proposed Transfer of any ownership interest in any Lewis Party and copies of all instruments effecting such Transfer at least ten (10) Business Days prior to the date of such Transfer (or in the case of Transfer upon death, within ten (10) days after such Transfer), and (B) Borrower shall cause such transferee, promptly following a written request by Lender, to provide all documentation and other information that Lender requests in order to comply with its ongoing obligation under “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Prohibited Person” means any individual or entity that is (a) currently the subject or target of any Sanctions, (b) included on OFAC’s List of Specially Designated Nationals, HMT’s Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority, (c) any individual or entity that is owned or Controlled by, acting on behalf of, or an Affiliate of, an individual or entity listed in the previous clause (a) or (b), or (d) located, organized or resident in a Designated Jurisdiction.

“Sanction(s)” means any sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury (**“HMT”**) or other relevant sanctions authority.

“Transfer” means any direct or indirect sale, assignment, conveyance or transfer, including any contract or agreement to sell, assign, convey or transfer, in whole or in part, whether made voluntarily or by operation of Law or otherwise, and whether made with or without consideration.

EXHIBIT C

BORROWER'S INSTRUCTION CERTIFICATE



Effective Date: _____, 20____
Page _____ of _____

BORROWER'S INSTRUCTION CERTIFICATE

Certificate of Incumbency

I, _____, the authorized signatory of LIMONEIRA LEWIS COMMUNITY BUILDERS, LLC, ("Borrower"), which said Borrower has executed a certain Line of Credit Agreement dated February 22, 2018, with Bank of America, N.A. ("**Bank**"), in the stated original principal amount of **\$45,000,000.00** ("Loan Agreement"), and **do hereby certify** that the Authorized Signers and Authorized Persons whose names, titles and signatures appear in Sections I and II below are authorized to act on behalf of Borrower for the specified purposes indicated below.

Section I – General Authorization. All persons or titles listed below are also listed in the most recent borrowing resolution. Any one (1) of the persons indicated below ("Authorized Signers") is authorized to act on behalf of Borrower for all purposes including, but not limited to obtaining any and all information pertaining to the Loan, requesting any action under the loan documents, providing any certificates on behalf of Borrower, and appointing and changing Authorized Persons (defined in Section II below). All persons who signed the Loan Agreement on behalf of Borrower must sign in this Section I acknowledging their agreement with the below listed Authorized Persons.

Name	Title	Signature Specimen

Section II – Draw Requests for Loan Proceeds Authorization. Any one (1) of the persons indicated below ("Authorized Persons") is authorized to act on behalf of Borrower in providing draw requests and/or requisitions and requesting disbursements of Loan proceeds and/or proceeds from the applicable reserve account.

Name	Title	Signature Specimen

I further certify that the specimen signatures set forth above in Sections I and II, next to each name are the true and genuine signatures of such persons, and Bank may conclusively rely on the accuracy, genuineness, and good faith of any written, oral or electronic communication from any of the above listed individuals, for the specified purposes so stated. Bank may rely on this Borrower's Instruction Certificate until written notice is received by Bank, revoking the authorizations in Sections I and II and/or replacing this with a new Borrower's Instruction Certificate, and such notice shall be effective not sooner than five (5) Business Days following receipt thereof.

(Printed Name of Authorizing Party)	(Signature)	(Title)	(Phone Number)
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[NOTE: The certification below needs to be signed by person listed in Section 1 above.]

I certify that the signature immediately set forth above is a true and genuine signature of such person, and Bank may conclusively rely on its accuracy and genuineness for the specified purposes so stated.

(Printed Name of Person from Section 1)	(Signature)	(Title)	(Phone Number)
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EXHIBIT D

BORROWER REMITTANCE INSTRUCTIONS



Effective Date: _____, 20____
Page _____ of _____

Borrower Remittance Instructions

I, _____, the authorized signatory of Limoneira Lewis Community Builders, LLC, a Delaware limited liability company ("**Borrower**"), which said Borrower has executed a certain Line of Credit Loan Agreement dated February 22, 2018, with Bank of America, N.A. ("**Bank**"), in the stated original principal amount of \$45,000,000.00 (the "**Loan Agreement**"), do hereby certify that the following represents Borrower's remittance instructions.

Bank is hereby instructed to use the following instructions as directed by Borrower for either disbursement of Loan proceeds or debit of Loan payments:

Account Name: _____
Account Number: _____
Bank Name: _____
City & State: _____
ABA #: _____

Check one of the following:

I certify that the above-referenced account is owned by Borrower.

I certify that the above-referenced account is owned by a title company, escrow company or other closing agent directed and authorized by Borrower to receive Loan proceeds.

I certify that the above-referenced account ("**Account**") is owned by Borrower. Borrower agrees that scheduled **payments of interest due on the Loan will be deducted automatically** on their due dates from the Account. Bank is hereby authorized to apply the amounts so debited to Borrower's obligations under the Loan. Notwithstanding the foregoing, Bank will not automatically deduct any principal payment due under the Loan, whether such principal payment is due at maturity, or upon acceleration, or otherwise, from the Account. Bank will debit the Account on the dates the interest payments become due. If a due date does not fall on a Business Day, Bank will debit the Account on the first Business Day following the due date. If there are insufficient funds in the Account on the date Bank enters any debit authorized hereby, without limiting Bank's other remedies in such an event, the debit will be reversed in whole or in part, in Bank's sole and absolute discretion, and such amount not debited shall be deemed to be unpaid and shall be immediately due and payable in accordance with the terms of the Loan.

Bank may rely on these instructions until written notice is received by Bank, revoking these instructions and/or replacing this with new Borrower Remittance Instructions, and such notice shall be effective not sooner than five (5) Business Days following receipt thereof.

BORROWER:

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

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

By: Lewis Management Corp.,
a Delaware corporation,
its Manager

By: _____
Name: _____
Title: _____

Exhibit E

Financial Covenants

1. **Unencumbered Liquid Assets.** Borrower shall cause Guarantor to maintain, on an aggregate basis, Unencumbered Liquid Assets having an aggregate market value of not less than Forty-Five Million Dollars (\$45,000,000.00). These Unencumbered Liquid Assets may be held in various accounts of the Lewis Group of Companies. This covenant will be calculated as of the end of each calendar quarter.

“Unencumbered Liquid Assets” means the following assets (excluding assets of any retirement plan) which (i) are not the subject of any lien, pledge, security interest or other arrangement with any creditor to have its claim satisfied out of the asset (or proceeds thereof) prior to the general creditors of the owner of the asset, (ii) except as otherwise provided below, are held solely in the name of Guarantor (with no other Persons having ownership rights therein); (iii) may be converted to cash within five (5) Business Days, (iv) are otherwise acceptable to Lender in its reasonable discretion; and (v) are not being counted or included to satisfy any other liquidity requirement under any other obligation, whether with Lender or any other lender, unless otherwise expressly agreed by Lender in writing:

- (a) Cash or cash equivalents held in the United States and denominated in United States dollars;
- (b) United States Treasury or governmental agency obligations which constitute full faith and credit of the United States of America;
- (c) Commercial paper rated P-1 or A1 by Moody’s or S&P, respectively;
- (d) Medium and long-term securities rated investment grade by one of the rating agencies described in (c) above;
- (e) Eligible Stocks; and
- (f) Mutual funds quoted in The Wall Street Journal which invest primarily in the assets described in (a) – (e) above.

Notwithstanding clause (ii) above, the “Unencumbered Liquid Assets” of each Lewis Guarantor shall include, without duplication, such Lewis Guarantor’s allocable share (based on ownership interest) of those assets held within the Lewis Group of Companies that would, if held directly by such Lewis Guarantor, otherwise qualify as Unencumbered Liquid Assets.

“Eligible Stocks” includes any common or preferred stock which (i) is not control or restricted stock under Rule 144 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, or subject to any other regulatory or contractual restrictions on sales, (ii) is traded on a U. S. national stock exchange, including NASDAQ, with a liquidity on such exchange for such stock acceptable to Lender and (iii) has, as of the close of trading on the applicable exchange (excluding after hours trading), a per share price of at least Five Dollars (\$5).

2. Tangible Net Worth. Borrower shall cause Guarantor to maintain, on an aggregate basis, a Tangible Net Worth equal to at least One Hundred Million Dollars (\$100,000,000.00). This covenant will be calculated annually as of December 31 of each calendar year.

“Tangible Net Worth” means the value of total assets (on a fair market value basis) (including leaseholds and leasehold improvements and reserves against assets but excluding goodwill, patents, trademarks, trade names, organization expense, unamortized debt discount and expense, capitalized or deferred research and development costs, deferred marketing expenses, and other like intangibles, and monies due from affiliates, officers, directors, employees, shareholders, members or managers) less total liabilities, including but not limited to accrued and deferred income taxes.

Notwithstanding Section 2 above, the “Tangible Net Worth” of each Lewis Guarantor shall include such Lewis Guarantor’s allocable share (based on ownership interest) of those assets held within, and those liabilities owed by, the Lewis Group of Companies that would, if held or owed directly by such Lewis Guarantor, otherwise be included in the calculation of such Lewis Guarantor’s Tangible Net Worth; provided, however, that the foregoing shall be included in the calculation of such Lewis Guarantor’s Tangible Net Worth without duplication of the value of such Lewis Guarantor’s ownership interest in the Lewis Group of Companies.

Exhibit F

Form of Compliance Certificate

This Compliance Certificate is delivered with reference to that certain Line of Credit Loan Agreement, dated as of _____, 2018, between Limoneira Lewis Community Builders, LLC, a Delaware limited liability company ("**Borrower**"), and Bank of America, N.A., a national banking association ("**Lender**") (as amended, extended, renewed, supplemented or otherwise modified from time to time, the "**Loan Agreement**"). Terms defined in the Loan Agreement and not otherwise defined in this Compliance Certificate ("**Certificate**") shall have the meanings defined for them in the Loan Agreement. Section references in this Certificate relate to the Loan Agreement unless stated otherwise.

This Certificate is delivered in accordance with Section 6.2(e) of the Loan Agreement. This Certificate is delivered with respect to the quarterly period ended [March 31][June 30][September 30], _____ (the "**Test Period**").

Unencumbered Liquid Assets. As of the end of the Test Period, Guarantor's combined Unencumbered Liquid Assets were \$ _____.

Calculation: Guarantor's combined Unencumbered Liquid Assets must be greater than \$45,000,000.00.

A review of the activities of Borrower and Guarantor during the Test Period has been made under the supervision of the undersigned with a view to determining whether during such Test Period Borrower and Guarantor performed and observed all of their respective Obligations. During the Test Period, all covenants and conditions have been so performed and observed and no Default or Event of Default has occurred and is continuing, with the exceptions set forth below in response to which Borrower and/or Guarantor has taken or proposes to take the following actions (if none, so state).

The undersigned certifies that the calculations made and the information contained herein are derived from and correctly reflect the books and records of Guarantor.

All representations and warranties made by Borrower and Guarantor in the Loan Documents (and any certificate, document or financial or any other statement furnished pursuant to or in connection therewith) remain true and correct in all material respects on and as of the date of this Certificate with the same force and effect as if made on and as of such date.

No material adverse change has occurred since the date of the last compliance certificate delivered to Lender pursuant to the Loan Agreement and the Guaranty Agreement, and no event or condition that could reasonably be expected to have a material adverse change in the financial condition of Borrower or Guarantor, has occurred, except as set forth below (if none, so state):

Dated: _____, 20__

BORROWER:

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

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

By: Lewis Management Corp.,
a Delaware corporation,
its Manager

By: _____
Name: _____
Title: _____

Exhibit G

Form of Compliance Certificate

This Compliance Certificate is delivered with reference to that certain Line of Credit Loan Agreement, dated as of _____, 2018, between Limoneira Lewis Community Builders, LLC, a Delaware limited liability company ("**Borrower**"), and Bank of America, N.A., a national banking association ("**Lender**") (as amended, extended, renewed, supplemented or otherwise modified from time to time, the "**Loan Agreement**"). Terms defined in the Loan Agreement and not otherwise defined in this Compliance Certificate ("**Certificate**") shall have the meanings defined for them in the Loan Agreement. Section references in this Certificate relate to the Loan Agreement unless stated otherwise.

This Certificate is delivered in accordance with Section 6.2(f) of the Loan Agreement. This Certificate is delivered as of December 31, _____ (the "**Test Period**").

Unencumbered Liquid Assets. As of the end of the Test Period, Guarantor's combined Unencumbered Liquid Assets were \$ _____.

Calculation: Guarantor's combined Unencumbered Liquid Assets must be greater than \$45,000,000.00.

Tangible Net Worth. As of the end of the Test Period, Guarantor's combined Tangible Net Worth was \$ _____.

(a) Net Worth Calculation: Tangible Net Worth is:

Net Worth of Guarantor: \$ _____

Minus

Intangible assets (\$ _____)

TOTAL (i.e., Tangible Net Worth): \$ _____

(b) Calculation: Tangible Net Worth must be greater than \$100,000,000.

The undersigned certifies that the calculations made and the information contained herein are derived from and correctly reflect the books and records of Guarantor.

All representations and warranties made by Borrower and Guarantor in the Loan Documents (and any certificate, document or financial or any other statement furnished pursuant to or in connection therewith) remain true and correct in all material respects on and as of the date of this Certificate with the same force and effect as if made on and as of such date.

No material adverse change has occurred since the date of the last compliance certificate delivered to Lender pursuant to the Loan Agreement and the Guaranty Agreement, and no event or condition that could reasonably be expected to have a material adverse change in the financial condition of Borrower or Guarantor, has occurred, except as set forth below (if none, so state):

Dated: _____, 20__

BORROWER:

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

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

By: Lewis Management Corp.,
a Delaware corporation,
its Manager

By: _____
Name: _____
Title: _____

UNSECURED LINE OF CREDIT PROMISSORY NOTE

\$45,000,000.00

February 22, 2018

FOR VALUE RECEIVED, LIMONEIRA LEWIS COMMUNITY BUILDERS, LLC, a Delaware limited liability company ("**Borrower**"), hereby promises to pay to the order of BANK OF AMERICA, N.A., a national banking association (together with any and all of its successors and assigns and/or any other holder of this Note, "**Lender**"), without offset, in immediately available funds in lawful money of the United States of America, at 520 Newport Center Drive, Suite 1100, Newport Beach, California 92660, or at such other place as the holder of this Note may from time to time designate in writing, the principal sum of Forty-Five Million and No/100 Dollars (\$45,000,000.00) (or the unpaid balance of all principal advanced against this Note, if that amount is less), together with interest on the unpaid principal balance of this Note from day to day outstanding as hereinafter provided.

Section 1 Payment Schedule and Maturity Date. Prior to maturity, accrued and unpaid interest shall be calculated monthly and shall be due and payable in arrears on the first day of each month, commencing on March 1, 2018, and continuing on the first day of each month thereafter until the Maturity Date (as defined below). The entire principal balance of this Note then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the other Loan Documents (as hereinafter defined), shall be due and payable in full on February 22, 2020 (the "**Maturity Date**"), the final maturity of this Note, subject to Section 1A below.

Section 1A Extension Option. Lender shall grant a request by Borrower to extend the initial Maturity Date of this Note to February 22, 2021 (the "**Extended Maturity Date**"), upon and subject to the following terms and conditions:

(a) Basic Conditions. Unless otherwise agreed by Lender in writing:

(i) Borrower shall request the extension, if at all, by written notice to Lender not more than ninety (90) days, and not less than thirty (30) days, prior to the initial Maturity Date.

(ii) At the time of the request, and at the time of the extension, there shall not exist any Default or Event of Default.

(iii) All representations and warranties made hereunder or under any of the other Loan Documents shall be true and correct in all material respects as of the initial Maturity Date, except to the extent such representation and warranty is made as of a specified date, in which case such representation and warranty shall have been true and correct as of such specified date.

(iv) There shall not have occurred, in the reasonable opinion of Lender, any material adverse change in the business or financial condition of Borrower or any Guarantor or in any other state of facts submitted to Lender in connection with the Loan Documents, from that which existed on the date of this Note. Notwithstanding the foregoing, if any events described in this subsection (iv) shall occur with respect to Limoneira (as defined in the Loan Agreement defined and described below) only, then, so long as the Lewis Guarantors (as defined in the Loan Agreement) then independently satisfy (i.e., excluding all assets of Limoneira) the financial covenants set forth in the Loan Documents, the Borrower will remain eligible for the option to extend the Maturity Date in accordance with Section 1A.

(v) Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit (if required) and reasonable attorneys' fees actually incurred by Lender; all such costs and expenses incurred up to the time of Lender's written agreement to the extension shall be due and payable prior to Lender's execution and delivery of that agreement (or if the proposed extension does not become effective, then upon demand by Lender), and any future failure to pay such amounts shall constitute a default under the Loan Documents.

(vi) All applicable regulatory requirements shall have been satisfied with respect to the extension.

(vii) Not later than the initial Maturity Date, (A) the extension shall have been consented to and documented to Lender's satisfaction by Borrower, Guarantor and Lender; and (B) Borrower shall have paid to Lender a non-refundable extension fee in an amount equal to one-fifth of one percent (0.20%) of then current Commitment (as defined in the Loan Agreement).

If all of the foregoing conditions are not satisfied strictly in accordance with their terms, the extension shall not be or become effective.

(b) Changes in Loan Terms. All terms and conditions of the Loan Documents shall continue to apply to the extended term except to the extent changed as indicated below (such changes to be effective on and after the original Maturity Date, if the extension becomes effective as provided herein):

(i) Definition of Maturity Date. The Maturity Date shall mean the Extended Maturity Date.

(ii) Payments. Borrower shall continue to make payments of interest on the first day of each month as set forth in Section 1 above.

Section 2 Unsecured Note. This Note is unsecured. The Line of Credit Loan Agreement between Borrower and Lender of even date herewith (as the same may from time to time be amended, restated, modified or supplemented, the "**Loan Agreement**") and all other documents now or hereafter guaranteeing or executed in connection with the credit evidenced by this Note (the "**Loan**"), as the same may from time to time be amended, restated, modified or supplemented, are herein sometimes called individually a "**Loan Document**" and together the "**Loan Documents.**"

Section 3 Interest Rate.

(a) LIBOR Daily Floating Rate. The unpaid principal balance of this Note from day to day outstanding which is not past due, shall bear interest at a fluctuating rate of interest per annum equal to the LIBOR Daily Floating Rate for that day plus two hundred eighty-five (285) basis points (the "**Floating Rate**"). For any day, the "**LIBOR Daily Floating Rate**" means, for any day, a fluctuating rate of interest per annum equal to LIBOR, or a comparable or successor rate which rate is approved by Lender, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by Lender from time to time), at or about 11:00 a.m., London time, two (2) LIBOR Business Days prior to such day, for U.S. Dollar deposits with a term of one (1) month commencing that day; provided that (i) to the extent a comparable or successor rate is approved by Lender in connection herewith, the approved rate will be applied in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for Lender, such approved rate will be applied in a manner as otherwise reasonably determined by Lender, and (ii) if the LIBOR Daily Floating Rate shall be less than zero, such rate will be deemed zero for purposes of this Note. "**LIBOR**" means the London Interbank Offered Rate. "**LIBOR Business Day**" means a Business Day which is also a London Banking Day. "**London Banking Day**" means any day on which dealings in U.S. Dollar deposits are conducted by and between banks in the London interbank eurodollar market. All computations of interest for the Alternative Rate (as hereinafter defined) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). To the extent that any calculation of interest or any fee required to be paid hereunder shall be less than zero, such rate shall be deemed zero for purposes of this Note.

(b) Illegality. If Lender determines that for any reason, any Law has made it unlawful, or that any Governmental Authority (as defined in Section 7) has asserted that it is unlawful, for Lender to make, maintain or fund loans whose interest is determined by reference to the LIBOR Daily Floating Rate, or to determine or charge interest rates based upon the LIBOR Daily Floating Rate, or any Governmental Authority has imposed material restrictions on the authority of Lender to purchase or sell, or to take deposits of, U.S. Dollars in the London interbank eurodollar market, then, on notice thereof by Lender to Borrower, any obligation of Lender to provide the Floating Rate shall be suspended, until Lender notifies Borrower that the circumstances giving rise to such determination no longer exist. During the period of any such suspension, the unpaid principal balance of this Note from day to day outstanding which is not past due, shall bear interest at a fluctuating rate of interest per annum equal to the Alternative Rate for that day plus one hundred eighty-five (185) basis points.

(c) Inability to Determine Rate. If Lender determines that for any reason, (i) U.S. Dollar deposits are not being offered to banks in the London interbank eurodollar market in the outstanding amount of the Loan for terms equal to one (1) month (in each case with respect to subsection (c)(i), "**Impacted Principal**"), or (ii) adequate and reasonable means do not exist for determining the LIBOR Daily Floating Rate with respect to the Loan, Lender will promptly so notify Borrower. Thereafter, the obligation of Lender to provide the Floating Rate shall be suspended until Lender revokes such notice. During the period of any such suspension, the unpaid principal balance of this Note from day to day outstanding which is not past due, shall bear interest at a fluctuating rate of interest per annum equal to the Alternative Rate for that day plus one hundred eighty-five (185) basis points. Notwithstanding the foregoing, if Lender has made the determination described in subsection (c)(i) of this Section and Borrower shall so request, Lender and Borrower shall negotiate in good faith to amend the definition of "LIBOR Daily Floating Rate" and other applicable provisions to preserve the original intent thereof in light of such change; provided that until so amended, such Impacted Principal will be handled as otherwise provided pursuant to this subsection (c).

(d) LIBOR Successor Rate. Notwithstanding anything to the contrary in this Note or any other Loan Documents, if Lender determines (which determination shall be conclusive absent manifest error), that:

- (i) adequate and reasonable means do not exist for ascertaining LIBOR with respect to the Loan, including, without limitation, because the LIBOR Screen Rate is not available or published on a current basis, and such circumstances are unlikely to be temporary; or
- (ii) the administrator of the LIBOR Screen Rate or a Governmental Authority having jurisdiction over Lender has made a public statement identifying a specific date after which LIBOR or the LIBOR Screen Rate shall no longer be made available, or used for determining the interest rate of loans (such specific date, the “*Scheduled Unavailability Date*”); or
- (iii) bilateral portfolio commercial real property loans currently being executed, or that include language similar to that contained in this Subsection, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace LIBOR,

then, reasonably promptly after such determination by Lender, Lender and Borrower may amend this Note to replace LIBOR with an alternative benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein, giving due consideration to any evolving or then existing convention for similar U.S. Dollar denominated bilateral portfolio commercial real property loans for such alternative benchmarks (any such proposed rate, a “*LIBOR Successor Rate*”), together with any proposed LIBOR Successor Rate Conforming Changes.

If no LIBOR Successor Rate has been determined and the circumstances under Subsection (d)(i) above exist or the Scheduled Unavailability Date has occurred (as applicable), Lender will promptly so notify Borrower. Thereafter, Lender’s obligation to provide the Floating Rate shall be suspended, and the Loan shall bear interest at the Alternative Rate.

Notwithstanding anything else herein, any definition of LIBOR Successor Rate shall provide that in no event shall such LIBOR Successor Rate be less than zero for purposes of this Note.

(e) Additional Defined Terms. In addition to other terms defined herein, as used herein the following terms shall have the meanings indicated, unless the context otherwise requires:

“Alternative Rate” means, on any day, a fluctuating rate per annum equal to the higher of: (i) the Federal Funds Rate plus fifty (50) basis points, and (ii) the rate of interest in effect for such day as publicly announced from time to time by Lender as its “Prime Rate.” The **“Prime Rate”** is a rate set by Lender based upon various factors including Lender’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such Prime Rate announced by Lender shall take effect at the opening of business on the day specified in the public announcement of such change.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (i) if such day is not a Business Day, the Federal Funds Rate for such day will be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day will be the average rate (rounded upwards, if necessary, to a whole multiple of 1/100 of 1%) charged to Lender on such day on such transactions as determined by Lender.

“LIBOR Screen Rate” means the LIBOR quote on the applicable screen page Lender designates to determine LIBOR (or such other commercially available source providing such quotations as may be designated by Lender from time to time).

“LIBOR Successor Rate Conforming Changes” means, with respect to any proposed LIBOR Successor Rate, any conforming changes to the definition of Alternative Rate, timing and frequency of determining rates and making payments of interest and other administrative matters as may be appropriate, in the discretion of Lender, to reflect the adoption of such LIBOR Successor Rate and to permit the administration thereof by Lender in a manner substantially consistent with market practice (or, if Lender determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such LIBOR Successor Rate exists, in such other manner of administration as Lender determines in consultation with Borrower).

Section 4 Revolving Loan. Prior to maturity, Borrower shall have the right to borrow, repay and reborrow, from time to time, the principal amount evidenced by this Note, on the condition that (a) no Default or Event of Default (each as defined in the Loan Agreement) exists, (b) Lender has not made demand under this Note that remains unpaid, (c) the unpaid principal balance due under this Note at any one time does not exceed the original principal amount of this Note, and (d) all additional conditions as set forth in the Loan Documents have been satisfied.

Section 5 Late Charges. If Borrower shall fail to make any payment under the terms of this Note (other than the payment due at maturity or upon acceleration) within fifteen (15) days after the date such payment is due, Borrower shall pay to Lender on demand a late charge equal to four percent (4%) of the amount of such payment. Such fifteen (15) day period shall not be construed as in any way extending the due date of any payment. The **“late charge”** is imposed for the purpose of defraying the expenses of Lender incident to handling such delinquent payment. This charge shall be in addition to, and not in lieu of, any other remedy Lender may have and is in addition to any fees and charges of any agents or attorneys which Lender may employ upon the occurrence of an Event of Default, whether authorized herein or by Law.

Section 6 Default Rate. After the occurrence and during the continuance of an Event of Default (following the expiration of any applicable cure period), Lender, in Lender's sole discretion and without notice or demand, may raise the rate of interest accruing on the outstanding principal balance of this Note by three hundred (300) basis points above the rate of interest otherwise applicable (the "**Default Rate**"), independent of whether Lender elects to accelerate the outstanding principal balance of this Note.

Section 7 Increased Costs. If any Change in Law shall:

(a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, Lender (which shall include, for purposes of this Section, any corporation Controlling Lender) (excluding any reserve requirement already reflected in the calculation of the interest rate in this Note);

(b) subject Lender to any taxes (other than taxes imposed on or measured by net income, however denominated, franchise taxes or branch profits taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(c) impose on Lender or the London interbank eurodollar market any other condition, cost or expense affecting this Note or any outstanding amount of the Loan;

and the result of any of the foregoing shall be to increase the cost to Lender, of providing, continuing or maintaining the Loan, or to reduce the amount of any sum received or receivable by Lender hereunder (whether of principal, interest or any other amount) then, within ten (10) days after request by Lender, Borrower will pay to Lender such additional amount or amounts as will compensate Lender for such additional costs incurred or reduction suffered. Such additional costs and/or reduction shall be allocated to this Note or any outstanding amount of the Loan as determined by Lender, using any reasonable method. No failure by Lender to immediately demand payment of any amounts hereunder shall constitute a waiver of Lender's right to demand payment of such amounts at any subsequent time. Notwithstanding the foregoing, Borrower will not be required to compensate Lender for any such increased costs incurred or reduction suffered more than nine (9) months before Lender's request for compensation hereunder, provided that if the applicable Change in Law is retroactive, the nine (9)-month period will be extended to include the period of retroactive effect thereof. Nothing herein contained shall be construed or shall operate to require Borrower to pay any interest, fees, costs or charges greater than is permitted by applicable Law.

As used herein:

“Change in Law” means the occurrence, after the date of this Note, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rule, guideline, or directive (whether or not having the force of Law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a **“Change in Law,”** regardless of the date enacted, adopted, or issued.

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

Section 8 Capital Requirements. If Lender (which shall include, for purposes of this Section, any corporation Controlling Lender) determines that any Change in Law affecting Lender, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on Lender’s capital, as allocated to this Note or the Loan, or to Lender’s commitments under this Note or the Loan, to a level below that which Lender could have achieved but for such Change in Law (taking into consideration Lender’s policies with respect to capital adequacy), then from time to time Borrower will pay to Lender, within ten (10) days after request by Lender, such additional amount or amounts as will compensate Lender for any such reduction suffered. The allocation shall be made as determined by Lender, using any reasonable method. No failure by Lender to immediately demand payment of any amounts hereunder shall constitute a waiver of Lender’s right to demand payment of such amounts at any subsequent time. Notwithstanding the foregoing, Borrower will not be required to compensate Lender for any such increased costs incurred or reduction suffered more than nine (9) months before Lender’s request for compensation hereunder, provided that if the applicable Change in Law is retroactive, the nine (9)-month period will be extended to include the period of retroactive effect thereof. Nothing herein contained shall be construed or shall operate to require Borrower to pay any interest, fees, costs or charges greater than is permitted by applicable Law.

Section 9 Certain Provisions Regarding Payments. All payments made under this Note shall be applied, to the extent thereof, to late charges, to accrued but unpaid interest (including interest at the Default Rate), to unpaid principal, and to any other sums due and unpaid to Lender under the Loan Documents, in such manner and order as Lender may elect in its sole discretion, any instructions from Borrower or anyone else to the contrary notwithstanding. Remittances shall be made without offset, demand, counterclaim, deduction, or recoupment (each of which is hereby waived) and shall be accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Lender of any payment in an amount less than the amount then due on any indebtedness shall be deemed an acceptance on account only, notwithstanding any notation on or accompanying such partial payment to the contrary, and shall not in any way (a) waive or excuse the existence of an Event of Default (as hereinafter defined), (b) waive, impair or extinguish any right or remedy available to Lender hereunder or under the other Loan Documents, or (c) waive the requirement of punctual payment and performance or constitute a novation in any respect. Payments received after 2:00 p.m. Pacific Time shall be deemed to be received on, and shall be posted as of, the following Business Day. Whenever any payment under this Note or any other Loan Document falls due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day.

Section 10 Events of Default. The occurrence of any one or more of the following shall constitute an “*Event of Default*” under this Note:

(a) Borrower fails to pay (i) when and as due and payable any principal payable by Borrower to Lender under the terms of this Note, or (ii) as and within five (5) days of the date when due and payable any amounts other than principal payable by Borrower to Lender under the terms of this Note.

(b) Any covenant, agreement or condition in this Note is not fully and timely performed, observed or kept, subject to any applicable grace or cure period.

(c) An Event of Default (as defined or otherwise described therein) occurs under any of the Loan Documents other than this Note (subject to any applicable grace or cure period).

Section 11 Remedies. Upon the occurrence and during the continuance of an Event of Default, Lender may at any time thereafter exercise any one or more of the following rights, powers and remedies:

(a) Lender may accelerate the maturity of the Loan and declare the unpaid principal balance and accrued but unpaid interest on this Note, and all other amounts payable hereunder and under the other Loan Documents, at once due and payable, and upon such declaration the same shall at once be due and payable.

(b) Lender may set off the amount owed by Borrower to Lender, whether or not matured, against any and all accounts, credits, money, securities or other property now or hereafter on deposit with, held by or in the possession of Lender to the credit or for the account of Borrower, without demand of, or notice to, or the consent of Borrower (any such demand, notice, or consent being expressly waived by Borrower).

(c) may exercise any of its other rights, powers and remedies under the Loan Documents or at Law or in equity.

Without limitation of the foregoing, upon the occurrence of an actual or deemed entry of an order for relief with respect to Borrower under the Bankruptcy Code (Title 11 of the United States Code, as in effect from time to time), any obligation of Lender to make advances shall automatically terminate, and the unpaid principal amount of the Loan outstanding and all interest and other amounts payable hereunder and under the other Loan Documents shall automatically become due and payable, in each case without further act of Lender.

Section 12 Remedies Cumulative. All of the rights and remedies of Lender under this Note and the other Loan Documents are cumulative of each other and of any and all other rights at law or in equity, and the exercise by Lender of any one or more of such rights and remedies shall not preclude the simultaneous or later exercise by Lender of any or all such other rights and remedies. No single or partial exercise of any right or remedy shall exhaust it or preclude any other or further exercise thereof, and every right and remedy may be exercised at any time and from time to time. No failure by Lender to exercise, nor delay in exercising, any right or remedy, including but not limited to the right to accelerate the maturity of this Note, shall operate as a waiver of such right or remedy or as a waiver of any Event of Default. Without limiting the generality of the foregoing provisions, the acceptance by Lender from time to time of any payment under this Note which is past due or which is less than the payment in full of all amounts due and payable at the time of such payment, shall not (i) constitute a waiver of or impair or extinguish the right of Lender to accelerate the maturity of this Note or to exercise any other right or remedy under this Note and/or any other Loan Document at the time or at any subsequent time, or nullify any prior exercise of any such right or remedy, or (ii) constitute a waiver of the requirement of punctual payment and performance or a novation in any respect.

Section 13 Costs and Expenses of Enforcement. Borrower agrees to pay to Lender on demand all costs and expenses actually incurred by Lender in seeking to collect this Note or to enforce any of Lender's rights and remedies under the Loan Documents, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed hereon, or whether in connection with arbitration, judicial reference, bankruptcy, insolvency or appeal.

Section 14 Service of Process. Borrower hereby irrevocably designates and appoints John M. Goodman as Borrower's authorized agent to accept and acknowledge on Borrower's behalf service of any and all process that may be served in any suit, action, or proceeding instituted in connection with this Note in any state or federal court sitting in the State of California. If such agent shall cease so to act, Borrower shall irrevocably designate and appoint without delay another such agent in the State of California satisfactory to Lender and shall promptly deliver to Lender evidence in writing of such agent's acceptance of such appointment and its agreement that such appointment shall be irrevocable.

Borrower hereby consents to process being served in any suit, action, or proceeding instituted in connection with this Note by (a) the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to Borrower and (b) serving a copy thereof upon the agent hereinabove designated and appointed by Borrower as Borrower's agent for service of process. Borrower irrevocably agrees that such service shall be deemed to be service of process upon Borrower in any such suit, action, or proceeding. Nothing in this Note shall affect the right of Lender to serve process in any manner otherwise permitted by Law and nothing in this Note will limit the right of Lender otherwise to bring proceedings against Borrower in the courts of any jurisdiction or jurisdictions, subject to any provision or agreement for arbitration, judicial reference or other dispute resolution set forth in the Loan Agreement.

Section 15 Heirs, Successors and Assigns. The terms of this Note and of the other Loan Documents shall bind and inure to the benefit of the heirs, devisees, representatives, successors and assigns of the parties. The foregoing sentence shall not be construed to permit Borrower to assign the Loan except as otherwise permitted under the Loan Documents.

Section 16 General Provisions. Time is of the essence with respect to Borrower's obligations under this Note. If more than one Person executes this Note as Borrower, all of said parties shall be jointly and severally liable for payment of the indebtedness evidenced hereby. Borrower and each party executing this Note as Borrower hereby severally (a) waive demand, presentment for payment, notice of dishonor and of nonpayment, protest, notice of protest, notice of intent to accelerate, notice of acceleration and all other notices (except any notices which are specifically required by this Note or any other Loan Document), filing of suit and diligence in collecting this Note or enforcing any of the security herefor; (b) agree to any substitution, subordination, exchange or release of any such security or the release of any party primarily or secondarily liable hereon; (c) agree that Lender shall not be required first to institute suit or exhaust its remedies hereon against Borrower or others liable or to become liable hereon or to perfect or enforce its rights against them or any security herefor; (d) consent to any extensions or postponements of time of payment of this Note for any period or periods of time and to any partial payments, before or after maturity, and to any other indulgences with respect hereto, without notice thereof to any of them; and (e) waive the benefit of all homestead and similar exemptions as to this Note; (f) agree that their liability under this Note shall not be affected or impaired by any determination that any title, security interest or lien taken by Lender to secure this Note is invalid or unperfected; and (g) hereby subordinate to the Loan and the Loan Documents any and all rights against Borrower and any security for the payment of this Note, whether by subrogation, agreement or otherwise, until this Note is paid in full. A determination that any provision of this Note is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this Note to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Note may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the Laws of the State of California (without regard to any principles of conflicts of laws) and applicable United States federal Law. Whenever a time of day is referred to herein, unless otherwise specified such time shall be the local time of the place where payment of this Note is to be made. The term "**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where Lender's office is located. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement. The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation.**"

Section 17 Notices. Any notice, request, or demand to or upon Borrower or Lender shall be deemed to have been properly given or made when delivered in accordance with the terms of the Loan Agreement regarding notices.

Section 18 No Usury. It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable state Law or applicable United States federal Law (to the extent that it permits Lender to contract for, charge, take, reserve, or receive a greater amount of interest than under state Law) and that this Section shall control every other covenant and agreement in this Note and the other Loan Documents. If applicable state or federal Law should at any time be judicially interpreted so as to render usurious any amount called for under this Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved, or received with respect to the Loan, or if Lender's exercise of the option to accelerate the maturity of the Loan, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by applicable Law, then it is Lender's express intent that all excess amounts theretofore collected by Lender shall be credited on the principal balance of this Note and all other Obligations under the Loan Documents, and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable Law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the Loan shall, to the extent permitted by applicable Law, be amortized, prorated, allocated, and spread throughout the full stated term of the Loan until payment in full so that the rate or amount of interest on account of the Loan does not exceed the maximum lawful rate from time to time in effect and applicable to the Loan for so long as the Loan is outstanding.

Section 19 Lost Note. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of this Note or any other security document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of this Note or other security document, Borrower will issue, in lieu thereof, a replacement note or other security document in the same principal amount thereof and otherwise of like tenor.

Section 20 Jurisdiction and Venue. **BORROWER AGREES THAT ANY SUIT FOR THE ENFORCEMENT OF THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN THE COURTS OF THE STATE OF CALIFORNIA OR ANY FEDERAL COURT SITTING THEREIN AND CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURT. BORROWER HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.**

[Signature on the Following Page]

IN WITNESS WHEREOF, Borrower has duly executed this Note as of the date first above written.

BORROWER:

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

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

By: Lewis Management Corp.,
a Delaware corporation,
its Manager

By: /s/ John M. Goodman

Name: John M. Goodman

Title: Authorized Agent

GUARANTY AGREEMENT

This Guaranty Agreement (this "**Guaranty**") is made as of the 22nd day of February, 2018, by RICHARD A. LEWIS, individually and as Trustee of the Richard A. Lewis Revocable Trust u/d/t dated August 16, 2004, as amended (in each such capacity, "**Richard Lewis**"), ROBERT E. LEWIS, individually and as Trustee of the Robert E. Lewis Revocable Trust u/d/t dated August 17, 2004, as amended (in each such capacity, "**Robert Lewis**"), ROGER G. LEWIS, individually and as Trustee of the Roger G. Lewis Revocable Trust u/d/t dated August 20, 2004, as amended (in each such capacity, "**Roger Lewis**"), RANDALL W. LEWIS, individually and as Trustee of the Randall W. Lewis Revocable Trust u/d/t dated September 1, 2006, as amended (in each such capacity, "**Randall Lewis**"), and LIMONEIRA COMPANY, a Delaware corporation ("**Limoneira**," and, together with Richard Lewis, Robert Lewis, Roger Lewis and Randall Lewis, individually and collectively, using an interpretation most favorable to Lender, "**Guarantor**"), in favor of BANK OF AMERICA, N.A., a national banking association (together with its successors, participants, and assigns, "**Lender**").

Recitals

Pursuant to that certain Line of Credit Loan Agreement of even date herewith (as amended, restated or otherwise modified, the "**Loan Agreement**") by and between Lender, Limoneira Lewis Community Builders, LLC, a Delaware limited liability company ("**Borrower**"), Lender has agreed to make an unsecured revolving credit facility available to Borrower in the maximum amount of up to Forty-Five Million and No/100 Dollars (\$45,000,000.00) (the "**Loan**"). As a condition precedent to making the Loan available to Borrower, Lender has required that Guarantor execute and deliver this Guaranty to Lender.

Any capitalized term used and not defined in this Guaranty shall have the meaning given to such term in the Loan Agreement. As used herein, the term "**Indebtedness**" is broadly defined to mean and include all principal, interest (including interest accruing after maturity and after the commencement of any bankruptcy or insolvency proceeding by or against Borrower, whether or not allowed in such proceeding), prepayment premiums, fees, late charges, costs, expenses, indemnification indebtedness, and other sums of money now or hereafter due and owing, or which Borrower is obligated to pay, pursuant to the terms of the Note, the Loan Agreement, or any of the other Loan Documents, as the same may from time to time be amended, supplemented, restated or otherwise modified. The Indebtedness includes all costs and expenses actually incurred by Lender in seeking to enforce Lender's rights and remedies with respect to the Indebtedness, including court costs, costs of alternative dispute resolution and reasonable attorneys' fees, whether or not suit is filed or other proceedings are initiated thereon.

Agreements

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in order to induce Lender to make the Loan available to Borrower, pursuant to the terms and conditions herein set forth Guarantor hereby guarantees to Lender the prompt and full payment and performance of the indebtedness and obligations described below in this Guaranty (collectively called the "**Guaranteed Obligations**").

Section 1. Guaranty of Payment.

Guarantor hereby unconditionally and irrevocably guarantees to Lender the punctual payment when due, whether by lapse of time, by acceleration of maturity, or otherwise, of all Indebtedness. This Guaranty covers the Indebtedness presently outstanding and the Indebtedness arising subsequent to the date hereof, including all amounts advanced by Lender in stages or installments. The guaranty of Guarantor as set forth in this Section is a continuing guaranty of payment and not a guaranty of collection.

Section 2. Absolute, Irrevocable and Unconditional Guaranty.

(a) This Guaranty is an absolute, irrevocable and unconditional guaranty of payment and performance. This Guaranty shall be effective as a waiver of, and Guarantor hereby expressly waives, any right to which Guarantor may otherwise have been entitled, whether existing under statute, at Law or in equity, to require Lender to take prior recourse or proceedings against any collateral, security or Person. It shall not be necessary for Lender, in order to enforce such payment or performance by Guarantor, first to institute suit or pursue or exhaust any rights or remedies against Borrower or other Person liable on such indebtedness or for such performance, or to enforce any rights against any security given to secure such indebtedness or performance, or to join Borrower or any other Person liable for the payment or performance of the Guaranteed Obligations or any part thereof in any action to enforce this Guaranty, or to resort to any other means of obtaining payment or performance of the Guaranteed Obligations; provided, however, that nothing herein contained shall prevent Lender from exercising any rights under the Loan Documents.

(b) Suit may be brought or demand may be made against Borrower or against any or all parties who have signed this Guaranty or any other guaranty covering all or any part of the Guaranteed Obligations, or against any one or more of them, separately or together, without impairing the rights of Lender against any party hereto.

Section 3. Certain Agreements and Waivers by Guarantor.

(a) Guarantor agrees that neither Lender's rights or remedies nor Guarantor's obligations under the terms of this Guaranty shall be released, diminished, impaired, reduced or affected by any one or more of the following events, actions, facts, or circumstances, Guarantor waives any rights, claims or defenses arising from any such events, actions, facts, or circumstances, and the liability of Guarantor under this Guaranty shall be absolute, unconditional and irrevocable irrespective of:

(i) any limitation on the liability of, or recourse against, any other Person in any Loan Document or arising under any Law;

(ii) any claim or defense that this Guaranty was made without consideration or is not supported by adequate consideration or that the obligations of Guarantor hereunder exceed or are more burdensome than those of Borrower under the other Loan Documents;

(iii) the release or taking or accepting of any other security or guaranty for, or right of recourse with respect to, any or all of the Guaranteed Obligations;

(iv) the operation of any statutes of limitations or other Laws regarding the limitation of actions, all of which are hereby waived as a defense to any action or proceeding brought by Lender against Guarantor, to the fullest extent permitted by Law;

(v) any homestead exemption or any other exemption under applicable Law, all of which are waived by Guarantor to the fullest extent permitted by Law;

(vi) any release, surrender, abandonment, exchange, alteration, sale or other disposition, subordination, deterioration, waste, failure to protect or preserve, impairment, or loss of, or any failure to create or perfect any lien or security interest with respect to, or any other dealings with, any collateral or security at any time existing or purported, believed or expected to exist in connection with any or all of the Guaranteed Obligations, or any impairment of Guarantor's recourse against any Person or collateral;

(vii) whether express or by operation of Law, any partial release of the liability of Guarantor hereunder (except to the extent expressly so released) or any complete or partial release of Borrower or any other Person liable, directly or indirectly, for the payment or performance of any or all of the Guaranteed Obligations;

(viii) the death, insolvency, bankruptcy, disability, incapacity, dissolution, liquidation, termination, receivership, reorganization, merger, consolidation, change of form, structure or ownership, sale of all assets, or lack of corporate, partnership or other power of Borrower or any other Person at any time liable for the payment or performance of any or all of the Guaranteed Obligations;

(ix) either with or without notice to or consent of Guarantor, any renewal, extension, modification, supplement, subordination or rearrangement of the terms of any or all of the Guaranteed Obligations and/or any of the Loan Documents (excluding, however, any such modification or rearrangement of, or supplement to, this Guaranty), including material alterations of the terms of payment (including changes in maturity date(s) and interest rate(s)) or performance or any other terms thereof, or any waiver, termination, or release of, or consent to departure from, any of the Loan Documents or any other guaranty of any or all of the Guaranteed Obligations, or any adjustment, indulgence, forbearance, or compromise that may be granted from time to time by Lender to Borrower or any other Person at any time liable for the payment or performance of any or all of the Guaranteed Obligations;

(x) any neglect, lack of diligence, delay, omission, failure, or refusal of Lender to take or prosecute (or in taking or prosecuting) any action for the collection or enforcement of any of the Guaranteed Obligations, or to foreclose or take or prosecute any action to foreclose (or in foreclosing or taking or prosecuting any action to foreclose) upon any security therefor, or to exercise (or in exercising) any other right or power with respect to any security therefor, or to take or prosecute (or in taking or prosecuting) any action in connection with any Loan Document, or any failure to sell or otherwise dispose of in a commercially reasonable manner any collateral securing any or all of the Guaranteed Obligations;

(xi) any failure of Lender to notify Guarantor of any creation, renewal, extension, rearrangement, modification, supplement, subordination, or assignment of the Guaranteed Obligations or any part thereof, or of any Loan Document (excluding, however, any such modification or rearrangement of, or supplement to, this Guaranty), or of any release of or change in any security, or of the occurrence or existence of any Default or Event of Default, or of any other action taken or refrained from being taken by Lender against Borrower or any security or other recourse, or of any new agreement between Lender and Borrower, it being understood that Lender shall not be required to give Guarantor any notice of any kind under any circumstances with respect to or in connection with the Guaranteed Obligations (other than as may be expressly required under this Guaranty), any and all rights to notice Guarantor may have otherwise had being hereby waived by Guarantor, and Guarantor shall be responsible for obtaining for itself information regarding Borrower and any collateral, including any changes in the business or financial condition of Borrower or any collateral, and Guarantor acknowledges and agrees that Lender shall have no duty to notify Guarantor of any information which Lender may have concerning Borrower or any collateral;

(xii) the existence of any claim, counterclaim, set-off or other right that Guarantor may at any time have against Borrower, Lender, or any other Person, whether or not arising in connection with this Guaranty, the Loan Agreement or any other Loan Document;

(xiii) the unenforceability of all or any part of the Guaranteed Obligations against Borrower, whether because the Guaranteed Obligations exceed the amount permitted by Law or violate any usury law, or because the Persons creating the Guaranteed Obligations acted in excess of their authority, or because of a lack of validity or enforceability of or defect or deficiency in any of the Loan Documents, or because Borrower has any valid defense, claim or offset with respect thereto, or because Borrower's obligation ceases to exist by operation of Law, or because of any other reason or circumstance, it being agreed that Guarantor shall remain liable hereon regardless of whether Borrower or any other Person be found not liable on the Guaranteed Obligations, or any part thereof, for any reason (and regardless of any joinder of Borrower or any other party in any action to obtain payment or performance of any or all of the Guaranteed Obligations);

(xiv) any order, ruling or plan of reorganization emanating from proceedings under Title 11 of the United States Code with respect to Borrower or any other Person, including any extension, reduction, composition, or other alteration of the Guaranteed Obligations, whether or not consented to by Lender, or any action taken or omitted by Lender in any such proceedings, including any election to have Lender's claim allowed as being secured, partially secured or unsecured, any extension of credit by Lender in any such proceedings or the taking and holding by Lender of any security for any such extension of credit; or

(xv) any other condition, event, omission, action or inaction that would in the absence of this Subsection result in the release or discharge of Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty or any other agreement.

(b) Guarantor waives notice of receipt and acceptance of this Guaranty by Lender.

(c) In the event any payment by Borrower or any other Person to Lender is held to constitute a preference, fraudulent transfer or other voidable payment under any bankruptcy, insolvency or similar Law, or if for any other reason Lender is required to refund such payment or pay the amount thereof to any other party, such payment by Borrower or any other party to Lender shall not constitute a release of Guarantor from any liability hereunder, and this Guaranty shall continue to be effective or shall be reinstated (notwithstanding any prior release, surrender or discharge by Lender of this Guaranty or of Guarantor), as the case may be, with respect to, and this Guaranty shall apply to, any and all amounts so refunded by Lender or paid by Lender to another Person (which amounts shall constitute part of the Guaranteed Obligations), and any interest paid by Lender and any reasonable attorneys' fees, costs and expenses actually paid or incurred by Lender in connection with any such event.

(d) It is the intent of Guarantor and Lender that the obligations and liabilities of Guarantor hereunder are absolute, irrevocable and unconditional under any and all circumstances and that until the Guaranteed Obligations are fully and finally paid and performed, and not subject to refund or disgorgement, the obligations and liabilities of Guarantor hereunder shall not be discharged or released, in whole or in part, by any act or occurrence that might, but for the provisions of this Guaranty, be deemed a legal or equitable discharge or release of a guarantor.

(e) Guarantor's obligations shall not be affected, impaired, lessened or released by loans, credits or other financial accommodations now existing or hereafter advanced by Lender to Borrower in excess of the Guaranteed Obligations. All payments, repayments and prepayments of the Indebtedness, whether voluntary or involuntary, received by Lender from Borrower, any other Person or any other source (other than from Guarantor pursuant to a demand by Lender hereunder), and any amounts realized from any collateral for the Indebtedness, shall be deemed to be applied first to any portion of the Indebtedness which is not covered by this Guaranty, and last to the Guaranteed Obligations, and this Guaranty shall bind Guarantor to the extent of any Guaranteed Obligations that may remain owing to Lender. Lender shall have the right to apply any sums paid by Guarantor to any portion of the Indebtedness in Lender's sole and absolute discretion.

(f) If acceleration of the time for payment of any amount payable by Borrower under the Note, the Loan Agreement or any other Loan Document is stayed or delayed by any Law or tribunal, all such amounts shall nonetheless be payable by Guarantor on demand by Lender.

(g) Intentionally omitted.

(h) Intentionally omitted.

(i) Guarantor waives all rights and defenses arising out of an election of remedies by Lender, even though that election of remedies may have destroyed Guarantor's rights of subrogation and reimbursement against Borrower.

(j) Guarantor waives Guarantor's rights of subrogation and reimbursement, including any defenses Guarantor may have by reason of an election of remedies by Lender.

(k) Guarantor waives notice of acceptance of this Guaranty, any rights, defenses and benefits that may be derived from Sections 2787 to 2855, inclusive, of the California Civil Code or comparable provisions of the Laws of any other jurisdiction, and all other suretyship defenses Guarantor would otherwise have under the Laws of California or any other jurisdiction.

(l) No provision or waiver in this Guaranty shall be construed as limiting the generality of any other provision or waiver contained in this Guaranty. All of the waivers contained herein are irrevocable and unconditional and are intentionally and freely made by Guarantor.

Section 4. Subordination.

If, for any reason whatsoever, Borrower is now or hereafter becomes indebted to Guarantor:

(a) such indebtedness and all interest thereon and all liens, security interests and rights now or hereafter existing with respect to property of Borrower securing such indebtedness shall, at all times, be subordinate in all respects to the Guaranteed Obligations and to all liens, security interests and rights now or hereafter existing to secure the Guaranteed Obligations;

(b) Guarantor shall not be entitled to enforce or receive payment, directly or indirectly, of any such indebtedness of Borrower to Guarantor until the Guaranteed Obligations have been fully and finally paid and performed; provided, however, that so long as no Default or Event of Default shall have occurred and be continuing, Guarantor shall not be prohibited from receiving such (i) reasonable management fees or reasonable salary from Borrower as Lender may find acceptable from time to time in its sole and absolute discretion, and (ii) distributions from Borrower;

(c) Guarantor hereby assigns and grants to Lender a security interest in all such indebtedness and security therefor, if any, of Borrower to Guarantor now existing or hereafter arising, including any dividends and payments pursuant to debtor relief or insolvency proceedings referred to below. In the event of receivership, bankruptcy, reorganization, arrangement or other debtor relief or insolvency proceedings involving Borrower as debtor, Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and shall have the right to receive directly from the receiver, trustee or other custodian (whether or not an Event of Default shall have occurred or be continuing under any of the Loan Documents), dividends and payments that are payable upon any obligation of Borrower to Guarantor now existing or hereafter arising, and to have all benefits of any security therefor, until the Guaranteed Obligations have been fully and finally paid and performed. If, notwithstanding the foregoing provisions, Guarantor should receive any payment, claim or distribution that is prohibited as provided above in this Section, Guarantor shall pay the same to Lender immediately, Guarantor hereby agreeing that it shall receive the payment, claim or distribution in trust for Lender and shall have absolutely no dominion over the same except to pay it immediately to Lender; and

(d) Guarantor shall promptly upon request of Lender from time to time execute such documents and perform such acts as Lender may require to evidence and perfect its interest and to permit or facilitate exercise of its rights under this Section, including execution and delivery of proofs of claim, further assignments and security agreements, and delivery to Lender of any promissory notes or other instruments evidencing indebtedness of Borrower to Guarantor. All promissory notes, accounts receivable ledgers or other evidences, now or hereafter held by Guarantor, of obligations of Borrower to Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under and is subject to the terms of this Guaranty.

Section 5. Other Liability of Guarantor or Borrower.

If Guarantor is or becomes liable, by endorsement or otherwise, for any indebtedness owing by Borrower to Lender other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may have against Guarantor. If Borrower is or becomes indebted to Lender for any indebtedness other than or in excess of the Guaranteed Obligations, any payment received or recovery realized upon such other indebtedness of Borrower to Lender may be applied to such other indebtedness. This Guaranty is independent of (and shall not be limited by) any other guaranty now existing or hereafter given. Further, Guarantor's liability under this Guaranty is in addition to any and all other liability Guarantor may have in any other capacity, including, if applicable, its capacity as a general partner.

Section 6. Lender Assigns; Disclosure of Information.

This Guaranty is for the benefit of Lender and Lender's successors, participants and assigns, and in the event of an assignment of the Guaranteed Obligations, or any part thereof, the rights and benefits hereunder, to the extent applicable to the Guaranteed Obligations so assigned, may be transferred with such Guaranteed Obligations. Guarantor waives notice of any transfer or assignment of the Guaranteed Obligations or any part thereof. Lender may sell or offer to sell the Indebtedness or interests therein to one or more assignees or participants. Guarantor shall execute, acknowledge and deliver any and all instruments reasonably requested by Lender in connection therewith, and to the extent, if any, specified in any such assignment or participation, such assignee(s) or participant(s) shall have the same rights and benefits with respect to the Loan Documents as such Person(s) would have if such Person(s) were Lender hereunder. Lender may disclose to any such assignee or participant or prospective assignee or participant, to Lender's affiliates, including Merrill Lynch, Pierce, Fenner & Smith Incorporated, to any regulatory body having jurisdiction over Lender and to any other parties as necessary or appropriate in Lender's reasonable judgment, any information Lender now has or hereafter obtains pertaining to the Guaranteed Obligations, this Guaranty, or Guarantor, including information regarding any security for the Guaranteed Obligations or for this Guaranty, and/or credit or other information on Guarantor and/or any other Person liable, directly or indirectly, for any part of the Guaranteed Obligations.

Section 7. Binding Effect; Joint and Several Liability.

This Guaranty is binding not only on Guarantor, but also on Guarantor's heirs, personal representatives, successors and assigns. Upon the death of Guarantor, if Guarantor is a natural person, this Guaranty shall continue against Guarantor's estate as to all of the Guaranteed Obligations, including that portion incurred or arising after the death of Guarantor and shall be provable in full against Guarantor's estate, whether or not the Guaranteed Obligations are then due and payable. If this Guaranty is signed by more than one Person, then all of the obligations of Guarantor arising hereunder shall be jointly and severally binding on each of the undersigned, and their respective heirs, personal representatives, successors and assigns, and the term "**Guarantor**" shall mean all of such Persons and each of them individually.

Section 8. Governing Law.

The validity, enforcement, and interpretation of this Guaranty, shall for all purposes be governed by and construed in accordance with the Laws of the State of California (without regard to its conflicts of law principles) and applicable United States federal Law, and is intended to be performed in accordance with, and only to the extent permitted by, such Laws. All obligations of Guarantor hereunder are payable and performable at the place or places where the Guaranteed Obligations are payable and performable.

Section 9. Invalidity of Certain Provisions.

If any provision of this Guaranty or the application thereof to any Person or circumstance shall, for any reason and to any extent, be declared to be invalid or unenforceable, neither the remaining provisions of this Guaranty nor the application of such provision to any other Person or circumstance shall be affected thereby, and the remaining provisions of this Guaranty, or the applicability of such provision to other Persons or circumstances, as applicable, shall remain in effect and be enforceable to the maximum extent permitted by applicable Law.

Section 10. Costs and Expenses of Enforcement.

Guarantor agrees to pay to Lender on demand all costs and expenses actually incurred by Lender in seeking to enforce Lender's rights and remedies under this Guaranty, including court costs, costs of alternative dispute resolution and reasonable attorneys' fees, whether or not suit is filed or other proceedings are initiated hereon. All such costs and expenses actually incurred by Lender shall constitute a portion of the Guaranteed Obligations hereunder, shall be subject to the provisions hereof with respect to the Guaranteed Obligations and shall be payable by Guarantor on demand by Lender.

Section 11. No Usury.

It is not the intention of Lender or Guarantor to obligate Guarantor to pay interest in excess of that lawfully permitted to be paid by Guarantor under applicable Law. Should it be determined that any portion of the Guaranteed Obligations or any other amount payable by Guarantor under this Guaranty constitutes interest in excess of the maximum amount of interest that Guarantor, in Guarantor's capacity as guarantor, may lawfully be required to pay under applicable Law, the obligation of Guarantor to pay such interest shall automatically be limited to the payment thereof in the maximum amount so permitted under applicable Law. The provisions of this Section shall override and control all other provisions of this Guaranty and of any other agreement between Guarantor and Lender.

Section 12. Representations, Warranties, and Covenants of Guarantor.

Until the Guaranteed Obligations are paid and performed in full and each and every term, covenant and condition of this Guaranty is fully performed, Guarantor hereby represents, warrants, and covenants that: (a) Guarantor has a financial interest in Borrower and will derive a material and substantial benefit, directly or indirectly, from Lender making the Loan available to Borrower and from the making of this Guaranty by Guarantor; (b) this Guaranty is duly authorized and valid, and is binding upon and enforceable against Guarantor, subject to bankruptcy, creditors' rights and equitable principles; (c) Guarantor is not, and the execution, delivery and performance by Guarantor of this Guaranty will not cause Guarantor to be, in violation of or in default with respect to any Law or in default (or at risk of acceleration of indebtedness) under any agreement or restriction by which Guarantor is bound or affected; (d) unless Guarantor is a natural person, Guarantor is duly organized, validly existing, and in good standing under the Laws of the state of its organization and has full power and authority to enter into and perform this Guaranty; (e) there is no litigation pending or, to the knowledge of Guarantor, threatened by or before any tribunal against or affecting Guarantor, which, if adversely determined, would have a material adverse effect on Guarantor's ability to perform its obligations hereunder; (f) all financial statements and information heretofore furnished to Lender by Guarantor do, and all financial statements and information hereafter furnished to Lender by Guarantor will, fully and accurately present the condition (financial or otherwise) of Guarantor in all material respects as of their dates and the results of Guarantor's operations for the periods therein specified, and, since the date of the most recent financial statements of Guarantor heretofore furnished to Lender, no material adverse change has occurred in the financial condition of Guarantor, nor, except as heretofore disclosed in writing to Lender, has Guarantor incurred any material liability, direct or indirect, fixed or contingent; (g) immediately after giving effect to this Guaranty, Guarantor is solvent, is not engaged or about to engage in business or a transaction for which the property of Guarantor is an unreasonably small capital, and does not intend to incur or believe that it will incur debts that will be beyond its ability to pay as such debts mature; (h) Guarantor has read and fully understands the provisions contained in the Loan Agreement and the other Loan Documents; and (i) Guarantor shall comply with all financial covenants set forth in the Loan Agreement which are applicable to or relate to Guarantor.

Section 13. Notices.

All notices, requests, consents, demands and other communications required or which any party desires to give hereunder or under any other Loan Document shall be in writing and, unless otherwise specifically provided in such other Loan Document, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier service, or by certified United States mail, postage prepaid, addressed to the party to whom directed at the addresses specified in this Guaranty (unless changed by similar notice in writing given by the particular party whose address is to be changed) or by facsimile. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of courier or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile, upon receipt; provided that service of a notice required by any applicable statute shall be considered complete when the requirements of that statute are met. Notwithstanding the foregoing, no notice of change of address shall be effective except upon actual receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in this Guaranty or in any other Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason.

Section 14. Cumulative Rights.

All of the rights and remedies of Lender under this Guaranty and the other Loan Documents are cumulative of each other and of any and all other rights at law or in equity, and the exercise by Lender of any one or more of such rights and remedies shall not preclude the simultaneous or later exercise by Lender of any or all such other rights and remedies. No single or partial exercise of any right or remedy shall exhaust it or preclude any other or further exercise thereof, and every right and remedy may be exercised at any time and from time to time. No failure by Lender to exercise, nor delay in exercising, any right or remedy shall operate as a waiver of such right or remedy or as a waiver of any Event of Default. No notice to or demand on Guarantor in any case shall of itself entitle Guarantor to any other or further notice or demand in similar or other circumstances. No provision of this Guaranty or any right or remedy of Lender with respect hereto, or any default or breach, can be waived, nor can this Guaranty or Guarantor be released or discharged in any way or to any extent, except specifically in each case by a writing intended for that purpose (and which refers specifically to this Guaranty) executed and delivered by Lender to Guarantor.

Section 15. Term of Guaranty.

This Guaranty shall continue in effect until all the Guaranteed Obligations and Indebtedness of Borrower, and all of the obligations of Guarantor to Lender under this Guaranty are fully and finally paid, performed and discharged and are not subject to any bankruptcy preference period or any other disgorgement.

Section 16. Financial Statements.

Guarantor agrees to provide to Lender, as and when required, the Financial Statements and other financial information required to be delivered to Lender with respect to Guarantor pursuant to the terms of the Loan Agreement and the other Loan Documents, in the form and detail required by the Loan Documents. Guarantor also agrees to provide to Lender such other and further financial information with respect to Guarantor as Lender shall from time to time reasonably request. All assets shown on the Financial Statements provided by Guarantor, unless clearly designated to the contrary (in accordance with accounting principles generally accepted in the real estate industry, consistently applied) shall, be conclusively deemed to be free and clear of any exemption or any claim of exemption of Guarantor at the date of the Financial Statements and at all times thereafter. Acceptance of any Financial Statement by Lender, whether or not in the form prescribed herein, shall be relied upon by Lender in the administration, enforcement, and extension of the Guaranteed Obligations.

Section 17. Subrogation.

Guarantor shall not have any right of subrogation under any of the Loan Documents or any right to participate in any security for the Guaranteed Obligations or any right to reimbursement, exoneration, contribution, indemnification or any similar rights, until all Guaranteed Obligations and Indebtedness of Borrower have been fully and finally paid, performed and discharged in accordance with Section 15 hereof, and Guarantor hereby waives all of such rights.

Section 18. Time of Essence.

Time shall be of the essence in this Guaranty with respect to all of Guarantor's obligations hereunder.

Section 19. Entire Agreement; Counterparts; Construction.

This Guaranty embodies the entire agreement between Lender and Guarantor with respect to the guaranty by Guarantor of the Guaranteed Obligations. This Guaranty supersedes all prior agreements and understandings, if any, with respect to the guaranty by Guarantor of the Guaranteed Obligations. This Guaranty shall be effective upon execution by Guarantor and delivery to Lender. This Guaranty may not be modified, amended or superseded except in a writing signed by Lender and Guarantor referencing this Guaranty by its date and specifically identifying the portions hereof that are to be modified, amended or superseded. If this Guaranty has been executed in one or more identical counterparts, then each such counterpart shall be deemed an original for all purposes, and all will constitute, collectively, one agreement. The lack of genuineness or authority of any signature or signator of or for any Guarantor shall not affect the obligations hereunder of any other Guarantor. As used herein, the words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation.**" Guarantor acknowledges and agrees that the recitals set forth at the beginning of this Guaranty are true and correct and are incorporated herein by this reference.

Section 20. Forum.

Guarantor hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the jurisdiction of any state court or any United States federal court sitting in the State specified in the governing law section of this Guaranty and to the jurisdiction of any state court or any United States federal court sitting in the State of California, over any Dispute. Guarantor hereby irrevocably waives, to the fullest extent permitted by Law, any objection that Guarantor may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Guarantor hereby agrees and consents that, in addition to any methods of service of process provided for under applicable Law, all service of process in any such suit, action or proceeding in any state court or any United States federal court sitting in the state specified in the governing law section of this Guaranty may be made by certified or registered mail, return receipt requested, directed to Guarantor at its address for notice set forth in this Guaranty, or at a subsequent address of which Lender received actual notice from Guarantor in accordance with the notice section of this Guaranty, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of Lender to serve process in any manner permitted by Law or limit the right of Lender to bring proceedings against Guarantor in any other court or jurisdiction.

Section 21. Dispute Resolution Provision.

This Section is referred to as the “**Dispute Resolution Provision.**” Lender and Guarantor (and any other party to this Guaranty) agree that this Dispute Resolution Provision is a material inducement for their entering into this Guaranty.

(a) Scope. This Dispute Resolution Provision concerns the resolution of any disputes, controversies, claims, counterclaims, allegations of liability, theories of damage, or defenses (collectively, a “**Claim**” or “**Claims**”) between Lender, on the one hand, and Guarantor and/or any obligor, on the other hand (each side being, for the purposes of this Dispute Resolution Provision, a “**Party**” and the two sides together being the “**Parties**”), regardless of whether based on federal, state, or local law, statute, ordinance, regulation, contract, common law, or any other source, and regardless of whether foreseen or unforeseen, suspected or unsuspected, or fixed or contingent at the time of this Guaranty, including but not limited to Claims that arise out of or relate to: (i) this Guaranty (including any renewals, extensions, or modifications); or (ii) any document related to this Guaranty. For purposes of this Dispute Resolution Provision only, the terms “**Lender**” or “**Party**” or “**Parties**” (to the extent referring to or including Lender) shall include any parent corporation, subsidiary or affiliate of Lender, and the terms “**Guarantor**” or “**Party**” or “**Parties**” (to the extent referring to or including Guarantor) shall include any parent corporation, subsidiary or affiliate of Guarantor, as applicable.

(b) Judicial Reference. Any Claim brought by any Party in a California state court shall be resolved by a general reference to a referee (or a panel of referees) as provided in California Code of Civil Procedure Section 638. The referee (or presiding referee of the panel) shall be a retired Judge or Justice of the California state court system. The referee(s) shall be selected by mutual written agreement of the Parties. If the Parties do not agree, the referee(s) shall be selected by the Presiding Judge of the Court (or his or her representative) as provided in California Code of Civil Procedure Section 640. The referee(s) shall hear and determine all issues relating to the Claim, whether of fact or of law, and shall do so in accordance with the Laws of the State of California, and shall report a statement of decision. The referee(s) shall be empowered to enter equitable as well as legal relief, provide all temporary or provisional remedies, enter equitable and legal orders that will be binding on the Parties, and rule on any motion which would be authorized in court litigation, including without limitation motions to dismiss, for summary judgment, or for summary adjudication. The referee(s) shall award legal fees and costs (including the fees of the referee(s)) relating to the judicial reference proceeding, and to any related litigation or arbitration, in accordance with the terms of this Guaranty. The award that results from the decision of the referee(s) shall be entered as a judgment in the court that appointed the referee(s), in accordance with the provisions of California Code of Civil Procedure Sections 644(a). Pursuant to California Code of Civil Procedure Sections 645, the Parties reserve the right to seek appellate review of any judgment or order, including but not limited to, orders pertaining to class certification, to the same extent permitted in a court of law.

(c) Arbitration Provisions. The Parties agree that judicial reference pursuant to Subsection (b) above is the preferred method of dispute resolution of all Claims, when available. The Parties therefore agree that injunctive relief, including a temporary restraining order, without the posting of any bond or security, shall be appropriate to enjoin the prosecution of any arbitration proceeding where the Claims at issue become subject to (and as long as they remain subject to) judicial reference pursuant to Subsection (b) above, provided that, subject to the provisions of Subsection (g) below, a Party moves for such relief within thirty (30) days of its receipt of a demand for arbitration of a Claim. However, with respect to any Claim brought in a forum other than a California state court, or brought in a California state court but judicial reference pursuant to Subsection (b) above is not available or enforced by the court, subject to the provisions of Subsection (g) below, the arbitration provisions in this Subsection (collectively, the “*Arbitration Provisions*”) shall apply to the Claim. In addition, if either of the Parties serves demand for arbitration of a Claim in accordance with these Arbitration Provisions, and the other Party does not move to enjoin the arbitration proceeding within thirty (30) days of receipt of the demand, the right to judicial reference shall be waived and, subject to the provisions of Subsection (g) below, the Claim shall remain subject to these Arbitration Provisions thereafter. The inclusion of these Arbitration Provisions in this Guaranty shall not otherwise be deemed as any limitation or waiver of the judicial reference provisions. The Arbitration Provisions are as follows:

(i) For any Claim for which these Arbitration Provisions apply, the Parties agree that at the request of any Party to this Guaranty, such Claim shall be resolved by binding arbitration. The Claims shall be governed by the Laws of the State of California without regard to its conflicts of law principles. The Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. (the “*Act*”), shall apply to the construction, interpretation, and enforcement of these Arbitration Provisions, as well as to the confirmation of or appeal from any arbitration award.

(ii) Arbitration proceedings will be determined in accordance with the Act, the then-current Commercial Finance rules and procedures of the American Arbitration Association or any successor thereof (“AAA”) (or any successor rules for arbitration of financial services disputes), and the terms of these Arbitration Provisions. In the event of any inconsistency, the terms of these Arbitration Provisions shall control. The arbitration shall be administered by the Parties and not the AAA and shall be conducted, unless otherwise required by Law, at a location selected solely by Lender in any U.S. state where real or tangible personal property collateral for this credit is located or where Guarantor has a place of business. If there is no such state, Lender shall select a location in California.

(iii) If aggregate Claims are One Million Dollars (\$1,000,000) or less:

(A) All issues shall be heard and determined by one neutral arbitrator. The arbitrator shall have experience with commercial financial services disputes and, if possible, prior judicial experience, and shall be selected pursuant to the AAA “Arbitrator Select: List and Appointment” process, to be initiated by Lender. If the AAA “Arbitrator Select: List and Appointment” process is unavailable, Lender shall initiate any successor process offered by the AAA or a similar process offered by any other nationally recognized alternative dispute resolution organization.

(B) Unless the arbitrator has a dispositive motion under advisement or unforeseeable and unavoidable conflicts arise (as determined by the arbitrator), all arbitration hearings shall commence within ninety (90) days of the appointment of the arbitrator, and under any circumstances the award of the arbitrator shall be issued within one hundred twenty (120) days of the appointment of the arbitrator.

(C) A Party shall be entitled to take no more than two (2) fact depositions, one or both of which may be taken in accordance with Fed. R. Civ. P. 30(b)(6), plus depositions of any experts designated by the other Party, each of seven (7) hours or less, during pre-hearing discovery.

(D) There shall be no written discovery requests except a Party may serve document requests on the other Party not to exceed twenty (20) in number, including subparts. The requests shall be served within forty-five (45) days of the appointment of the arbitrator and shall be responded to within twenty-one (21) days of service.

(iv) If aggregate Claims exceed One Million Dollars (\$1,000,000):

(A) The issues shall be heard and determined by one neutral arbitrator selected as above unless either Party requests that all issues be heard and determined by three (3) neutral arbitrators. In that event, each Party shall select an arbitrator with experience with commercial financial services disputes, and the two arbitrators shall select a third arbitrator, who shall have prior judicial experience. If the arbitrators cannot agree, the third arbitrator shall be selected pursuant to the AAA "Arbitrator Select: List and Appointment" process, to be initiated by Lender.

(B) Unless the arbitrator(s) have a dispositive motion under advisement or other good cause is shown (as determined by the arbitrator(s)), all arbitration hearings shall commence within one hundred twenty (120) days of the appointment of the arbitrator(s), and under any circumstances the award of the arbitrator(s) shall be issued within one hundred eighty (180) days of the appointment of the arbitrator(s).

(C) A Party shall be entitled to take no more than five (5) fact depositions, one or more of which may be taken in accordance with Fed. R. Civ. P. 30(b)(6), plus depositions of any experts designated by the other Party, each of seven (7) hours or less, during pre-hearing discovery.

(D) There shall be no written discovery requests except a Party may serve document requests on the other Party not to exceed thirty (30) in number, including subparts. The requests shall be served within forty-five (45) days of the appointment of the arbitrator(s) and shall be responded to within twenty-one (21) days of service.

(v) Where a Party intends to rely upon the testimony of an expert on an issue for which the Party bears the burden of proof, the expert(s) must be disclosed within thirty (30) days following the appointment of the arbitrator(s), including a written report in accordance with Fed. R. Civ. P. 26(a)(2)(B). The arbitrator(s) shall exclude any expert not disclosed strictly in accordance herewith. The other Party shall have the right within thirty (30) days thereafter to take the deposition of the expert(s) (upon payment of the expert's reasonable fees for the in-deposition time), and to identify rebuttal expert(s), including a written report in accordance with Fed. R. Civ. P. 26(a)(2)(B).

(vi) The arbitrator(s) shall consider and rule on motions by the Parties to dismiss for failure to state a claim; to compel; and for summary judgment, in a manner substantively consistent with the corresponding Federal Rules of Civil Procedure. The arbitrator(s) shall enforce the “Apex” doctrine with regard to requested depositions of high-ranking executives of both Parties. The arbitrator(s) shall exclude any Claim not asserted within thirty (30) days following the demand for arbitration. This shall not prevent a Party from revising the calculation of damages on any existing theory. All discovery shall close at least one (1) week before any scheduled hearing date, and all hearing exhibits shall have been exchanged by the same deadline or they shall not be given weight by the arbitrator(s).

(vii) The arbitrator(s) will give effect to applicable statutes of limitations in determining any Claim and shall dismiss the Claim if it is barred by the statutes of limitations. For purposes of the application of any statutes of limitations, the service of a written demand for arbitration or counterclaim pursuant to the notice section of this Guaranty is the equivalent of the filing of a lawsuit. At the request of any Party made at any time, including at confirmation of an award, the resolution of a statutes of limitations defense to any Claim shall be decided de novo by a court of competent jurisdiction rather than by the arbitrator(s). Otherwise, any dispute concerning these Arbitration Provisions or whether a Claim is arbitrable shall be determined by the arbitrator(s), except as otherwise set forth in this Dispute Resolution Provision.

(viii) The arbitrator(s) shall have the power to award legal fees and costs relating to the arbitration proceeding and any related litigation or arbitration, pursuant to the terms of this Guaranty. The arbitrator(s) shall provide a written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and have judgment entered and enforced.

(ix) The filing of a court action is not intended to constitute a waiver of the right of any Party, including the suing Party, thereafter to require submittal of the Claims to arbitration.

(x) The arbitration proceedings shall be private. All documents, transcripts, and filings received by any Party shall not be disclosed by the recipient to any third parties other than attorneys, accountants, auditors, and financial advisors acting in the course of their representation, or as otherwise ordered by a court of competent jurisdiction. Any award also shall be kept confidential, although this specific requirement shall be void once the award must be submitted to a court for enforcement. The Parties agree that injunctive relief, including a temporary restraining order, from a trial court is the appropriate relief for breach of this Subsection, and they waive any security or the posting of a bond as a requirement for obtaining such relief.

(d) Self-Help. This Dispute Resolution Provision does not limit the right of any Party to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights; or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(e) Class Action Waiver. Any arbitration or court trial (whether before a judge or jury or pursuant to judicial reference) of any Claim will take place on an individual basis without resort to any form of class or representative action (the “*Class Action Waiver*”). THE CLASS ACTION WAIVER PRECLUDES ANY PARTY FROM PARTICIPATING IN OR BEING REPRESENTED IN ANY CLASS OR REPRESENTATIVE ACTION REGARDING A CLAIM. Regardless of anything else in this Dispute Resolution Provision, the validity and effect of the Class Action Waiver may be determined only by a court or referee and not by an arbitrator. The Parties to this Guaranty acknowledge that the Class Action Waiver is material and essential to the arbitration of any disputes between the Parties and is nonseverable from the agreement to arbitrate Claims. If the Class Action Waiver is limited, voided, or found unenforceable, then the Parties’ agreement to arbitrate shall be null and void with respect to such proceeding, subject to the right to appeal the limitation or invalidation of the Class Action Waiver. THE PARTIES ACKNOWLEDGE AND AGREE THAT UNDER NO CIRCUMSTANCES WILL A CLASS ACTION BE ARBITRATED.

(f) Jury Waiver. By agreeing to judicial reference or binding arbitration, the Parties irrevocably and voluntarily waive any right they may have to a trial by jury as permitted by Law in respect of any Claim. Furthermore, without intending in any way to limit the provisions hereof, to the extent any Claim is not submitted to judicial reference or arbitration, the Parties irrevocably and voluntarily waive any right they may have to a trial by jury to the extent permitted by Law in respect of such Claim. This waiver of jury trial shall remain in effect even if the Class Action Waiver is limited, voided, or found unenforceable. **WHETHER THE CLAIM IS DECIDED BY JUDICIAL REFERENCE, BY ARBITRATION, OR BY TRIAL BY A JUDGE, THE PARTIES AGREE AND UNDERSTAND THAT THE EFFECT OF THIS DISPUTE RESOLUTION PROVISION IS THAT THEY ARE GIVING UP THE RIGHT TO TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW. EACH PARTY HERETO (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTY AND THE OTHER DOCUMENTS CONTEMPLATED HEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION, AND (iii) CERTIFIES THAT THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY MADE.**

(g) Real Property Secured Claim. Notwithstanding any provision in this Guaranty or any other Loan Document to the contrary, in no event shall the Arbitration Provisions apply to any Claim if the Claim, at the time of the proposed submission to arbitration, arises from or relates to an obligation to Lender secured by real property. In this case, Lender and all of the parties to this Guaranty, in their sole and absolute discretion, must consent to submission of the Claim to arbitration.

Section 22. Separate Indemnity.

Guarantor acknowledges and agrees that Lender’s rights (and Guarantor’s obligations) under this Guaranty shall be in addition to all of Lender’s rights (and all of Guarantor’s obligations) under any indemnity agreement or other guaranty executed and delivered to Lender by Borrower and/or any Guarantor and any payments made under this Guaranty shall not reduce any obligations and liabilities under any such indemnity agreement or other guaranty.

Section 23. Credit Verification.

Each legal entity and individual obligated on this Guaranty, whether as a Guarantor, a general partner of a Guarantor or in any other capacity, hereby authorizes Lender to check any credit references, verify his/her employment and obtain credit reports from credit reporting agencies of Lender's choice in connection with any monitoring, collection or future transaction concerning the Indebtedness, including any modification, extension or renewal of the Loan. Also in connection with any such monitoring, collection or future transaction, Lender is hereby authorized to check credit references, verify employment and obtain a third party credit report for the spouse of any married person obligated on this Guaranty, if such person lives in a community property state.

Section 24. Reinstatement.

This Guaranty shall continue to be effective, or be reinstated automatically, as the case may be, if at any time payment, in whole or in part, of any of the obligations guaranteed hereby are rescinded or otherwise must be restored or returned by Lender (whether as a preference, fraudulent conveyance or otherwise) upon or in connection with the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower, Guarantor or any other Person, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, Borrower, Guarantor or any other Person or for a substantial part of Borrower's, Guarantor's or any of such other Person's property, as the case may be, or otherwise, all as though such payment had not been made. Guarantor further agrees that in the event any such payment is rescinded or must be restored or returned, all costs and expenses (including reasonable legal fees and expenses) actually incurred by or on behalf of Lender in defending or enforcing such continuance or reinstatement, as the case may be, shall constitute costs of enforcement, the payment of which is guaranteed by Guarantor pursuant to Section 10 hereof.

[Signature on the Following Page]

IN WITNESS WHEREOF, Guarantor has duly executed this Guaranty as of the date first written above.

Address of Guarantor:

c/o Lewis Management Corp.
1156 N. Mountain Avenue
Upland, California 91786
Attn: David Linden
Facsimile: (909) 946-7535

GUARANTOR:

/s/ Richard A. Lewis
RICHARD A. LEWIS, individually and as Trustee of the Richard A. Lewis Revocable Trust u/d/t dated August 16, 2004, as amended

/s/ Robert E. Lewis
ROBERT E. LEWIS, individually and as Trustee of the Robert E. Lewis Revocable Trust u/d/t dated August 17, 2004, as amended

Roger G. Lewis
ROGER G. LEWIS, individually and as Trustee of the Roger G. Lewis Revocable Trust u/d/t dated August 20, 2004, as amended

/s/ Randall W. Lewis
RANDALL W. LEWIS, individually and as Trustee of the Randall W. Lewis Revocable Trust u/d/t dated September 1, 2006, as amended

LIMONEIRA COMPANY,
a Delaware corporation

By: /s/ Mark Palamountain
Name: Mark Palamountain
Title: Chief Financial Officer, Treasurer and Corporate Secretary

Address of Lender:

Bank of America, N.A.
520 Newport Center Drive, Suite 1100
Newport Beach, California 92660
Attn: Anne L. Pedron
Fax No.: (949) 287-0717