

9-13-99

FORM PTO-1618A  
Expires 06/30/99  
OMB 0651-0027

09-15-1999

U.S. Department of Commerce  
Patent and Trademark Office  
**TRADEMARK**



101145239

13

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

#### Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

#### Conveyance Type

- Assignment  License
- Security Agreement  Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year
- Merger
- Change of Name
- Other

#### Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

#### Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

- Individual  General Partnership  Limited Partnership  If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

#### FOR OFFICE USE ONLY

09/15/1999 MTHA11 00000226 1603970

01 FC:481 40.00 OP

02 FC:482 325.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231  
TRADEMARK  
REEL: 001957 FRAME: 0595

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="2142780"/>	<input type="text" value="1963076"/>	<input type="text" value="1680539"/>
<input type="text" value="2126423"/>	<input type="text" value="1859925"/>	<input type="text" value="1640728"/>
<input type="text" value="1977952"/>	<input type="text" value="1861951"/>	<input type="text" value="1679587"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed  Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes  No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized as indicated herein.

Steven A. Parker

Name of Person Signing

*Steven A. Parker*  
Signature

September 10, 1999

Date Signed

# RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

## Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

## Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

## Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

### Trademark Application Number(s)

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### Registration Number(s)

<input type="text" value="1603970"/>	<input type="text" value="1252402"/>	<input type="text" value="1249224"/>
<input type="text" value="1190190"/>	<input type="text" value="1111451"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
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06-16-1998

U.S. DEPARTMENT OF COMMERCE  
Patents and Trademark Office

Tab settings     ▼



100738446

RECEIVED JUN 1 1998  
and the attached original documents or copy thereof.

MPD 6-1-98

To the Honorable Commissic

1. Name of conveying party(ies):  
Sebastiani Vineyards, a Delaware corporation

- Individual(s)
- General Partnership
- Corporation-State
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Deed of Trust attached
- Merger
- Change of Name

Execution Date: May 14, 1998

2. Name and address of receiving party(ies)  
The Equitable Life Assurance  
Name: Society of the United States

Internal Address: \_\_\_\_\_

Street Address: 1290 Avenue of the Americas

City: New York State: NY ZIP: 10104

- Individual(s) citizenship \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership \_\_\_\_\_
- Limited Partnership \_\_\_\_\_
- Corporation-State \_\_\_\_\_
- Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designator is attached:  Yes  No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See attached Exhibit "A."

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Equitable Agri-Business, Inc.

Internal Address: \_\_\_\_\_

Street Address: 3203 West March Ln., Ste 110

City: Stockton State: CA ZIP: 95219

6. Total number of applications and registrations involved: 18

7. Total fee (37 CFR 3.41).....\$ 465.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Steven A. Parker  
Name of Person Signing

Steven A. Parker  
Signature

June 1, 1998  
Date

Total number of pages including cover sheet, attachments, and document: 50

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231

TRADEMARK  
REEL: 001957 FRAME: 0598

06/15/98 11:01 AM  
01 FC: M1  
02 FC: M2

7

RECORDER  
COUNTY CLERK  
JAMES L. JOHNSTONE

49

98 MAY 14 AM 8:00

SAN JOAQUIN COUNTY

**First American of Stockton**

FEE \_\_\_\_\_

Recorded at Request of:

\_\_\_\_\_

When Recorded Mail to:

Equitable Agri-Business, Inc.  
3203 West March Lane, Suite 110  
Stockton CA 95219  
Loan No.: F-195810.02 and F-195810.03

162-3

**LONG FORM DEED OF TRUST, ASSIGNMENT OF RENTS,**  
**SECURITY AGREEMENT AND**  
**FINANCING STATEMENT (CALIFORNIA)**

**THIS DEED OF TRUST**, made as of the 4TH day of MAY, 1998, by and among SEBASTIANI VINEYARDS, INC., a Delaware corporation and all other persons executing this Deed of Trust, hereinafter called "Trustor", FIRST AMERICAN TITLE COMPANY, a CALIFORNIA corporation whose mailing address is 446 WEST NAPA STREET, SUITE 1, SONOMA, CALIFORNIA, 95476, ("Trustee"), and THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES ("Beneficiary"), a NEW YORK corporation whose mailing address is 1290 AVENUE OF THE AMERICAS, NEW YORK, NEW YORK, 10104, (Federal Employer I.D. Number: 13-5570651):

**WITNESSETH:**

**FOR VALUABLE CONSIDERATION**, receipt of which is acknowledged, Trustor irrevocably grants, transfers and assigns to Trustee, **IN TRUST, WITH POWER OF SALE**, all of the real property in SONOMA AND SAN JOAQUIN Counties, California, described in Schedule A attached hereto and made a part hereof;

**TOGETHER WITH** (1) -0- shares of the capital stock of n/a, and the water rights represented thereby, (2) all easements, rights-of-way and rights appurtenant to said real property or used in connection therewith or as a means of access thereto, (3) all tenements, hereditaments and appurtenances thereto, including all water and water rights appertaining thereto, (4) Trustor's interest as lessor in all leases affecting said real property, (5) all buildings, structures, improvements, fixtures, attachments and other articles now or hereafter erected on, affixed or attached to, or located in or on said real property which are real property, and all substitutions, replacements, additions and accessions thereof or thereto, together with all appliances, equipment and machinery now affixed or attached to or located on said real property which are real property and all replacements thereof or thereto, (6) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said real property (subject, however, to the assignment of rents and profits to Beneficiary herein), and (7) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims

Initials: *PK*

or demands to the proceeds of all insurance now or hereafter in effect with respect to said real property, which Trustor now has or may hereafter acquire in said real property, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said real property. Trustor hereby agrees, acknowledges and confirms that any and all vines located on said real property are a part of the "real estate" comprising said real property and, except where removed due to disease or act of God, will remain a part of the real estate throughout the term of the loans made by Beneficiary to Trustor which are secured by this Deed of Trust.

**FOR VALUABLE CONSIDERATION**, receipt of which is acknowledged, Trustor, as debtor, irrevocably grants and assigns to Beneficiary, as secured party, a security interest in all of the following collateral which is personal property now owned or hereafter replaced by Trustor: all personal property described in Schedule "B" attached hereto and made a part hereof, which includes, but is not limited to all irrigation and frost protection equipment, all wine making equipment and crushing and pressing equipment now owned or hereafter replaced, wine tanks now owned or hereafter replaced whether affixed to the security or not, all laboratory equipment, office equipment and furniture now owned or hereafter replaced, all intellectual property, specifically including but not limited to all labels, trademarks, copyrights and tradestyles, actually used in marketing of wine and grape products, farm products, inventory, fixtures, crops growing or to be grown, timber standing or to be cut, and minerals or the like (including oil and gas), including, without limitation, all watering and irrigation apparatus, machinery, pumps, motors, generators, pipes and sprinklers and all proceeds from the sale or other disposal of the collateral, but not barrels or winery computer equipment. This is a security agreement pursuant to the Uniform Commercial Code and Beneficiary shall have all rights and remedies of a secured party with respect to said collateral under the Uniform Commercial Code, PROVIDED HOWEVER, that nothing in this LONG FORM DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT shall prevent Trustor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Trustor exercises its right to place a single crop lien on the crops grown or to be grown on the subject property hereunder, such crop lien shall automatically be a first superior lien to the lien on such crop created hereby without the need for any consent or subordination from Beneficiary.

Trustor warrants to Beneficiary that, except for the security interest of Atel Financial Corporation, Toyota Motor Credit Corporation and General Electric Capital Corporation as lessors of certain equipment included in said collateral, the security interest of General Electric Capital Corporation and Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A. in certain general intangibles included in said collateral and the security interests created hereby, Trustor owns good title to said collateral and, as to said collateral hereafter acquired, Trustor will own good title to said collateral, free and clear of all liens, security interests, encumbrances and adverse claims of any kind whatsoever. Trustor agrees that all of said collateral which is erected on, affixed or attached to, or located in or on said real property shall be deemed to be real property and a part of said real property. No fixtures or equipment (including watering and irrigation apparatus) shall be removed from said real property without the prior written consent of Beneficiary, except that Trustor shall have the right, without such consent, to remove and dispose of free from the security interest hereof such fixtures and equipment as may from time to time become worn out or obsolete, provided that Trustor shall, simultaneously with or prior to

such removal, replace such removed fixtures or equipment with replacement fixtures or equipment having a value, quality and utility at least equal to the removed fixtures or equipment. Trustor shall, at Trustor's expense, execute and deliver to Beneficiary such financing and continuation statements covering said collateral as Beneficiary may from time to time request. All agreements of Trustor herein, and all rights of Beneficiary herein, relating to said real property shall apply to said collateral whether or not expressly referred to herein. This Deed of Trust is a financing statement and covers goods included in said collateral which are or are to become fixtures and is to be recorded in the real estate records. Trustor is the record owner of said real property.

This Deed of Trust is executed in duplicate each of which is deemed to be an original intended for simultaneous recording in the counties of SONOMA and SAN JOAQUIN, but such parts together constitute but one and the same instrument.

**FOR THE PURPOSE OF SECURING:** (1) Payment and performance of each agreement of Trustor in this Deed of Trust, (2) payment of the entire indebtedness evidenced by the Promissory Note (the ".02 Note") of even date herewith executed by the Trustor in the original principal sum of THREE MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 Dollars (\$3,750,000.00), (3) payment of the entire indebtedness evidenced by a Promissory Note (".03 Note") of even date herewith executed by Trustor in the principal sum of FOUR MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$4,500,000.00), (4) payment of the entire indebtedness evidenced by a Promissory Note Constant Payment Plan dated December 15, 1992 made by the Trustor in the original principal amount of TWENTY ONE MILLION Dollars (\$21,000,000.00) (the .00 Note) each of said Promissory Notes for the benefit of Beneficiary or order, and all modifications, amendments, replacements, substitutions, extensions and renewals of any thereof (items (2), (3) and (4) hereinafter collectively known as the "Promissory Notes") (5) performance of all of the obligations, covenants and warranties of the Trustor in accordance with any other document executed by Trustor in connection herewith or in connection with the Promissory Notes, and (6) payment of all sums advanced by Beneficiary to protect the security of this Deed of Trust, said real property or said collateral, with interest thereon at the rate per annum after default or maturity set forth in said Promissory Notes.

A. To protect the security of this Deed of Trust, Trustor agrees:

1. To pay when due all indebtedness evidenced by said Promissory Notes; to keep said real property in good condition and repair; not to remove or demolish any building, structure or improvement thereon; to complete or restore promptly and in good and workmanlike manner any building, structure or improvement which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to pay when due all debts that are now or may become liens against said real property, and not to suffer any lien of any kind to attach thereto which may take precedence over the lien of this Deed of Trust, and not to create any lien on said real property junior hereto unless the person entitled to the benefits thereof shall have agreed that the time for the payment of the indebtedness hereby secured and the manner of payment or amount thereof and the benefits of the security afforded hereby may, without consent of such person and without any obligation to give notice of any kind to such person, be modified, amended, replaced, substituted, extended, renewed, accelerated, suspended or refunded on

Initials: 


any terms whatsoever without in any manner affecting the priority of the lien hereby created, as security for the payment of all indebtedness secured hereby; to comply with all laws affecting said real property or requiring any alterations or improvements to be made thereon; not to commit, suffer or permit any act upon said real property in violation of law or of any covenants, conditions or restrictions affecting said real property; not to commit or permit waste thereof, nor to do or suffer to be done any act whereby the value of any part of said real property may be lessened; to operate all lands, whether improved pastures, orchards, grazing, timber or crop lands, in a good and husbandman-like manner in accordance with accepted principles of sound agricultural and forestry practices; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said real property may reasonably be necessary, and to take all reasonable precautions to control wind and water erosion; to fertilize improved pastures, if any, where necessary to maintain a good stand of desirable grasses; to protect orchards and timber, if any, by reasonable precautions against loss or damage by fire, including maintenance of appropriate fire breaks; and neither to remove nor permit the removal of any timber, oil, gas, mineral, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of Beneficiary. Beneficiary shall have the right to inspect said real property at such reasonable times and intervals as Beneficiary may desire to determine Trustor's compliance with the agreements in the Deed of Trust.

2. To provide, maintain and deliver to Beneficiary property insurance covering said real property and said collateral insuring against all risks of physical loss or damage, including war risks, if available, with loss payable to Beneficiary, in such amount for each risk and in such company and in such form as shall be satisfactory to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or, at the option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor, subject to such conditions and disbursement requirements as Beneficiary may impose. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

4. To pay when due all taxes and assessments affecting said real property, including assessments on appurtenant water stock, and all encumbrances, charges and liens, with interest, on said real property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of Trustee and this trust.

5. If Trustor fails to make any payment or to do any act in accordance with this Deed of Trust, then Beneficiary or Trustee, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder, shall have the right, but no duty, to make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, including specifically, without limiting their general powers, the right to enter upon and take possession of said real property, to make additions, alterations, repairs and improvements to said real property which either of them may consider necessary or proper to keep said real property in good condition and repair, to appear and participate in any action

Initials: 



or proceeding affecting or which may affect said real property, the security hereof, or the rights or powers of Beneficiary or Trustee hereunder, to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of either of them may affect or appears to affect the security hereof or may be prior or superior hereto, and in exercising such powers, to pay necessary expenses, including employment of attorneys or other necessary or desirable consultants. Trustor shall, immediately upon demand therefor by Beneficiary, pay to Beneficiary all amounts expended by Beneficiary and all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing rights and powers, including, without limitation, costs of evidence of title, court costs, appraisals, surveys and reasonable attorneys' fees, together with interest thereon from the date of expenditure at the rate per annum after default or maturity set forth in said Promissory Notes.

6. If said Promissory Notes and this Deed of Trust, or either of them, are placed in the hands of an attorney for collection or foreclosure or other legal proceedings, Trustor shall pay all reasonable attorneys' fees for any services rendered by such attorney to Beneficiary in connection therewith and all expenses incurred, including costs of suit and evidence of title, together with interest thereon from the date of expenditure at the rate per annum after default or maturity set forth in said Promissory Notes. Trustor shall pay the maximum charge allowed by law for any statement regarding the obligations secured hereby required of Beneficiary.


B. It is mutually agreed that:

1. All awards of damages or compensation now or hereafter made in connection with any taking by eminent domain or condemnation for public use of or injury to said real property or any part thereof, are hereby assigned and shall be paid to Beneficiary, who may apply or release such awards or compensation received by Beneficiary in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance. Trustor agrees to execute such further assignments of any such awards or compensation as Beneficiary may require.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to prompt payment when due of all other sums so secured or to declare a default for failure so to pay.

3. Without affecting the liability of any person, including Trustor, for the payment of any indebtedness secured hereby or the lien of this Deed of Trust upon said real property for the full amount of the indebtedness then remaining unpaid, Beneficiary may from time to time and without notice do any one or more of the following: substitute or release any person now or hereafter liable for payment of such indebtedness or any part thereof; extend the time or otherwise alter the terms of payment of any such indebtedness; accept additional security therefor of any kind; or substitute or release any property or any portion thereof securing such indebtedness without, as to the remainder of the security, in any way impairing or affecting the liens and priority herein created.

4. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of the Deed of Trust and said Promissory Notes for endorsement, and without affecting the personal liability of any person for

Initials: 

payment of the indebtedness secured hereby, Trustee may: reconvey any part of said real property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

5. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Promissory Notes to Trustee for cancellation, and upon payment of Trustee's fees, Trustee shall reconvey, without warranty, the real property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

6. Trustor absolutely and irrevocably assigns and transfers to Beneficiary all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said real property (all of the foregoing are herein the "rents and profits"). Trustor hereby gives to and confers upon Beneficiary the right, power and authority to collect said rents and profits. Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary at any time and from time to time, either with or without taking possession of said real property, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Trustor or Beneficiary, for all said rents and profits and apply the same to the indebtedness secured hereby. Trustor shall, nevertheless, have the right to collect and retain said rents and profits as the same become due and payable but only before the occurrence of a default under this Deed of Trust and as long as no such default exists. The assignment of said rents and profits is intended to be a present and absolute assignment from Trustor to Beneficiary and not merely the creation of a security interest. Beneficiary's right to collect said rents and profits is not contingent upon Beneficiary's taking possession of said real property. Upon the occurrence of a default under this Deed of Trust, and as long as any such default shall remain uncured, Beneficiary may, without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the value of said real property, or any part thereof, in its own name sue for or otherwise collect said rents and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The collection of said rents and profits, or the entering upon and taking possession of said real property, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

7. The occurrence of any of the following shall be a default under this Deed of Trust: failure to pay any indebtedness secured hereby when due; failure to perform any agreement of Trustor herein when due; Trustor commences a voluntary case under the federal Bankruptcy Code as now or hereafter in effect, or any successor thereto; an involuntary case under such Bankruptcy Code is commenced against Trustor and is not controverted or, if controverted, is not dismissed within sixty (60) days after the commencement of such case; a receiver, trustee, custodian or similar official is appointed for, or takes charge of, said real property, said collateral, or all or substantially all of the property of Trustor; Trustor commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, liquidation or similar law of any jurisdiction now or hereafter in effect relating to Trustor; any such proceeding is commenced against Trustor and is not

Initials: 

controverted or, if controverted, is not dismissed within sixty (60) days after commencement; Trustor is adjudicated insolvent or bankrupt; any order of relief or other order approving any such case or proceeding is entered; Trustor makes a general assignment for the benefit of creditors; the occurrence of any breach, default or event of default by Trustor under any instrument or agreement evidencing or securing any indebtedness or obligation owed by Trustor to General Electric Capital Corporation, individually or as agent for any other lender, or any substitute therefore, replacement therefore or successor thereto (collectively the "Credit Agreements") and such breach, default or event of default is not cured by Trustor within thirty (30) days after such occurrence or there has occurred a breach of, or a default under any of said Promissory Notes or any other provision of this Deed of Trust. Upon the occurrence of a default under this Deed of Trust, and as long as any such default exists, Beneficiary shall have the right to declare all indebtedness secured hereby to be immediately due and payable, and such indebtedness shall thereupon become immediately due and payable, without any presentment, demand, protest or notice of any kind, all of which are expressly waived by Trustor. **Any prepayment penalty that exists, as set forth in the Promissory Notes, shall be applicable upon default under this Deed of Trust.**

8. Upon the occurrence of a default under this Deed of Trust, and as long as any such default exists, Beneficiary shall have the right to commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof; exercise and enforce any or all of the rights and remedies available to a secured party under the Uniform Commercial Code; or deliver to Trustee a written declaration of default and demand for sale pursuant to the power of sale herein. If Beneficiary elects to foreclose this Deed of Trust by such power of sale, Beneficiary shall deposit with Trustee this Deed of Trust, said Promissory Notes and evidence of expenditures secured hereby and a written notice of default and election to sell, which notice Trustee shall cause to be recorded as may then be required by law. Trustee shall, without demand on Trustor, after recordation of such notice of default and election to sell and after lapse of such time as may then be required by law, and after notice of sale has been given as may then be required by law, sell said real property (and said collateral, if requested by Beneficiary, as agent for Beneficiary) at the time and place of sale fixed by Trustee in said notice of sale, either as a whole or in separate parcels or items as determined solely by Beneficiary and in such order as Beneficiary may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said real property (or said collateral) by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time and place fixed by the preceding postponement. Trustor waives, and relinquishes to Beneficiary, all rights to direct the order in which said real property and said collateral shall be sold or to require that said real property or said collateral be sold in separate parcels or items. Trustee shall deliver to such purchaser Trustee's deed and, if applicable, bill of sale conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed or bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at such sale. After deducting all costs, fees and expenses of Trustee and this Trust, including cost of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under this Deed of Trust, not then repaid, with accrued interest at the rate per annum after default or maturity set forth in said Promissory Notes; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

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9. Upon the occurrence of a default under this Deed of Trust, and as long as any such default exists, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under Trustor, and without regard to the adequacy of the security or the then value of said real property or the interest of Trustor therein, shall have the right to have a receiver of said real property appointed by any court having jurisdiction, and Trustor hereby irrevocably consents to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases. Every right, power and remedy granted to Trustee or Beneficiary shall be cumulative and not exclusive, and each such right, power and remedy may be exercised from time to time and as often and in such order as may be deemed expedient by Trustee or Beneficiary, and the exercise of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy.

10. Beneficiary may from time to time substitute in such manner as may be provided by law a successor or successors to any Trustee named herein or acting hereunder, which successor Trustee shall thereupon succeed, without conveyance from the predecessor, to all of Trustee's powers, duties, authority and title; or, in the absence of any such law providing for the substitution of trustees in deeds of trust, Beneficiary may, with like effect, make such substitution from time to time by instrument in writing executed and acknowledged by Beneficiary and recorded in the county or counties in which said real property is situated. Said instrument shall contain the name of the original Trustor, Trustee and Beneficiary, the book and page where this Deed of Trust is recorded, and the name of the new Trustee.

11. Trustor hereby waives the right to assert any statute of limitations as a bar to the enforcement of this Deed of Trust or to any action brought to enforce said Promissory Notes or any obligation secured by this Deed of Trust. Subject to the rights of current creditors, but nothing herein shall be deemed to consent to allow marshaling of assets in connection herewith, Beneficiary shall have the right to determine the order in which any or all of the said real property or said collateral shall be subjected to the remedies provided herein. Beneficiary shall have the right to determine the order in which the indebtedness secured hereby is satisfied from the proceeds realized upon the exercise of the remedies provided herein. Trustor, any party who consents to this Deed of Trust, and any party who now or hereafter acquires a lien or security interest in said real property or said collateral and who has actual or constructive notice of this Deed of Trust hereby expressly waives and relinquishes any and all rights to demand or require the marshaling of liens or the marshaling of assets by Beneficiary in connection with the exercise of any of the remedies provided herein or permitted by applicable law. Trustor expressly waives and relinquishes any and all rights and remedies Trustor may have or be able to assert by reason of laws relating to the rights and remedies of sureties or guarantors.

12. The invalidity of any provision of this Deed of Trust shall not affect the remaining provisions of this Deed of Trust or any part thereof and this Deed of Trust shall be construed as if such invalid provision, if any, had not been inserted herein.

13. The trust hereby created shall be irrevocable by Trustor.

Initials: 

14. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their respective heirs, personal representatives, successors and assigns. The term Beneficiary means the original Beneficiary hereunder or any future owner and holder, including pledgees, of said Promissory Notes or any of them. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine or the neuter and the singular number includes the plural. All obligations of each Trustor hereunder are joint and several.

15. If Trustor, or any successor or assign, sells, conveys, alienates, leases (other than to tenants in the ordinary course of business with no option to purchase), assigns, transfers or encumbers, or contracts to sell, convey, alienate, lease (other than to tenants in the ordinary course of business with no option to purchase), assign, transfer or encumber, all or any part of said real property or any interest in said real property, or if Sylvia Sebastiani and the children of Sylvia Sebastiani collectively cease to own (directly or as beneficiaries of family trusts) at least fifty- one percent (51%) of the capital or voting stock of Trustor whether any of the foregoing events occurs in any manner, directly or indirectly, whether voluntary, involuntary or by operation of law, without the prior written consent of Beneficiary, then, and in any such event, all indebtedness secured by this Deed of Trust shall become immediately due and payable at the election of Beneficiary, without notice. Trustor shall give reasonable written notice to Beneficiary of any transfer of said real property or other event described in this paragraph prior to any such transfer or event. Trustor shall furnish in writing to Beneficiary all reasonable information concerning any transfer of said real property or other such event that is requested by Beneficiary, including, without limitation, the name and address of the transferee, financial statements of the transferee, a full description of the business of the transferee, and the complete terms of the transfer.

16. a. As used in this Deed of Trust, the following definitions shall apply:

1) "Environmental Laws" shall mean all federal, state and local laws, ordinances, rules and regulations now or hereafter in force, as amended from time to time, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, and includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. section 6901, et seq., the Clean Water Act, 33 U.S.C. section 1251, et seq., the Hazardous Substance Account Act, California Health and Safety Code section 25100, et seq., the Medical Waste Management Act, California Health and Safety Code section 25015, et seq., and the Porter-Cologne Water Quality Control Act, California Water Code section 13000, et seq.

2) "Hazardous Substances" shall mean any substance or material described as a toxic or hazardous substance, waste or material or a pollutant or contaminant, or words of similar import, in any of the Environmental Laws, and includes asbestos, petroleum (including

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crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), petroleum products, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive matter, medical waste, and chemicals which may cause cancer or reproductive toxicity.

3) "Person" shall mean any natural person, any organization or legal entity of any kind, and any government or governmental agency or authority of any kind, including the US. Environmental Protection Agency, the California Environmental Protection Agency, and the California Department of Toxic Substances Control.

4) "Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including continuing migration, of Hazardous Substances into or through soil, surface water or groundwater.

- b. Trustor shall not use, produce, process, manufacture, generate, treat, handle, store, or dispose of any Hazardous Substances in, on or under said real property, or use said real property for any such purposes, or Release any Hazardous Substances into any air, soil, surface water or groundwater comprising said real property, or permit any Person using or occupying said real property or any part thereof to do any of the foregoing. The preceding sentence shall not prohibit the ordinary use of Hazardous Substances normally used in the operation or maintenance of properties similar to said real property, provided the amount of such Hazardous Substances does not exceed the quantity necessary for the normal operation and maintenance of said real property in the ordinary course of business and the use, storage and disposal of such Hazardous Substances strictly comply with all applicable Environmental Laws. Trustor shall comply, and shall cause all persons using or occupying said real property or any part thereof to comply, with all Environmental Laws applicable to said real property, or the use or occupancy thereof, or any operations or activities therein or thereon. Trustor shall obtain all permits, licenses and approvals required by all applicable Environmental Laws for the use and occupancy of, and all operations and activities in, said real property, comply fully with all such permits, licenses and approvals, and keep all such permits, licenses and approvals in full force and effect. Immediately after Trustor obtains any information indicating that any Hazardous Substances may be present or any Release or threatened Release of any Hazardous Substances may have occurred in, on or under said real property (or any nearby real property which could migrate to said real property) or that any violation of any Environmental Laws may have occurred at said real property, Trustor shall give written notice thereof to Beneficiary with

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a reasonably detailed description of the event, occurrence or condition in question. Trustor shall immediately furnish to Beneficiary copies of all written communications received by Trustor from any Person (including notices, claims or citations that any Release or threatened Release of any Hazardous Substances or violation of any Environmental Laws has actually or allegedly occurred) or given by Trustor to any Person concerning any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property (or any nearby real property which could migrate to the said real property) or any past or present violation of any Environmental Laws at said real property. If Beneficiary obtains any information that Beneficiary believes in good faith indicates a reasonable possibility that any Hazardous Substances may be present or any Release or threatened Release of any Hazardous Substances may have occurred in, on or under said real property (or any nearby real property which could migrate to said real property) or any violation of any Environmental Laws may have occurred at said real property, then Trustor shall, at the expense of Trustor, promptly after a request by Beneficiary, have a qualified environmental engineer investigate the presence, Release or threatened Release of such Hazardous Substances and the existence of such violation of Environmental Laws and prepare and submit to Beneficiary a written report containing the findings and conclusions resulting from such investigation. The environmental engineer who will prepare the report, the scope of the investigation to be undertaken (which may include soil and groundwater sampling) and the methodology to be used shall be subject to the prior written approval of Beneficiary. Beneficiary (and its representatives) shall have the right, at all reasonable times and after reasonable prior notice (except no such notice shall be required in an emergency) to inspect said real property and every part thereof and to review all books, records and files of Trustor relating to any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property or any past or present violation of any Environmental Laws at said real property, and Trustor shall give Beneficiary access to said real property for such purposes. Trustor shall promptly furnish in writing to Beneficiary all information concerning any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property or any past or present violation of any Environmental Laws at said real property that is requested from time to time by Beneficiary. Trustor acknowledges that all inspections and reviews undertaken by Beneficiary are solely for the benefit and protection of Beneficiary and agrees that Beneficiary shall have no duty to Trustor with respect to Hazardous Substances or Environmental Laws as a result of any such inspections or reviews.

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- c. If any Release or threatened Release of any Hazardous Substances in, on or under said real property exists or occurs, Trustor shall immediately give written notice of the condition to Beneficiary, and Trustor shall promptly clean up and remove all Hazardous Substances and restore said real property (the "Remediation Work"). Trustor shall comply with the orders and directives of all Persons having jurisdiction over said real property or the Remediation Work. Trustor shall submit to Beneficiary, for Beneficiary's prior written approval, complete plans and specifications for all Remediation Work to be done by Trustor before any Remediation Work is performed, except in an emergency. Such plans and specifications shall be prepared by a qualified environmental engineer approved in writing by Beneficiary, and in compliance with all applicable Environmental Laws and other applicable laws, ordinances, rules and regulations. Trustor shall obtain all required permits, licenses and approvals for the Remediation Work, prosecute the Remediation Work diligently, and complete the Remediation Work in a timely manner. Trustor shall pay for all Remediation Work, including the cost of plans and specifications, utilities, permits, fees, taxes and insurance premiums in connection therewith. Trustor shall, on demand, pay to Beneficiary all direct costs and reimburse Beneficiary for all expenses incurred by Beneficiary in connection with any review, approval or inspection by Beneficiary relating to the Remediation Work, together with interest thereon from the date of expenditure until paid at the annual interest rate after maturity set forth in said Promissory Notes. Under no circumstances shall Beneficiary be liable to Trustor for any damage, loss, cost or expense incurred by Trustor on account of any plans and specifications for the Remediation Work, the performance of any Remediation Work or any delay in completion of any Remediation Work. Trustor shall furnish to Beneficiary, promptly upon receipt or preparation, copies of all reports, studies, analyses, investigations, contracts, correspondence, claims, complaints, pleadings and other information and communications received or prepared by Trustor at any time in connection with any Remediation Work, or any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property (or any nearby real property which could migrate to said real property), or any past or present violation of any Environmental Laws at said real property, or the necessity for or adequacy of any Remediation Work.
- d. Trustor shall indemnify and defend Beneficiary (and its directors, officers, employees, agents and representatives) against and hold Beneficiary (and its directors, officers, employees, agents and representatives) harmless from all claims, demands, liabilities, losses, damages, costs and expenses in any way arising from, relating to or connected with the existence, location, nature, use,

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generation, manufacture, storage, disposal, handling, or past, present or future Release or threatened Release of any Hazardous Substances in, on or under said real property, or any past, present or future violation of any Environmental Laws at said real property, or any breach of any representation or warranty made by Trustor in this Deed of Trust, or any failure to perform any obligation of Trustor in accordance with this Deed of Trust. The foregoing indemnification shall include all expenses of investigation and monitoring, costs of containment, abatement, removal, disposal, repair, cleanup, restoration and remedial work, penalties, fines, attorneys' fees and disbursements, and other response costs. If Trustor fails to perform any obligation of Trustor in accordance with this Deed of Trust, Beneficiary shall have the right, but no obligation, to perform such obligation on behalf of Trustor. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in the performance of any such obligations of Trustor, together with interest thereon from the date of expenditure until paid at the annual interest rate after maturity set forth in the .03 Note so long as any amounts are outstanding under the .03 loan; and paid at the annual interest after maturity set forth in the .02 Note regardless of whether the .02 Note has been paid in full during any time when the .03 has been repaid in full. If any event of default occurs under this Deed of Trust, Beneficiary shall have the right, but no obligation, at the expense of Trustor, to have a comprehensive environmental assessment of said real property, including soil and groundwater sampling and in scope satisfactory to Beneficiary, prepared by an engineer selected by Beneficiary, in order to ascertain whether any Hazardous Substances are present or any Release or threatened Release of Hazardous Substances has occurred in, on or under said real property (or any nearby real property which could migrate to said real property) or any violation of any Environmental Laws exists at said real property. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in connection with any such comprehensive environmental assessment, together with interest thereon from the date of expenditure until paid at the annual interest rate after maturity set forth in the .03 Note so long as any amount are outstanding under the .03 loan; and paid at the annual interest after maturity set forth in the .02 Note regardless of whether the .02 Note has been paid in full during any time when the .03 has been repaid in full.

- e. The obligations of Trustor under this paragraph 16 are separate from and in addition to the obligations to pay the indebtedness evidenced by said Promissory Notes and to perform the other obligations under this Deed of Trust. The liability of Trustor under this paragraph 16 shall not be limited to or measured by the amount of the indebtedness owed under said Promissory Notes or

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this Deed of Trust or the value of said real property. Trustor shall be fully and personally liable for all obligations of Trustor under this paragraph 16 and a separate action may be brought and prosecuted against Trustor under this paragraph 16. The liability of Trustor under this paragraph 16 shall not be subject to any limitations set forth in said Promissory Notes or elsewhere in this Deed of Trust on personal liability for the payment of the indebtedness evidenced by said Promissory Notes, or the remedies of Beneficiary for enforcement of the obligations under said Promissory Notes or this Deed of Trust, or the recourse of Beneficiary for satisfaction of such obligations. Trustor agrees that no action for the enforcement of or recovery of damages under this paragraph 16 shall constitute an action within the meaning of California Code of Civil Procedure section 726, which shall not apply to this paragraph 16, and no judgment against Trustor in any action pursuant to this paragraph 16 shall constitute a money judgment or a deficiency judgment within the meaning of California Code of Civil Procedure sections 580a, 580b, 580d or 726. This paragraph 16 and the obligations of Trustor hereunder shall survive, and remain in full force and effect after, any reconveyance of this Deed of Trust or any foreclosure of this Deed of Trust (whether by judicial action, exercise of the power of sale, deed in lieu of foreclosure, or otherwise) with respect to any past, present or future Release or threatened Release of any Hazardous Substances in, on or under said real property, or any past, present or future violation of any Environmental Laws at said real property which occurred, or the onset of which occurred, before such reconveyance or foreclosure, and Beneficiary shall have the right to enforce this paragraph 16 after any such reconveyance or foreclosure. This paragraph 16 shall not affect, impair or waive any rights or remedies of Beneficiary or any obligations of Trustor with respect to Hazardous Substances created or imposed by Environmental Laws (including Beneficiary's rights of reimbursement or contribution under Environmental Laws). The remedies in this paragraph 16 are cumulative and in addition to all remedies provided by law.

17. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party unless brought by Trustee.

18. Trustor hereby expressly, irrevocably, fully and forever releases, waives, and relinquishes any and all right to trial by jury and to receive punitive or exemplary damages from Beneficiary (or shareholder, director, officer, employee, agent, representative, partner or participant or subsidiary of Beneficiary) in any claim, demand, action, suit, proceeding, or cause of action in which Trustor and Beneficiary are parties, which in any way (directly or indirectly) arises out of, results from or relates to any of the following, in each case whether now existing

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or hereafter arising and whether based upon contract or tort or any other legal basis: This Deed of Trust and said Promissory Notes, or any of them; any past, present or future act, omission, conduct or activity with respect to this Deed of Trust and said Promissory Notes, or any of them; any transaction, event or occurrence contemplated by this Deed of Trust and said Promissory Notes, or any of them; the performance of any obligation or the exercise of any right under this Deed of Trust and said Promissory Notes, or any of them; or the enforcement of this Deed of Trust and said Promissory Notes, or any of them. Trustor agrees that this Deed of Trust constitutes written consent that trial by jury shall be waived in any such claim, demand, action, suit, proceeding or other cause of action pursuant to California Code of Civil Procedure section 631 and agrees that Beneficiary shall have the right at any time to file this Deed of Trust with the clerk or judge of any court in which any such claim, demand, action, suit, proceeding or other cause of action may be pending as statutory written consent to waiver of trial by jury in accordance with California Code of Civil Procedure Section 631.

19. After each fiscal quarter of each fiscal year of Trustor, Trustor shall provide beneficiary with quarterly Financial Statements (consisting of a balance sheet, the related statement of income and expenses, changes in shareholder's equity and cash flows for such quarter to be prepared in accordance with Generally Accepted Accounting Principals ("GAAP")) within 30 days after each quarter together with a certified statement by the chief financial officer of Trustor (or such other officer of Trustor reasonably acceptable to Beneficiary) which will state that Trustor is in compliance with all of the terms, covenants and conditions of this loan transaction and the Credit Agreements and certifying that all of the representations and warranties of Trustor contained in this instrument and all loan instruments in connection herewith are true and correct in all material aspects on and as of the date of the certificate. Trustor shall notify Beneficiary within twenty-four (24) hours of an event of default and/or loan acceleration under the Credit Agreements.

20. For each year of the term of this loan, the Trustor shall provide Financial Statements audited by an independent certified public accounting firm acceptable to Beneficiary and of a recognized national reputation within 90 days after the end of the fiscal year of Trustor. Simultaneously with the delivery of the annual Financial Statements, Trustor shall deliver a certificate of the Chief Financial Officer of Trustor (or such other officer of the Trustor reasonably acceptable to Beneficiary) accompanied by supporting financial worksheets in form reasonably acceptable to Beneficiary, certifying that Trustor has complied with the financial covenants contained in this instrument.

21. It shall be an event of default hereunder for the audited Financial Statements referenced in this instrument to show that the following financial requirements are not satisfied (all terms not defined in this instrument are to have the meanings granted under GAAP) and Trustor represents and warrants that the following financial requirements shall be satisfied at all times during the term of this loan:

- a. Current Ratio to be maintained at not less than 1.25 : 1. (Current Ratio means Current Assets/Current Liabilities).
- b. Tangible Net Worth to be maintained on a consolidated basis at no less than \$21,000,000. (Tangible Net Worth means book value of all assets less all liabilities).

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- c. Total Liabilities to Tangible Net Worth not to exceed 3.00 : 1.
- d. The Trustor shall not declare or pay any dividends on any of its shares, if that action would result in a default of any covenant hereunder including, but not limited to, covenant 21 above.

22. ERISA Compliance. (i) Trustor is not an employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which is subject to Title I of ERISA, nor a plan as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (each of the foregoing hereinafter referred to collectively as "Plan"); (ii) Trustor's assets do not constitute "plan assets" of one or more such Plans within the meaning of Department of Labor Regulation Section 2510.3-101; (iii) Trustor will not transfer or convey the property to a Plan or to a person or entity whose assets constitute such "plan assets", and Trustor will not be reconstituted as a Plan or as an entity whose assets constitute "plan assets"; (iv) Trustor will not enter into any space leases affecting the property where the tenant thereunder is a Plan or entity whose assets constitute such "plan assets"; and (v) with respect to the indebtedness secured by this Deed of Trust, Trustor is acting on its own behalf and not on account of or for the benefit of any Plan.

23. Trustor agrees and acknowledges that this Deed of Trust is given as security for payment of the Promissory Notes and as security for performance under the terms and conditions of that certain Long Form Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement (California) dated December 15, 1992 and recorded January 6, 1993 as instrument No. 93002065 Official Records, San Joaquin County, California, and recorded January 6, 1993 as Instrument No. 1993-002262-2 Official Records, Sonoma County, California executed by Trustor in favor of Beneficiary (the "Other Deed of Trust"). In the event Trustor shall fail to comply with all the terms, provision and conditions of the Other Deed of Trust so as to constitute a default thereunder, such failure on the part of Trustor shall constitute a default under this Deed of Trust and shall entitle Beneficiary at its option, to exercise any and all rights and remedies given Beneficiary in the event of a default hereunder without apportionment or allocation of any of the property encumbered by this Deed of Trust or the Other Deed of Trust and without regard as to whether or not Beneficiary exercises its rights under the Other Deed of Trust and vice versa. The enforcement of this Deed of Trust and/or the Other Deed of Trust, whether by court action or otherwise, shall not prejudice or in any way limit or preclude the enforcement of this Deed of Trust or the Other Deed of Trust or any other documents executed by Trustor in connection herewith.

C. The following schedules are annexed hereto and made a part hereof: Schedule "A", Legal Description and Schedule "B", Personal Property List.

D. Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the following address as provided by law:

Signature of Trustor:

Sebastiani Vineyards, Inc., a Delaware corporation

By:

  
Richard K. Conley, Vice President and  
Chief Operating Officer

Street Address

P.O. Box AA  
Sonoma, CA 95476

TIN#: 94-2189646

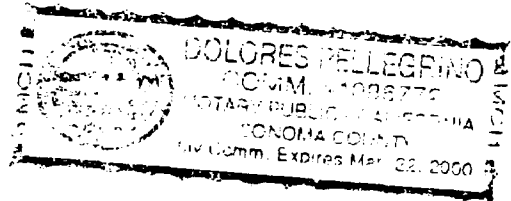
STATE OF CALIFORNIA )  
 )  
COUNTY OF San Diego ) SS:

On May 8, 1998, 19 98, before me, DOLORES PELLEGRINO, a Notary Public in and for the State of California, personally appeared RICHARD K. LENLEY, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the within instrument in his or her authorized capacity and that, by his or her signature on the within instrument, the person or entity upon behalf of which he or she acted executed the within instrument.

WITNESS my hand and official seal.

Dolores Pellegrino  
Notary Public (Signature)

(SEAL)



California 10/18/88 version  
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SCHEDULE A

The land referred to in this Report is situated in the State of California, County of Sonoma, City of Sonoma and is described as follows:

TRACT 1:

Beginning at the Southeasterly corner of Lot 257 which is also the Northwest corner of Spain Street and Fourth Street East formerly Huichica Street in said City and running thence North 7° 11' East along the Westerly line of Fourth Street East, 47.30 feet to a point; thence South 82° 21' East, across Fourth Street East, 50.70 feet to a pipe monument on the Easterly line of Fourth Street East, the actual place of beginning of the real property herein described; thence North 7° 11' East, along the Easterly line of Fourth Street East, 114.80 feet to the intersection of the Southerly line of right of way of a side tract of the San Francisco and North Pacific Railway Company of record in Book 226 of Deeds, page 51, Sonoma County Records; thence along the Southerly line of said right of way and the Northerly side of a stone warehouse, the three following courses and distances: South 82° 18' East, 133.70 feet; thence South 78° 48' East, 30.85 feet; thence South 74° 48' East, 26.00 feet to a point of intersection of the Southerly line of said siding right of way and the most southerly right of way line of the main line railroad; thence on left curve, radius 1458 feet a distance of 93.41 feet, more or less, to a point; thence South 81° 14' 30" East leaving said Southerly line of the 50 foot wide right of way in a direct line 316.38 feet to a point in the Southerly line of the 30 foot wide strip of land described in deed dated November 17, 1879 from William Eldridge and Jane Eldridge to the Sonoma Valley Railroad Company, recorded April 26, 1893 in Book 144 of Deeds, page 230, Sonoma County Records, said point bears South 82° 55' 30" East 80.00 feet from another point in the Easterly line of the 50 foot wide right of way which bears South 7° 04' 30" South 15.00 feet from Engineer's Station 1022+04.7 B.C. in the original centerline of said railroad; thence South 82° 55' 30" East along the Southerly line of the 30 foot wide right of way, 361.90 feet to a pipe monument in the line of a fence; thence South 9° 43' West along said fence 119.67 feet to a pipe monument; thence North 83° 21' 30" West, 50.50 feet to a pipe monument on the Northeast corner of Registered Land as described in last Certificate No. 830; thence North 83° 21' 30" West, along the Southerly line of Outlot No. 503, Ex Pueblo of Sonoma, 2221.00 feet to a pipe monument on the Northwest corner Registered Land described in Certificate No. 830, identical with the Easterly line of Fifth Street East and the Westerly line of Outlot No. 503, Ex Pueblo of Sonoma, Sonoma County Records; thence North 9° 36' 30" East, 6.70 feet to a pipe monument in the center of a creek; thence North 86° 02' 30" West, 172.40 feet to a point; thence North 86° 14' 30" West, along the centerline of a concrete lined creek, 236.55 feet to a point in the floor of the creek; thence North 6° 20' 10" East, 55.63 feet to a point; thence North 82° 21' West, 274.70 feet to the place of beginning.

98056025

**Order No. 171256DP**

Except therefrom all that part which lies West of the West line of Fifth Street East, as shown on the Official Map of the City of Sonoma.

A.P. No.: 127-231-01

**TRACT 2:**

All that real property situated in the City of Sonoma, County of Sonoma, State of California, and is described as follows:

Commencing at a point on the Westerly line of Huichica Street or Fourth Street East at the Northeasterly corner of Lot 249 of the City of Sonoma; thence Southerly along the Westerly line of Huichica Street to a point which is 150 feet Northerly of the north line of the Northwestern Pacific Railroad Company right of way; thence at right angles to said Huichica Street, westerly 150 feet; thence at right angles Southerly 85 feet, more or less, to a point on the Northeasterly line of the lands conveyed by Patrick William Riordan to San Francisco and North Pacific Railway Company, for railroad purposes, by deed dated February 26, 1890 and recorded February 28, 1890 in Book 125 of Deeds, page 147, Sonoma County Records; thence Northwesterly along the Northeasterly line of said railroad right of way to the intersection thereof with the Easterly line of Lot 20 of said City of Sonoma; thence Northerly along the Easterly line of said lot 20 and Lot 1 of said City of Sonoma, to the Northeasterly corner of said Lot 1; thence easterly crossing Third Street East or Cooper Street and along the Northerly line of Lots 250 and 249 to the place of commencement. Being Lots 249 and 250 portion of Lots 251 and 252 and portions of Third Street East or Cooper Street and Turkey or Ray Street in the City of Sonoma.

A.P. Nos.: 018-141-04 & 018-181-27

**TRACT 3:**

**PARCEL ONE:**

The South half of Section No. 6 of the Petaluma Rancho according to the subdivision plat and survey of said Rancho, made by Jasper O'Farrell, in 1848 or 1849.

Excepting therefrom the following:

Commencing at the intersection of the Easterly line of the right of way of the Southern Pacific Railroad Company, with the Northerly line of the Petaluma-Sonoma County Road running along the Southerly line of Section 6 of the Petaluma Rancho, according to the Subdivision plat survey of said Rancho, made by Jasper O'Farrell in 1848 or 1849; and running thence along the Easterly line of said right of way of the Southern Pacific Railroad Company on an arc of a circle, the long chord of which is North 21° 47' West, 1053.1 feet and the middle ordinate 13.0 feet; thence continuing along the Easterly line of said right of way, North 19° 20' West, 1316.9

continued...



**Order No. 171256DP**

feet to the Northerly line of the South half of said Section 6 of the Petaluma Rancho, as now fenced; thence along the Northerly line of said Section 6; North 71° 30' East, 1246.3 feet to the center of Sonoma Creek; thence Southerly down the center of Sonoma Creek to the Northerly line of the said Petaluma-Sonoma County Road; thence along the Northerly line of said County Road, South 67° 39' West, 990.2 feet to place of beginning, being a portion of the South half of Section 6. of said Petaluma Rancho.

Being the property conveyed by Agostino Acquistapace, et al, to Thomas Maxwell, by deed dated August 22, 1923 and recorded in Book 51 of Official Records, at page 365.

Also excepting therefrom, the portion conveyed by Frank Tate to Santa Rosa and Carquinez Railroad Company, a corporation, by deed dated June 1887 and recorded September 27, 1887 in Book 109 of Deeds, page 113.

**PARCEL TWO:**

Being a portion of the Petaluma Rancho, bounded and described as follows:

Beginning at a redwood stake, standing at the most Westerly corner of the piece of land conveyed by Jerome Lincoln to Samuel J. Agnew, by deed dated July 1, 1865, recorded in Book 17 of Deeds, page 690 of Sonoma County Records, and at the most Southerly corner of Section 6 of O'Farrell's Survey of a portion of said Rancho; and thence North 23°02' West, on the line of Section 6, 37.83 chains to a stake set by the Surveyor, Thomas; thence South 71°29' West, 25.73 chains to a stake in the fence along the highway; thence South 33° 13' East 40.45 chains to a stake at the corner of the road; thence North 67 1/2° East, 18.37 chains to the place of beginning.

Excepting therefrom that portion conveyed by W.J. Wilson to the County of Sonoma by deed recorded November 2, 1967 under Recorder's Serial No. K-56367 of Sonoma County Records.

Also excepting therefrom that portion conveyed by W.J. Wilson to the County of Sonoma by Deed recorded December 18, 1969 under Recorder's Serial No. L-46274 of Sonoma County Records.

Also excepting therefrom the two Parcels described above, that portion conveyed by Frank Tate to the County of Sonoma, for road purposes, by deed dated April 19, 1899, and recorded June 3, 1899 in Book 184 of Deeds, Page 571.

Also excepting therefrom that portion described in Deed to County of Sonoma recorded October 27, 1993, under Document No. 1993 0137967, Official Records of Sonoma County, California.

A.P.No.: 128-301-34

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**Order No. 171256DP****TRACT 4:**

Lots 5 and 6 in Block 3, as shown upon the map entitled "Map of Subdivision of the land of Mrs. R.J. Snyder, known as The Wood's Field near Sonoma, Sonoma County, California", filed May 22, 1913, in Book 30 of Maps, page 10, Sonoma County Records.

A.P.No.: 127-172-19

**TRACT 5:**

Commencing at a 3" by 3" stake in the Southwest corner of Lot 1, Block 1, as numbered and designated upon a map entitled "Map of Subdivision of the lands of Mrs. R.J. Snyder, known as Woods Field, near Sonoma," filed May 22, 1913 in Book 30 of Maps, page 10, Sonoma County Records, the said stake being in the Northerly line of the Northwestern Pacific Railroad right of way; thence leaving the said Northerly line, North 7°42' East, along the Westerly line of the said Lot 1, 461.40 feet to a point in the center of the County Road, known as Lovall Valley Road; thence North 82°08' West, along the center of the said Lovall Valley Road, 731.65 feet; thence leaving the center of Lovall Valley Road, South 19°12' West, 20.40 feet to a 1" diameter iron pipe, the point of beginning of the herein described real property; thence continuing South 19°12' West, 181.48 feet to a 1" diameter iron pipe; thence South 62°28' East, 190.85 feet to a 1" diameter iron pipe; thence South 15°25' West, 171.70 feet to a 1" diameter iron pipe; thence continuing South 15°25' West, to a point in the said Northerly line of the Northwestern Pacific Railroad right of way; thence Northwesterly, along the said Northerly line to a point in the Easterly line of Fourth Street East; thence Northerly along the said Easterly line of Fourth Street East to its intersection with the Southerly line of Lovall Valley Road; thence South 82°08' East, along the said Southerly line of Lovall Valley Road to the point of beginning.

Excepting therefrom the following described real property:

Commencing at a found 1" iron pipe in the Southeasterly property corner of the intersection of Fourth Street East with Lovall Valley Road in the City of Sonoma, State of California; thence South 7° West, 112.91 feet along the Easterly line of Fourth Street East to a set 1" iron pipe, the true point of beginning; thence South 82°08' East 124.77 feet to a set 1/2" iron pipe; thence South 7° West, 67.10 feet to a point marked in existing concrete; thence North 82°08' West, 124.77 feet to a set concrete nail in the easterly line of Fourth Street East; thence North 7° East along the easterly line of Fourth Street East to the true point of beginning.

Also excepting therefrom all that real property described in that certain Grant Deed, Waldron R. Parker and Bertha S. Parker to August D. Sebastiani and Sylvia E. Sebastiani, his wife, dated November 25, 1970 and recorded on December 2, 1970 in Book 2499, page 575, Sonoma County Records, No. L-88679.

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Together with an easement for access to existing water lines and the right to move the lines to a convenient location as reserved in Deed recorded in Book 1626 of Official Records, page 22, Recorder's Serial No. F-56314, Sonoma County Records.

A.P. No.: 018-182-12

**TRACT 6:**

Commencing at a found 1" iron pipe in the Southeasterly property corner of the intersection of Fourth Street East with Lovall Valley Road in the City of Sonoma, State of California: thence South 7° West, 112.91 feet along the Easterly line of Fourth Street East to a set 1" iron pipe, the true point of beginning; thence South 82°08' East, 124.77 feet to a set 1/2" iron pipe; thence South 7° West, 67.10 feet to a point marked in existing concrete; thence North 82°08' West 124.77 feet to a concrete nail in the Easterly line of Fourth Street East; thence North 7° East along the Easterly line of Fourth Street East to the true point of beginning.

A.P. No.: 018-182-13

**TRACT 7:****PARCEL ONE:**

Beginning at the Southeasterly corner of Lot 257 which is also the Northwest corner of Spain Street and Fourth Street East formerly Huichica Street in said City and running thence North 7°11' East along the Westerly line of Fourth Street East, 47.30 feet to a point; thence South 82°21' East, across Fourth Street East, 50.70 feet to a pipe monument on the Easterly line of Fourth Street East, the actual place of beginning of the real property herein described; thence North 7°11' East, along the Easterly line of Fourth Street East, 114.80 feet to the intersection of the Southerly line of right of way of a side tract of the San Francisco and North Pacific Railway Company of record in Book 226 of Deeds, page 51, Sonoma County Records; thence along the Southerly line of said right of way and the Northerly side of a stone warehouse, the three following courses and distances: South 82°18' East, 133.70 feet; thence South 78°48' East, 30.85 feet; thence South 74°48' East, 26.00 feet to a point of intersection of the Southerly line of said siding right of way and the most Southerly right of way line of the main line railroad; thence on left curve, radius 1458 feet a distance of 93.41 feet, more or less, to a point; thence South 81°14'30" East leaving said Southerly line of the 50 foot wide right of way in a direct line 316.38 feet to a point in the Southerly line of the 30 foot wide strip of land described in deed dated November 17, 1879 from William Eldridge and Jane Eldridge to the Sonoma Valley Railroad Company, recorded April 26, 1893 in Book 144 of Deeds, page 230, Sonoma County Records, said point bears South 82°55'30" East 80.00 feet from another point in the Easterly line of the 50 foot wide right of way which bears South 7°04'30" South 15.00 feet from Engineer's Station 1022+0.47 B.C. in the original centerline of said railroad; thence South 82°55'30" East along the Southerly line of the 30 foot wide right of way, 361.90 feet to a pipe monument in the line of a fence; thence South 9°43' West along said fence 119.67 feet to a pipe monument; thence North 83°21'30" West, 50.50 feet to a pipe monument on the Northeast corner of Registered Lands as described in the last Certificate No. 830; thence North 83°21'30"

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West, along the Southerly line of Outlot No. 503, Ex Pueblo of Sonoma, 221.00 feet to a pipe monument of the Northwest corner Registered Land described in Certificate No. 830, identical with the Easterly line of Fifth Street East and the Westerly line of Outlot No. 503, Ex Pueblo of Sonoma, Sonoma County Records; thence North  $9^{\circ}36'30''$  East, 6.70 feet to a pipe monument in the center of a creek; thence North  $86^{\circ}02'30''$  West, 172.40 feet to a point; thence North  $86^{\circ}14'30''$  West, along the centerline of a concrete lined creek, 236.55 feet to a point in the floor of the creek; thence North  $6^{\circ}20'10''$  East, 55.63 feet to a point; thence North  $82^{\circ}21'$  West, 274.70 feet to the place of beginning.

Except therefrom all that part which lies East of the West line of fifth Street East, as shown on the Official Map of the City of Sonoma.

**PARCEL TWO:**

Beginning at the Southeasterly corner of Lot 257 which is also the Northwest corner of Spain Street and Fourth Street East, formerly Huichica Street in said City, and running thence North  $7^{\circ}11'$  East along the Westerly line of Fourth Street East, 47.30 feet to a point; thence South  $82^{\circ}21'$  East across Fourth Street East, 50.70 feet to a pipe monument on the Easterly line of Fourth Street East; thence North  $7^{\circ}11'$  East, along the Easterly line of Fourth Street East, 134.80 feet, the actual place of beginning of the real property herein described; thence South  $82^{\circ}18'$  East, along the Northerly line of siding right of way, 91.10 feet to a pipe monument at the point of intersection of said siding line with the Southwesterly line of the main line right of way; thence Northwesterly along a curve to the right, radius of 14.58 feet to a point on the East line of Fourth Street East; thence South  $7^{\circ}11'$  West along said right of way line 29.90 feet to the place of beginning.

A.P. No.: 018-182-14

**TRACT 8:****PARCEL ONE:**

Beginning at a point at the intersection of the Northerly line of Spain Street with the Southeasterly corner of land conveyed by Thomas Brown and Valentine L. Brown, to Marie Fischer, by deed dated September 4, 1896 and recorded in Book 168 of Deeds, page 304, Sonoma County Records; thence along said Northerly line of Spain Street in an Easterly direction, 50 feet to a point; thence Northerly and parallel with the said land of Marie Fischer, 153 feet to a point; thence Easterly, and parallel with the Northerly line of Spain Street, 150 feet to a point; thence at right angles, in a Northerly direction, 239.2 feet to the main right of way for the Northwestern Pacific Railroad, Glen Ellen Branch; thence in a Northwesterly direction, along the Southerly line of said main right of way, 226.2 feet to a point; thence Southerly, along the Easterly line of land of said Marie Fischer, a distance of 467.8 feet to the point of beginning. Being a part of Lots 258 and 251, as the same are shown, numbered and designated on the Official map or plat of said City of Sonoma.

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Excepting a right of way for siding to and in favor of the San Francisco and North Pacific Railway Company, a California railroad corporation, 200 feet long and 20 feet wide, running parallel with the Northerly line of Spain Street and distant therefrom 153 feet.

**PARCEL TWO:**

Commencing at a concrete monument located at the intersection of the centerlines of Spain and First Street East in the City of Sonoma; thence along the centerline of Spain Street, South 82°52' East 654.1 feet to the center of Spain and Second Street East; thence along the center of Spain Street, South 82°43' East, 627.6 feet; thence North 6°58' East, 28.7 feet to a point located in the Northerly line of Spain Street, said point being the Southwesterly corner of lands of Margherita Caminata, as shown in Deed conveyed by Angelo Caminata to Margherita Caminata, dated November 13, 1908, recorded December 9, 1908 in Book 251 of Deeds, page 489, Sonoma County Records; thence along the Westerly line of land of Margherita Caminata, North 6°58' East, 211.8 feet to an iron pipe monument, the point of beginning; thence North 6°58' East, 293.8 feet to an iron pipe monument located in the Southerly line of the right of way of the Northwestern Pacific Railroad Company; thence along the Southerly line of said right of way, South 60°28' East 98.5 feet to an iron pipe monument; thence South 7°22' West, 269.8 feet to a point; thence North 73°45' West, 90.8 feet to the point of beginning Bearings true.

A.P. No.: 018-181-02

**TRACT 9:****PARCEL ONE:**

Being a portion of the lands conveyed to Mary Ann Sebastiani by deed dated January 26, 1953 and recorded February 19, 1953 in Book 1189, page 246, Sonoma County Records, and more particularly described as follows:

Beginning at a 3" x 3" stake in the southwest corner of Lot 1, Block 1, as numbered and designated upon a map entitled "The Lands of R.J. Snyder, known as "The Woods Field", recorded May 22, 1913 in Book 30 of Maps, page 10, Sonoma County Records, said stake being in the northerly line of the Northwestern Pacific Railroad right of way; thence leaving said northerly line, North 7° 42' East, along the Westerly line of said Lot 1, 461.4 feet to the center of the County Road, known as Snyder Avenue; thence North 82° 08' West, along the center of said County Road, 731.65 feet; thence leaving the said centerline South 19° 12' West, 20.40 feet to a one inch diameter iron pipe monument; thence continuing South 19° 12' West, 181.48 feet to a one inch diameter iron pipe monument; thence South 62° 28' East, 190.85 feet to a one inch diameter iron pipe monument; thence South 15° 25' West, 171.70 feet to a one inch diameter iron pipe monument; thence continuing South 15° 25' West to a point in the said northerly line of the Northwestern Pacific Railroad right of way; thence easterly, along the said northerly line, to the point of beginning.

Excepting any portion thereof which lies West of the West line of Fifth Street East, extended of the Pueblo of Sonoma as per the Official Map thereof.

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Also excepting any portion thereof conveyed to The Northwestern Pacific Railroad Company, a corporation, by deed recorded November 7, 1918 in Book 365 of Deeds, page 18, Sonoma County Records.

Also excepting that portion conveyed to the City of Sonoma along Lovall Valley Road, by deed recorded January 28, 1985, 1985 under Recorder's Document # 85-005498, Sonoma County Records.

**PARCEL TWO:**

Being a portion of the lands conveyed to Mary Ann Sebastiani by deed dated March 13, 1953, and recorded April 2, 1953 in Book 1198, page 482, Sonoma County Records, and more particularly described as follows:

Beginning at a 3" x 3" stake in the Southwest corner of Lot 1, Block 1, as numbered and designated upon a map of the lands of Mrs. R.J. Snyder, known as Woods Field, recorded May 22, 1913 in Book 30 of Maps, page 10, Sonoma County Records, said stake being in the northerly line of the Northwestern Pacific Railroad right of way; thence leaving the said northerly line, North 7° 42' East, along the Westerly line of said Lot 1, 264.00 feet to an iron pipe monument; thence leaving the said Westerly line, South 82°58' 50.00 feet; thence South 7° 42' West 264.00 feet to the Northerly line of the railroad right of way; thence North 82° 58' West, along said Northerly line, 50.00 feet to the point of beginning.

A.P. No.: 127-161-07

**PARCEL THREE:**

All that property situated South of Turkey Street or Snyder Avenue bounded on the West, East and South by lands owned by Mary Ann Sebastiani, an area of approximately two acres. This land is located just East of the Easterly City Limits of the City of Sonoma.

Excepting therefrom that portion conveyed to The City of Sonoma by Document recorded January 28, 1985 under Recorder's Document No. 85005496, Official Records of Sonoma County, California.

A.P. No.: 127-161-04

**PARCEL FOUR:**

Being a portion of the parcel of land conveyed to Mary Ann Sebastiani, by Deed recorded February 19, 1953 in Book 1189 of Official Records, page 246, Sonoma County Records, said portion being more particularly described as follows:

Beginning at a point on the centerline of Lovall Valley Road, said point being the intersection of said centerline with the Southerly projection of the Westerly line of Lot 7 in Block 2. "Map

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of Subdivision of the Lands of Mrs. R. J. Snyder, known as "The Woods Field", recorded in Book 30 of Maps, page 10, Sonoma County Records, and said point being also a point on the Easterly boundary of the City of Sonoma; thence from said point of beginning, along said centerline of Lovall Valley Road, being the Northerly line of said parcel conveyed to Mary Ann Sebastiani, North 82°08' West, 383.65 feet, more or less, to the Northwestern corner of said Sebastiani Parcel; thence leaving said centerline, along the Westerly boundary of said parcel conveyed to Mary Ann Sebastiani, South 19°12' West, 201.88 feet, South 62°28' East, 190.85 feet and South 15°25' West, 171.7 feet, more or less, to a point on the Southerly line of said Sebastiani Parcel, being the Northerly line of the lands of the Northwestern Pacific Railroad; thence Easterly, along said Southerly line of said Sebastiani Parcel, to the intersection of said Southerly line the aforesaid Southerly projection of the Westerly line of Lot 7 in Block 2 of "The Woods Field Subdivision", said Southerly projection being said Easterly boundary of the City of Sonoma and being also the Westerly line of the lands described in that certain Land Conservation Contract recorded in Book 2608 of Official Records, page 589, Sonoma County Records; thence leaving said Southerly line of said parcel conveyed to Mary Ann Sebastiani, Northerly along said Southerly projection of said Westerly line of Lot 7 in Block 2 of "The Woods Field Subdivision", and said City boundary, to the point of beginning.

A.P. No.: 018-182-05

**TRACT 10:**

Commencing at the intersection of the centerline of Fourth Street East with the centerline of Spain Street; thence North 7° 15' East, along the centerline of Fourth Street East, 300.60 feet; thence leaving the said centerline of Fourth Street East, North 59° 03'30" West, 30.14 feet to the intersection of the Westerly line of Fourth Street with the Northerly line of the lands and right of way of the Northwestern Pacific Railroad, the point of beginning of the herein described real property; thence continuing North 59° 03'30" West, along the said Northerly line, 163.81 feet; thence leaving the said Northerly line, North 7° 15' East, 84.18 feet; thence South 82° 45' East 150.00 feet to a point in the said Westerly line of Fourth Street East; thence South 7°15' West, along the said Westerly line 150.00 feet to the point of beginning.

A.P. No.: 018-181-07

**TRACT 11:**

Beginning at the Southeasterly corner of Lot No. 257, which is also the Northwest corner of Spain Street and Fourth Street East, formerly Huichica Street in said City and running thence North 7° 11' East, along the Westerly line of Fourth Street East, 173 feet to the Northeasterly corner of a 20 foot strip of land, a right of way for a siding of the San Francisco and North Pacific Railroad Company as described in Exception of Record in Book 383 of Deeds, page 360, Sonoma County Records, the actual place of beginning of the real property herein described; thence North 82°52' West, along the Northerly line of said 20 foot strip and parallel with the Northerly line of Spain Street, 343.70 feet to a pipe monument; thence North 7° 14'30" East, along the Easterly boundary of the lands formerly of Adam W. Adler to a pipe monument on

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the Northeast corner of the lands conveyed by William H. Daly and Fannie N. Daly, to aforesaid Adam W. Adler by deed dated October 28, 1913 the said being of record in the Office of the County Recorder of the County of Sonoma, State of California, 204.90 feet; thence South 59°19' East, along the Southwesterly line of the right of way of the said Railway Company, 350.00 feet to a point which bears South 30°41' West, 25 feet from Engineer's Station E.C. 1027+95.03 on the centerline of said railway main line; thence on left curve tangent to a line bearing South 59°19' East, radius 1458 feet, arc 16.80 feet; thence South 7°11' West, along the Westerly line of Fourth Street East, 58.20 feet to the place of beginning.

A.P.No.: 018-181-08

**TRACT 12:**

Commencing at the intersection of the centerline of Fourth Street East with the centerline of Spain Street; thence North 82° 40' 10" West, along the said centerline of Spain Street, 99.60 feet; thence leaving the said centerline of Spain Street, North 7° 15' East, 27.60 feet to a point in the North line of said Spain Street, the point of beginning of the herein described real property; thence North 82° 40' 10" West, along the said North line, 78.00 feet; thence leaving the said North line, North 7° 15' East, 153.00 feet; thence South 82° 40' 10" East, 78.00 feet; thence South 7° 15' West, 153.00 feet to the point of beginning.

A.P. No.: 018-181-10

**TRACT 13:**

Commencing at the intersection of the centerline of Fourth Street East with the centerline of Spain Street; thence North 82°40'10" West, along the centerline of Spain Street, 27.60 feet; thence North 7°15' East, 27.60 feet to the point of beginning of the herein described real property: said point being the intersection of the North line of Spain Street and the West line of Fourth Street East; thence North 82°40'10" West, along the North line of Spain Street 72.00 feet; thence leaving said North line, North 7°15' East, 153.00 feet; thence South 82°40'10" East 72 feet to a 3/4" iron pipe set on the West line of Fourth Street East 153; thence South 7°15' East and along the West line of Fourth Street East feet to the point of beginning.

A.P. No.: 018-181-11

**TRACT 14:**

Beginning at a point in the Westerly line of Fourth Street East in said City of Sonoma, distant Northerly, measured at right angles, 153 feet from the Northerly line of Spain Street; thence Westerly, parallel with said Northerly line of Spain Street, 344 feet; thence Northerly, at right angles, 20 feet; thence Easterly, at right angles, 344 feet to a point in said Westerly line of Fourth Street East; thence Southerly, along said Westerly line, 20 feet to the point of beginning.

A.P. No.: 018-181-22

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**TRACT 15:****PARCEL ONE:**

Being a portion of the Petaluma Rancho and being a portion of the property in Decree of Condemnation, recorded December 22, 1887, in Book 110 of Deeds, page 348, Sonoma County Records, being a strip of land 60 feet in width, 30 feet on each side of the following described center line; commencing at Engineer's Station 762+53.86 of the former Santa Rosa and

Carquinez Railroad Company; thence North 20° West, along the center of said right of way a distance of 1599.14 feet to Engineer's Station 778+53 on the Southeasterly line of the County Road leading from Sonoma to Petaluma.

Excepting therefrom that portion conveyed to the County of Sonoma by deed dated March 24, 1976 and recorded April 6, 1976, in Book 3065 of Official Records, page 404, under Recorder's Serial No. R-20126, Sonoma County Records.

**PARCEL TWO:**

Being a portion of Petaluma Rancho, said portion being described as follows:

Commencing at an iron pin driven in the ground which marks the point of intersection of the center line of the County Road leading from Sonoma to Petaluma with the Westerly line of the Southern Pacific Railroad Co. right of way, formerly the Santa Rosa and Carquinez Railroad; thence South 20° East, and along the Westerly line of said Railroad Right of Way, said railroad right of way line also being the Easterly line of the 80.20 acre parcel of land formerly owned by Henry Frederick Bates, as described in Torrens Title Certificate dated March 16, 1921 and recorded in Book 1 of Torrens Title, page 82, Sonoma County Records, a distance of 806.52 feet, more or less, to an iron pipe monument which marks an angle in the boundary line of said 80.20 acre tract, said point of being the point of beginning of the parcel of land to be herein described; thence from said point of beginning, leaving said right of way, South 66° West, and along the boundary line of said 80.20 acre tract, a distance of 1930.90 feet, more or less, to an iron pipe monument which marks an angle in the boundary line of said 80.20 acre tract; thence South 19°08' East, and continuing along said boundary line, a distance of 1243.70 feet, more or less, to an iron pipe monument which marks the Southeasterly corner of said 80.20 acre tract, said point being on the Northerly line of the lands formerly owned by Frank Tate and later conveyed to W.J. Wilson, by deed dated August 30, 1926 and recorded in Book 146 of Official Records page 440, Recorder's Serial No. 62100, Sonoma County Records; thence North 70° 57'30" East and along the division line between the lands conveyed to Granville S. Harris, Jr., et al. by deed recorded October 29, 1948 in Book 836 of Official Records, page 450. Sonoma County Records and said lands conveyed to W.J. Wilson, formerly the lands of Frank Tate, a distance of 1563.50 feet, more or less, to an iron pipe driven in the center line of Fowler Creek, and from which point in an iron pipe driven on the Westerly line of said railroad right of way bears North 70° 57'30" East, a distance of 381.80 feet; thence leaving said division line and along the center line of Fowler Creek, North 08° 50' 30" East, 251.40 feet to an iron pipe; and

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North 05°46'18" East, 394.51 feet to an iron pipe; thence North 70° East, 89 feet to an iron pipe driven on the Westerly line of said railroad right of way; thence North 20° West, and along the Westerly line of said railroad right of way, a distance of 828.92 feet; more or less, to the point of beginning.

**PARCEL THREE:**

A right of way over an upon the land formerly owned by John R. Cooper and Janet Cooper, and being a strip of land 20 feet wide and particularly described as follows:

Commencing at the point in the Southeasterly line of the old public road leading from the town of Sonoma to the town of Petaluma in said County, where said line intersects the Southwest boundary line of the strip of land formerly of the Carquinez Railroad Company; thence Southeasterly along and with the said Southwest boundary line of said railroad to the Northwest corner of the 42 acre tract heretofore deeded to the said Thomas S. Cooper by John R. Cooper; thence Southwesterly along the Northwest boundary line of the said 42 acre tract, a distance of 20 feet; thence in a Northwesterly direction, parallel with said first line and 20 feet distant therefrom to the said County Road described; and thence Northeast, a distance of 20 feet to the place of beginning, being a right of way for all purposes of travel over and upon the same by the said Thomas S. Cooper, Janet Cooper and John R. Cooper and Fannie J. Cooper, and their heirs and assigns with all of the rights and privileges pertaining to said right of way as conveyed to Thomas S. Cooper by said Janet Cooper and John R. Cooper, by Deed dated June 15, 1893.

A.P.No.: 128-301-26

**TRACT 16:****PARCEL ONE:**

Lots 2,3, 6 and 7 in Block 2 as shown upon the map entitled "Map of Subdivision of the Lands of Mrs. R.J. Snyder known as "The Woods Field", near Sonoma, Sonoma Co., Cal." filed May 22, 1913 in Book 30 of Maps, page 10, Sonoma County Records.

**PARCEL TWO:**

Lot 4 in Block 2 as shown upon the map entitled "Map of Subdivision of the lands of Mrs. R.J. Snyder known as "The Woods Field" near Sonoma, Sonoma County, California" filed May 22, 1913 in Book 30 of Maps, page 10, Sonoma County Records.

**PARCEL THREE:**

Lot 5, Block 2, as said lot and block are numbered and designated upon the map entitled "Map of Subdivision of the lands of Mrs. R.J. Snyder", etc., recorded in Book 30 at Page 10 of Maps, in the Sonoma County Recorder's Office.

continued...

**Order No. 171256DP**

Saving and excepting therefrom the following described portion thereof Beginning at a point which is the intersection of the center line of Ghericke Road and Lovall Valley Road; thence North 6°56' East a distance of 200 feet; thence North 82°08' West a distance of 242 feet; thence South 6° 56' West a distance of 200 feet; thence South 82° 08' East to the point of beginning.

A.P. No.: 127-162-18

**TRACT 17:**

**PARCEL ONE:**

BEGINNING at a set 1/2 inch iron pipe at the intersection of the northerly line of Fremont Drive (State Sign Route No. 121), a 60.00 foot wide road, with the easterly line of Arnold Drive (State Sign Route 116), a 50.00 foot wide road, said point being on the westerly line of the parcel of land conveyed by Emma Merriam to Joseph Scarafoni, by Deed recorded June 23, 1926, in Book 143 of Official Records, page 102, Sonoma County Records; thence along the said easterly line of Arnold Drive and the westerly line of the said Joseph Scarafoni parcel, North 22° 51' 40" West, (Deed-North 39° West), 2996.91 feet to a set 1/2 inch iron pipe marking the most southerly corner of "Parcel Three" as described in the Deed of Trust between Rose A. Millerick and Pierina Scarafoni, recorded June 26, 1969, in Book 2402 of Official Records, page 511, Sonoma County Records, said corner being an angle point in the said easterly line of Arnold Drive; thence along the said easterly line of Arnold Drive and the westerly line of said "Parcel Three", North 58° 19' 50" West (Deed-North 61° West), 305.76 feet to a set 1/2 inch iron pipe; thence leaving said easterly line of Arnold Drive, crossing said "Parcel Three" and the aforesaid Joseph Scarafoni parcel, North 67°24' East, 4613.91 feet to a set 1/2 inch iron pipe; thence continuing North 67°24' East, 66.33 feet, more or less, to a point on the westerly bank of Sonoma Creek, being the easterly boundary of the said Joseph Scarafoni parcel; thence along said westerly bank of Sonoma Creek and the said easterly line of the Joseph Scarafoni parcel, South 47°19' West, 159.73 feet, South 18°46' West, 195.0 feet; South 7°46' West, 150.18 feet; South 21°12' East, 90.0 feet; South 29°44' East, 370.07 feet; South 10°51' East, 686.0 feet; South 2°34' West, 649.0 feet; South 9° 29' West, 492.0 feet; South 49°27' West, 72.0 feet; South 23° 08' West, 210.0 feet; South 15°00'10" East, 151.93 feet; and South 3°23'50" East, 186.29 feet, more or less, to a point on the northerly line of said Fremont Drive (State Sign Route No. 121), at this point being an 80.00 foot wide road; thence leaving said westerly bank of Sonoma Creek and said easterly line of the Joseph Scarafoni parcel, along the said northerly line of Fremont Drive, South 40° 48' West, 11.34 feet, more or less, to a set 1/2 inch iron pipe; thence continuing along said line South 40° 48' West, 358.66 feet to a point opposite Engineer's Station 4+64.26 E.C.; thence continuing along said northerly line along the arc of a curve to the right with a radius of 960 feet, through a central angle of 26°36', for a distance of 445.69 feet to a found 6 inch by 6 inch broken concrete monument opposite Engineer's Station "B" 0+00 B.C.="A" 641+37.05 P.O.T.; thence, leaving the northerly line of said 80.00 foot wide road, South 22°36' East, 10.00 feet to a set 1/2 inch iron pipe on the northerly line of said Fremont Drive where it becomes a 60.00 foot wide road; thence along said northerly line South 67°24' West, 2525.57 feet to the point of beginning.

continued...

Excepting therefrom that portion conveyed to the State of California for a public highway by Sylvia Sebastiani, by Deed dated January 27, 1970 and recorded March 17, 1970, in Book 2450 of Official Records, page 555, under Recorder's Serial No. L-56065, Sonoma County Records.

**PARCEL TWO:**

All that property conveyed to Sebastiani Vineyards, Inc., a Delaware corporation, by the State of California, by Deed dated March 29, 1984 and recorded April 5, 1984, under Document No. 84-022246, Sonoma County Records.

A.P. No.: 142-081-15

**PARCEL THREE:**

Lot No. 85, containing 67.49 acres, as numbered and designated upon the map entitled Subdivision of a portion of the Petaluma Rancho, surveyed October 1863, by John LaCrose, filed in the office of the County Recorder on February 8, 1864 and recorded in Book "A" of Maps, page 8, (also known as Book 8 of Maps, page 13) Sonoma County Records.

Excepting therefrom all that portion contained in the Deed from Sebastiani Vineyards, Inc., to Adolph Mueller, II, et al, dated May 28, 1975 and recorded June 2, 1975, in Book 2964 of Official Records, page 61, under Recorder's Serial No. P-61075, Sonoma County Records.

A.P. No.: 128-471-19

**PARCEL FOUR:**

Being a portion of Parcel One as conveyed to Schellville Vineyards, Inc. et al, by Deed recorded in Book 2805 of Official Records, page 572, Sonoma County Records, said portion being more particularly described as follows:

BEGINNING at a found 3/4 inch iron pipe marking the intersection of the two courses, South 36° 54' East, 659.2 feet to an iron pipe monument and North 44° 17' East, 720.0 feet to an iron pipe monument, as described in said Deed to Schellville Vineyards, Inc.; thence along the boundary of the lands of said Schellville Vineyards, Inc., North 44° 17' East, 719.22 feet to a found 3/4 inch iron pipe marking an angle point in said boundary; thence continuing along said boundary South 15° 07' East, 677.39 feet to a set 1/2 inch iron pipe; thence leaving said boundary North 78° 25' 20" West, 692.92 feet to the point of beginning.

**PARCEL FIVE:**

Lot No. 9, containing 6.65 acres, more or less, as shown and delineated on a certain map entitled Plat of Schellville Farms, filed in the office of the County Recorder on March 12, 1912, in Book 27 of Maps, page 22, Sonoma County Records.

continued...

**Order No. 171256DP**

EXCEPTING THEREFROM, a strip of land along the West line of said Lot, 2.90 feet wide and containing 0.071 acres, deeded to B. O. Harvey by Chas. F. Rednall.

EXCEPTING THEREFROM, that portion conveyed by Chas. F. Rednall to the County of Sonoma, dated September 30, 1914 and recorded January 12, 1916, in Book 338 of Deeds, page 448, Sonoma County Records.

**PARCEL SIX:**

Farm No. 8, containing 6.38 acres, more or less, as shown and delineated on that certain map of Plat of Schellville Farms, filed in the office of the County Recorder on March 12, 1912, in Book 27 of Maps, page 22, Sonoma County Records.

Together with a portion of Lot 9, as shown and delineated on said map, and more particularly described as follows:

Beginning at the Northwest corner of said Lot 9; thence South 16° 00' East, 1067.06 feet to the Southwest corner thereof; thence North 74° 00' East, 2.90 feet; thence North 16° 00' West, 1067.39 feet; thence South 67° 27' West, 2.92 feet to the point of beginning.

Being a strip of land 2.90 feet wide, containing 0.071 acres of land, more or less.

Excepting therefrom, that portion conveyed by Chas. F. Rednall to the County of Sonoma, dated September 30, 1914 and recorded January 12, 1916, in Book 338 of Deeds, page 448, Sonoma County Records.

A.P. No.: 128-461-01

**TRACT 18:****PARCEL ONE**

A tract of land 50 feet in width, being 25 feet on each side of the located centerline of the San Francisco and North Pacific Railway Companys projected railroad and of the length of said centerline described as follows:

Beginning at the intersection of the said centerline, with the centerline of Huichica Street in the Town of Sonoma running thence by a curve of 4 degrees or 1433 feet radius to the right, 30 feet; thence North 58°54' West, 603 feet; thence by a curve of 3 degrees or 1910 feet radius to the left 81 feet to the Easterly line of land of Mrs. Lewis.

A. P. No.: 18-181-28 & 29

Excepting from Parcel One the interest of Patrick William Riordan in said land, the interest thereof being disclosed by that conveyance from Patrick William Riordan to San Francisco and

continued...

**Order No. 171256DP**

Northwestern Pacific Railway Company, recorded February 28, 1890 in Book 125 of Deeds, page 147, Sonoma County Records.

**PARCEL TWO**

A tract of land 50 feet in width being 25 feet on each side of the located centerline of the San Francisco and North Pacific Railway Company's projected railroad, and of the length of said centerline described as follows:

Beginning at a stake marked 0+07 B.C. in the center of the tract of the Sonoma Valley Railroad running thence by a curve of 4 degrees Or 1433 feet radius to the right 560 feet to the center of Huichica Street in the Town of Sonoma.

Excepting from Parcel Two, the interest of Charles Robinson in said land, the interest thereof being disclosed by that conveyance from Charles Robinson to San Francisco and North Pacific Railway Co. recorded August 2, 1890 in Book 126 of Deeds, page 580, Sonoma County Records.

**PARCEL THREE**

All that certain piece or parcel of land being in out lot 503 and Lots 255 and 256 in the Ex City of Sonoma, County of Sonoma and State of California, described as follows:

A strip of uniform width of 30 feet being 15 feet on each side of the centerline of the Sonoma Valley Railroad as at present located, the said centerline being described as follows:

Commencing on the West line of Lot 256 of said City of Sonoma, at a point 3 feet North of the intersection of the said West line with the North line of Spain Street; thence running Easterly on a curve to the left of a radius of 955 feet, a distance of 120 feet, and 6"; thence on a tangent, North 22 degrees West, a distance of 120 feet and 6" thence on a curve to the right of a radius of 717 feet, a distance of 275 feet to a point, 133 feet North of the North line of Spain Street; thence Easterly 133 feet from and parallel to the North line of Spain Street, a distance of 465 feet to a point in the North and South line separating the land of the said Eldredge from the land of the Buena Vista Vinicultural Society.

**PARCEL FOUR**

That portion of the land of S. Sebastiani and Elvira Sebastiani, at the Station of Milani, in the Town of Sonoma, lying between the Northerly right of way line of the Ignacio-Glen Ellen line of railroad of Northwestern Pacific Railroad Company and a line 8.5 feet Northerly from and parallel to the following described centerline:

Beginning at a point on the centerline of said railroad 672 feet, measured along said centerline of railroad, Easterly from the Easterly line of Huichica or Fourth Street East; running thence Westerly on a 7 degree 30' curve to the right from tangent to said centerline of railroad 84.5

continued...

98056025  
Order No. 171256DP

feet; thence tangent to said curve 93.4 feet; thence on a 6 degree curve to the right 97.2 feet; thence on a tangent to said 6 degree curve, 396 feet, more or less, to the Easterly line of Huichica or Fourth Street East.

A. P. No.: 18-182-17 and 16

Excepting to Southern Pacific Transportation Co. all mineral and mineral rights, interests, and royalties, including, without limiting, the generality thereof, oil, gas and other hydrocarbon substances, as well as metallic or other solid minerals, in and under the property; however, grantor or its successors and assigns, shall not have the right of or any purpose whatsoever to enter upon, into or through the surface of the property in connection therewith.

## LEGAL DESCRIPTION

THAT CERTAIN REAL PROPERTY SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SAN JOAQUIN, DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCELS A AND B AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD SEPTEMBER 12, 1986 IN BOOK OF PARCEL MAPS, BOOK 12, PAGE 133, SAN JOAQUIN COUNTY RECORDS.

EXCEPTING THAT PORTION OF PARCEL A CONVEYED TO PACIFIC TELEPHONE AND TELEGRAPH COMPANY BY DEED RECORDED APRIL 11, 1952 IN BOOK OF OFFICIAL RECORDS, BOOK 1414, PAGE 352, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE COUNTY OF SAN JOAQUIN BY DEED RECORDED NOVEMBER 21, 1989, RECORDER'S INSTRUMENT NO. 89108936, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDRO-CARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET BENEATH THE SURFACE OF SAID LAND, WITHOUT THE RIGHT OF SURFACE ENTRY AS TO A PORTION OF SAID LAND.

PARCEL TWO:

THE WEST 1/2 OF THE FOLLOWING:

THE FRACTIONAL NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPTING THEREFROM THE EAST 50 ACRES AS CONVEYED BY W. H. DEVRIES TO JOHN M. POSEY, DECEMBER 22, 1897, DESCRIBED AS FOLLOWS:

COMMENCING AT CENTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST; THENCE RUN NORTH 43.47 CHAINS TO NORTHEAST CORNER OF SAID NORTHWEST 1/4; THENCE WEST 11.47 CHAINS; THENCE SOUTH 43.73 CHAINS TO QUARTER SECTION LINE; THENCE EAST 11.47 CHAINS TO POINT OF COMMENCING.

FIRST AMERICAN TITLE



TOGETHER WITH A RIGHT OF WAY FOR DRAINAGE PURPOSES OVER AND ACROSS THE SOUTH 20 FEET OF THE FOLLOWING:

THE FRACTIONAL NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPT THEREFROM THE EAST 50 ACRES AS CONVEYED BY W. H. DEVRIES TO JOHN M. POSEY, DECEMBER 22, 1897, DESCRIBED AS FOLLOWS:

COMMENCING AT CENTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST; THENCE RUN NORTH 43.47 CHAINS TO NORTHEAST CORNER OF SAID NORTHWEST 1/4, THENCE WEST 11.47 CHAINS; THENCE SOUTH 43.73 CHAINS TO QUARTER SECTION LINE; THENCE EAST 11.47 CHAINS TO POINT OF COMMENCING.

EXCEPTING THEREFROM ALL OIL, GAS AND MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET BELOW THE SURFACE WITHOUT THE RIGHT OF SURFACE ENTRY.

PARCEL TWO-A:

EASEMENT FOR A SINGLE PIPE LINE FOR DRAINAGE AND IRRIGATION PURPOSES OVER AND ACROSS THE NORTHERLY PORTION OF THE PREMISES DESCRIBED AS RESERVED IN DEED FOR THE TERM AND UPON THE CONDITIONS THEREIN SET FORTH TO A. FREEMAN MILLS, ET AL, RECORDED APRIL 4, 1945 IN BOOK OF OFFICIAL RECORDS, BOOK 918, PAGE 458, SAN JOAQUIN COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:


THE EAST 1/2 OF THE FOLLOWING:

THE FRACTIONAL NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPTING THEREFROM THE EAST 50 ACRES AS CONVEYED BY W. H. DEVRIES TO JOHN M. POSEY, DECEMBER 22, 1897, DESCRIBED AS FOLLOWS:

COMMENCING AT CENTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST; THENCE RUN NORTH 43.47 CHAINS TO NORTHEAST CORNER OF SAID NORTHWEST 1/4; THENCE WEST 11.47 CHAINS; THENCE SOUTH 43.73 CHAINS TO QUARTER SECTION LINE; THENCE EAST 11.47 CHAINS TO POINT OF COMMENCING.

FIRST AMERICAN TITLE



THE PROPERTY HEREIN DESCRIBED BEING THE EASTERLY 1/2 OF THE 126 ACRE TRACT CONVEYED TO WOODBRIDGE VINEYARD ASSOCIATION, A CORPORATION, BY DEED RECORDED AUGUST 17, 1944 IN BOOK OF OFFICIAL RECORDS, BOOK 882, PAGE 333, SAN JOAQUIN COUNTY RECORDS.

PARCEL TWO-B:

A RIGHT OF WAY OVER THE NORTHERLY PORTION OF THE EAST 50 ACRES OF THE NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 5 EAST, MOUNT DIABLO BASE AND MERIDIAN FOR THE TERMS AND UPON THE CONDITIONS THEREIN SET FORTH AS GRANTED TO WOODBRIDGE VINEYARD ASSOCIATION, A CO-OPERATIVE ASSOCIATION BY INSTRUMENT RECORDED APRIL 23, 1946 IN BOOK OF OFFICIAL RECORDS, BOOK 967, PAGE 287, SAN JOAQUIN COUNTY RECORDS.

PARCEL THREE:

ALL THAT PORTION OF THE NORTH 30 FEET OF ALL THAT PORTION OF THE NORTHEAST 1/4 OF SECTION 1; TOWNSHIP 3 NORTH, RANGE 5 EAST, MOUNT DIABLO BASE AND MERIDIAN, LYING WEST OF THE WESTERN PACIFIC RAILROAD RIGHT OF WAY, LOCATED WITHIN THE EXTERIOR BOUNDARIES OF THE COUNTY ROAD AS SAID COUNTY ROAD IS NOW LOCATED AND ESTABLISHED FOR PIPE LINE PURPOSES.

FIRST AMERICAN TITLE

**SCHEDULE "B"**  
**PERSONAL PROPERTY LIST**  
**Loan No. F-195810.02 & F-195810.03**  
**Sebastiani Vineyards, Inc.**

**1. A first security interest in all irrigation and frost protection equipment.**

<u>MAKE</u> <u>PUMP</u>	<u>SERIAL</u> <u>NUMBER</u>	<u>COLUMN</u> <u>SIZE</u>	<u>TYPE</u>	<u>MAKE</u> <u>MOTOR</u>	<u>SERIAL</u> <u>NUMBER</u>	<u>RATED</u> <u>H.P.</u>	<u>TYPE</u>
Sub.	Unkn.	Unkn.	Sub.	Sub.	Unkn.	30	Elec.
Goulds	06415	6	Turb.	US	D-7004975	50	Elec.
Johnston	GE-15194	6	Turb.	GE	BHJ202353	25	Elec.
Peerless	Unkn.	Unkn.	Cent.	IH	Unkn.	Unkn.	Prop.
Unkn.	Unkn.	6	Unkn.	Unkn.	Unkn.	Unkn.	Elec.
Berkeley	7800204	Unkn	Turb.	GE	DP110	15	Elec.

**Other Equipment:**

10 acres of drip irrigation  
20 AF pond with pump station & solid set irrigation.  
40 AF reservoir with underground irrigation lines  
48 acres of drip irrigation  
4 Xeros control filters 2-#1460, 2-#1462.  
Yardney filter with Lakos seperator  
124 acres of drip irrigation  
77 acres of drip irrigation

**2. A security interest in all wine making equipment, including, but not limited to, crushing and pressing equipment now owned or hereafter replaced, wine tanks now owned or hereafter replaced, whether affixed to the security or not. Wine making equipment shall not include wine barrels.**

**Schedule "B" Personal Property List  
Continued**

**Vendange Wine Cellars, Lodi, CA**

**Stainless Steel Tanks:**

<u>Tank #</u>	<u># of Tanks</u>	<u>Gallons</u>	<u>Jacketed</u>	<u>Insulated</u>	<u>Total Gallons</u>
134	1	5,900	No	No	5,900
217-229	8	6,991	Yes	Yes	55,928
207-210	4	10,326	Yes	Yes	41,304
22-228	8	14,260	Yes	Yes	114,080
205-211	4	20,500	Yes	Yes	82,000
210-213	8	31,291	Yes	Yes	120,200
B10-B11	2	60,100	No	Yes	304,000
71-75	5	60,800	No	Yes	304,000
B1-B5	5	70,000	No	Yes	350,000
80-85	6	130,000	No	Yes	780,000
76-79	4	130,300	No	Yes	521,200
86-91	6	216,200	No	Yes	1,297,200
92-93	<u>2</u>	<u>348,949</u>	No	Yes	<u>697,898</u>
	63				4,673,710

**Concrete Tanks:**

<u>Tank #</u>	<u># of Tanks</u>	<u>Gallons</u>	<u>Jacketed</u>	<u>Insulated</u>	<u>Total Gallons</u>
18-25	8	14,500	Yes	Yes	116,000
14-17	4	28,000	Yes	Yes	112,000
101-133	33	32,000	Yes	Yes	1,056,000
1-13					
26-48					
58-66	45	60,000	Yes	Yes	2,700,000
67-70	<u>4</u>	<u>122,900</u>	No	Yes	<u>491,600</u>
	94				4,475,600

**Crushing & Pressing Equipment:**

<u>Item</u>	<u># Items</u>	<u>Manufacturer</u>	<u>Model No.</u>
Scale	1	Fairbanks	120,000
Test Stand	1	Lodi	200 Sq. Ft
Hoist Structure	2	Lodi	5 Ton
Hoist	2	Yale	
Dump Hopper	2	Lodi	8' Wide
Screw Conveyor	2	Lodi	24' Long
Vibrating Conveyor	1	Lodi	10' Long
Juice Sump	2	Lodi	
Stemmer	1	CMMC	Delta 80E
Must Pump	2	CMMC	Delta 90
Screw Conveyor	1	Lodi	40' Long
Screw Conveyor	1	Lodi	28' Long
Must Line	Lot	Lodi	750 feet
Valves	52	Lodi	Varies
Installation	Lot	Lodi	Crushing Equipment
Press	4	Diemme	260F
Juice Line	Lot	Lodi	30 Feet
Tub	4	Lodi	2,000 Gallon
Pumps	4	Fristam	FPX 3522
Screw Conveyor	4	Lodi	43' Long
Catwalks	Lot	Lodi	120' Long
Drag Screen	2	Lodi	20' Long
Press	2	Valley Foundry	800mm
Screw Conveyor	4	Valley Foundry	25' Long
Catwalks	Lot	Lodi	60' Long
Installation	Lot	Lodi	Pressing Equipment

**Processing Equipment:**

<u>Item</u>	<u># Items</u>	<u>Manufacturer</u>	<u>Model No.</u>
Centrifuge	1	DeLaval	BRPX 417
Centrifuge	2	DeLaval	NX 418S
Screen Filter	2	Velo	37
Screen Filter	1	Omess	MAC-20
Screen Filter	1	Duiron	
Plate Filter	2	JWI	
Pad Filter	2	Sietz	60/40
Ion Exchange	1	AAA Tank	HZM478
Tank Washer	2	Sellers	
Wine Hose	Lot		6,000'
Wine Lines	Lot		10,000'
Fittings	Lot		
Lab Equipment	Lot		
Shop Equipment	Lot		
Meter	2		
Tubs	3	Lodi	

3 of 11

Initials: *RK*

**Bottling Equipment:**

<u>Item</u>	<u># Items</u>	<u>Manufacturer</u>	<u>Model No.</u>
Filter	4	Millpore	12 Tube
Depalletizer	1	Emmieti	MX 580
Bottle Cleaner	1	Gripstar	IR+IS
Bottle Filler	1	Cobert	Olympia 105
Bottle Corker	1	Bertolaso	Delta 412
Table	1	Lodi	8' x 18'
Bottle Foiler	2	Congex	CX 20
Foil Crimper	2	Bertolaso	Zeta 116
Detector	4	Filtec	FT-50
Capsuler	1	R & G	Vulcan
Bottle Labeler	1	Krones	Solomatic
Case Packer	1	Ocme	AVC 1551
Case Sealer	3	Nordson	2302
Case Dater	3	Video Jet	Maxim
Palletizer	1	Ocme	P115
Shrink Wrapper	1	Kaufman	SXPA-20
Bottle Conveyor	Lot		
Case Conveyor	Lot		
Installation	Lot		

<u>Item</u>	<u># Items</u>	<u>Manufacturer</u>	<u>Model No.</u>
Filter	4	Millpore	12 Tube
Case Dumper	1	Mathews	LR-16-ISFB
Filler	1	Pneumatic	2-06110
Corker	1	Bertolaso	Delta 408
Capper	1	Zalkin	CA-3
Capper	1	Alcoa	
Bottle Foiler	1	Congex	802
Foil Crimper	1	Bertolaso	Zeta 116
Table	1	Arrowhead	5' X 10'
Labeler	1	Krones	Supermatic
Dater	2	Video Jet	Excel
Case Packer	1	Harkness	900
Case Sealer	1	Elliott	Mini
Detector	1	Filtec	C1-2GV-1
Palletizer	1	Ocme	115
Shrink Wrapper	1	Kaufman	SXPA-20
Bottle Conveyor	Lot		
Case Conveyor	Lot		
Installation	Lot		

Initials: 

Refrigeration, Boilers, Air:

<u>Item</u>	<u># Items</u>	<u>Manufacturer</u>	<u>Model No.</u>
<b>Refrigeration:</b>			
Unit	1	Sullair	C166A717
Unit	1	Sullair	C20SA717
<b>Boilers:</b>			
Boiler	1	Parker	WH2650
Boiler	1	State	SBF 80
<b>Compressed Air:</b>			
Air Compressor	2	Quincy	JACA 31F
Reciever	1	2,500 Gallon	
Air Compressor	1	Kaeser	SP 75
Air Dryer	1	Kaeser	KPD 300
Receiver	1	200 Gallon	

Portable Pumps

<u>Type</u>	<u># Items</u>	<u>Description</u>	<u>Manufacturer</u>	<u>Model No.</u>
C	3	5HP	Varies	Varies
C	11	10HP	Varies	Varies
C	1	15HP	Varies	Varies
C	10	20HP	Varies	Varies
C	2	25HP	Varies	Varies
PD	4	2" Air	Warren Rupp	M8
PD	3	3" Lobe	Waukeshaw	Varies
PD	4	4" Piston	Manzini	

Misc. Equipment:Domestic Water

<u>Type</u>	<u># Items</u>	<u>Description</u>	<u>Manufacturer</u>
Well	1	900 GPM	Byron Jackson
Tank	1	5,000 Gallon	
Piping	Lot	1,500'	Lodi

Fire Protection

<u>Type</u>	<u># Items</u>	<u>Description</u>	<u>Manufacturer</u>
Well	1	1,000 GPM	Lodi
Piping	Lot	Fire Loop	Lodi

**Misc. Equipment (Cont.):****Electrical**

<u>Type</u>	<u># Items</u>	<u>Description</u>	<u>Manufacturer</u>
Main	1	4,000 amp	Lodi
Panels	8	480 Volt	Lodi
Wiring	Lot	2,200 HP	Lodi

**Waste Water**

<u>Type</u>	<u># Items</u>	<u>Description</u>	<u>Manufacturer</u>
Main Sump	Lot	Waste Water	Lodi
Disposal Line	1	6" PVC	Lodi
Sewer Lines	Lot	1,000'	Lodi

**SEBASTIANI SONOMA CASK CELLARS, SONOMA, CA****Redwood Tanks**

<u>Tank #</u>	<u># of Tanks</u>	<u>Gallons</u>	<u>Total Gallons</u>
32	1	941	941
34	1	1,930	1,930
21	1	3,393	3,393
57-62	6	3,700	22,200
2-23	21	4,100	86,000
8,24	2	4,600	9,200
7	1	5,500	5,500
147,177	5	8,500	42,500
143,154	9	12,950	116,550
15,165	7	14,500	101,500
99	1	16,891	16,891
35,52	3	19,000	57,000
50	1	23,000	23,000
100-103	4	24,200	96,800
118-123	5	35,300	176,500
9,31	<u>2</u>	59,700	<u>119,400</u>
	70		879,405

**Stainless Steel Tanks**

<u>Tank #</u>	<u># of Tanks</u>	<u>Gallons</u>	<u>Total Gallons</u>
328-346	12	836	10,032
308-353	11	1,485	16,335
354-357	4	1,733	6,932
291-293	3	1,885	5,655



## Stainless Steel Tanks (Cont.):

<u>Tank #</u>	<u>Tanks</u>	<u># of Gallons</u>	<u>Total Gallons</u>
290-351	13	3,127	40,651
301-350	9	5,986	53,874
305-349	6	10,330	61,980
302-339	6	15,720	94,320
505,511	2	2,650	5,300
502,556	3	2,937	8,811
	10	3,880	38,800
513,565	22	4,240	93,280
570,579	3	4,600	13,800
555,563	2	4,978	9,956
504,581	5	5,600	28,000
501,564	9	6,300	56,700
583,587	2	7,300	14,600
514,582	3	8,000	24,000
507,567	11	9,056	33,600
506,566	3	11,200	104,400
522,545	8	13,050	104,400
B4-B9	6	13,600	81,600
248-455	28	14,270	399,560
574,585	4	15,700	62,800
588	1	28,100	28,100
408,427	20	31,100	622,000
408,463	16	50,800	812,800
<u>464-475</u>	<u>12</u>	<u>68,600</u>	<u>823,200</u>
SS Tanks	234		3,655,486

Concrete Tanks

<u>Tank #</u>	<u># of Tanks</u>	<u>Gallons</u>	<u>Total Gallons</u>
86-89	5	9,500	47,500
81-94	10	20,000	200,000

**Processing Equipment**

<u>Item</u>	<u># of Items</u>	<u>Manufacturer</u>	<u>Model #</u>
Centrifuge	1	Westphalia	SB-80
Centrifuge	1	DeLaval	NX418S
Screen Filter	1	Durco	340H
Plate Filter	1	JWI	1000mm
Pad Filter	1	Schenk	60/40
Cartridge Filter	1	Millipore	unkn
Ion Exchange	1	Industrial	Type 252
Tank Washer	1	Sellers	
Meter	2	Sonoma	
Wine Hose	Lot		2,000
Wine Lines	Lot		4,000
Fittings	Lot		
Barrel Washers	1	Sonoma	
Lab Equipment	Lot		
Washer	2	KEW	2340HA
Floor Sweeper	1	Tornado	Floor Kepper
Tubs	3	Sonoma	
Catwalk	Lot	Sonoma	800'

**Bottling Equipment**

<u>Item</u>	<u># of Items</u>	<u>Manufacturer</u>	<u>Model #</u>
Pad Filter	2	Schenk	60/40
Cartridge Filter	2	Millipore	
CIP System	Lot	Sonoma	
Cartridge Filter	Lot	Millipore	
Dump Table	1	Sonoma	
Uncaser	1	DDM	97-041
Bottle Cleaner	1	McBrady	Orbit 220
Unscrambler	1	Long Flange	
Filler	1	Horix	
Sparger	1	VBS	Linerter
Corker	1	Bertolaso	Jotta
Capper	1	Bertolaso	Sigma 103
Bottle Foiler	1	Congex	OS2
Foil Crimper	1	Bertolaso	Zeta 112
Heat Tunnel	1	ThermoShrink	5'
Labeler	1	Avery	5005FB
Case Sealer	1	ABC	
Bottle Printer	1	Video Jet	Excel
Labeler	1	C & G	
Case Packer	1	Std. Knapp	939

Bottling Equipment (Cont.)

<u>Item</u>	<u># of Items</u>	<u>Manufacturer</u>	<u>Model #</u>
Case Sealer	1	Rockford	Sealstar
Labeler	1		
Palletizer	1	Columbia	LF 110
Shrink Wrapper 1		Muller	303
Bottle Conveyor	Lot		
Case Conveyor	Lot		
Installation	Lot		

Refrigeration, Boiler and Air

<u>Item</u>	<u># of Items</u>	<u>Manufacturer</u>	<u>Model #</u>
Refrigeration:			
Unit	1	Carrier	30GB
Unit	1	Carlyle	5H80
Unit	1	Carlyle	5H80
Unit	1	Carrier	306T
Controls	Lot	Sonoma	
Boilers:			
Boiler	1	Teledyne	Mighty Therm
Boiler	1	Teledyne	Mighty Therm
Heater	1	Mueller	A T10 C20
Compressed Air:			
Air Compressor	1	IR	SSR EP 30
Air Compressor	1	IR	T30
Air Compressor	1	IR	SREP225E
Air Compressor	1	IR	SSREP50
Air Compressor	1	IR	SSREP30
Air Dryer	1	Zeks	150 OH SEA

**Misc. Equipment**

<u>Domestic Water</u>			
<u>Item</u>	<u># of Items</u>	<u>Description</u>	<u>Manufacturer</u>
Well	1	300 GPM	Franklin
Piping	Lot	1,500	Sonoma

<u>Electrical</u>			
<u>Item</u>	<u># of Items</u>	<u>Description</u>	<u>Manufacturer</u>
Main	1	1,200 Amp	Sonoma
Main	1	600 Amp	Sonoma
Main	1	400 Amp	Sonoma
Panels	Lot	480 Volt	Sonoma
Wiring	Lot	1,000 HP	Sonoma

<u>Water Waste</u>			
<u>Item</u>	<u># of Items</u>	<u>Description</u>	<u>Manufacturer</u>
Main Sump	Lot	Water Waste	Sonoma
Sump Pumps	4	Submersible	Various
Controllers	2	PH	Sonoma
Disposal Line	1	City Sewer	Sonoma
Sewer Lines	Lot	1,000	Sonoma
Installation	Lot	Sewer System	Sonoma

3. A first security interest in all laboratory equipment, office equipment and furniture now owned or hereafter replaced, excluding all winery computer equipment.
4. A Security interest in all intellectual property, specifically including but not limited to all labels, trademarks, copyrights and tradestyles, actually used in marketing of wine and grape products, including, but not limited to the following trademarks:

Initials: 

<u>TRADEMARK</u>	<u>SERIAL NUMBER</u>	<u>DATE OF FILING</u>	<u>REGIST. NUMBER</u>	<u>DATE REG.</u>
1. S ESTABLISHED 1904	75-274.037	19970414		
2. DESIGN ONLY	75-147.627	19960809	2,126,423	19971230
3. S SONOMA CASK WINES	74-635.268	19950217	1,977,952	19960604
4. SEBASTIANI SONOMA CASK	74-633.596	19950213	1,963,076	19960319
5. CHERRYBLOCK	74-470.490	19931217	1,859,925	19941025
6. RED HILL VINEYARD	74-470.489	19931217	1,861,951	19941108
7. EYE OF THE SWAN CELLARS	74-156.686	19910415	1,680,539	19920324
8. RICHARD CUNEO	74-055.753	19900504	1,640,728	19910409
9. EYE OF THE SWAN	74-055.665	19900504	1,679,587	19920317
10. OAKBROOK	73-839.723	19891115	1,603,970	19900626
11. AUGUST SEBASTIANI	73-367.501	19820601	1,252,402	19830927
12. AUGUST SEBASTIANI	73-362.011	19820428	1,249,224	19830823
13. TAILFEATHERS	73-284.712	19801027	1,190,190	19820216
14. SEBASTIANI	73-164.086	19780324	1,111,451	19790116
15. SEBASTIANI	73-162.134	19780313	1,127,945	19791218
16. SEBASTIANI	73-161.618	19780310	1,111,046	19790109
17. SEBASTIANI FOUNDED AT THE EN	73-160.711	19780303	1,113,295	19790213
18. SEBASTIANI	73-160.708	19780303	1,117,414	19790501