



101512145

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Tab settings

To the Honorable Commissioner of Patents and Trademarks. Please return the attached original documents or copy thereof.

1. Name of conveying party(ies):

R.H. Phillips, Inc.

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: October 5, 2000

2. Name and address of receiving party(ies)

Name: The Bank of Nova Scotia, as
Administrative Agent
Internal Address: 16th Floor

Street Address: 44 King Street W.

City: Toronto State: Ontario ZIP: M5H1H1

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

If assignee is not domiciled in the United States, a domestic representative designation 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

Additional numbers attached? Yes No

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

Name: Victoria A. Gilbert

Internal Address: Sonnenschein Nath & Rosenthal

Street Address: 8000 Sears Tower

233 South Wacker Drive

City: Chicago State: IL ZIP: 60606

6. Total number of applications and registrations involved: 10

7. Total fee (37 CFR 3.41).....\$ 265.00

- 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.

Victoria A. Gilbert, Esq.

Name of Person Signing

Signature

10/6/00

Date

Total number of pages including cover sheet, attachments, and document: 13

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK

REEL: 002170 FRAME: 0912

Schedule A
to
Trademark Security Agreement

Dated as of October 5, 2000

Trademarks

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Kempton Clark	2,285,606	October 12, 1999
Kempton Clark Zin and Design	2,318,692	February 15, 2000
EXP and Design	2,285,582	October 12, 1999
Toasted Head and Design	2,285,581	October 12, 1999
Miscellaneous Design	2,285,580	October 12, 1999
Toasted Head	2,135,050	February 3, 1998
Mistura	2,074,735	June 24, 1997
EXP	1,987,101	July 16, 1996
Night Harvest	2,047,097	March 25, 1997
Chateau St. Nicholas	2,015,106	November 12, 1996

DESIGNATION OF DOMESTIC REPRESENTATIVE

Sonnenschein Nath & Rosenthal and/or Victoria A. Gilbert, Esq., whose postal address is 8000 Sears Tower Chicago, Illinois 60606, is designated as Domestic Representative for The Bank of Nova Scotia, as Administrative Agent, for purposes of attending to recordal of this Trademark Security Agreement against each of the trademarks listed on Schedule A of the Trademark Security Agreement, dated as of October 5, 2000, between R.H. Phillips, Inc. and The Bank of Nova Scotia, as Administrative Agent.

THE BANK OF NOVA SCOTIA, as
Administrative Agent for the Lenders

By: Sean Suchan
Name: SEAN SUCHAN
Title: DIRECTOR, BANK FINANCE

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") made as of the 5th day of October, 2000, by and between R.H. Phillips, Inc. (the "Company"), a California corporation, with its principal executive office located at 26836 County Road 12A, Esparato, California 95627, The Bank of Nova Scotia, a Canadian banking corporation, with its principal office located at 44 King St. W., 16th Floor, Toronto, Ontario M5H 1H1, in its capacity as Administrative Agent (the "Administrative Agent") for and representative of itself and certain lenders under the Credit Agreement described below.

W I T N E S S E T H:

WHEREAS, pursuant to that certain Credit Agreement dated as of September 25, 2000 among Vincor International Partnership, as the borrower (the "Borrower"), the Administrative Agent and certain other financial institutions, as additional lenders (together with the Administrative Agent, the "Lenders") and (as such agreement may be modified, supplemented, amended or restated from time to time, the "Credit Agreement"), the Lenders have agreed to make a credit facility available to the Company;

WHEREAS, as a condition precedent to making the loans under the Credit Agreement, Administrative Agent and the Lenders have required Company to execute and deliver a Guaranty, Pledge and Security Agreement of even date herewith ("Guaranty") pursuant to which the Company has, among other things, guaranteed the obligation of the Borrower under and in connection with the Credit Agreement and in order to secure the prompt and complete payment, observance and performance of all of the "Guaranteed Obligations" of the Company, the Lenders have required the Company to execute and delivery this Agreement (as defined in the Guaranty);

NOW, THEREFORE, for and in consideration of any loan, advance or other financial accommodation hertofore or hereafter made to the Borrower under or in connection with the Credit Agreement, from which the Company will derive substantial benefit, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company agrees as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference hereto and are made a part hereof.

3. Incorporation of the Credit Agreement. The Credit Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Guaranteed Obligations, the Company hereby grants to the Administrative Agent, for the benefit of itself and the Lenders, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of the Company's:

(a) now owned or existing and hereafter acquired or arising trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, together with any good will connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, service mark applications, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, and (iv) all of the Company's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications, together with the items described in clauses (i)-(iv) in this paragraph 4(a), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(b) rights under or interest in any trademark license agreements or service mark license agreements related to or in connection with the use of the Trademarks with any other party, whether the Company is a licensee or licensor under any such license agreement, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by the Company and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

5. Restrictions on Future Agreements. The Company will not, without Administrative Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and the Company further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to Administrative Agent under this Agreement or the rights associated with those Trademarks or Licenses.

6. New Trademarks and Licenses. The Company represents and warrants that (a) the Trademarks listed on Schedule A include all of the registered trademarks and registered service marks now owned by the Company, (b) the Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements related to or in connection

with the Trademarks pursuant to which the Company is the licensee or licensor thereunder and (c) no other liens, claims or security interests have been granted by the Company to any other Person in such Trademarks and Licenses. If, prior to the termination of this Agreement, the Company shall (i) obtain rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement, the provisions of paragraph 4 above shall automatically apply thereto. The Company shall give to Administrative Agent written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence on a quarterly basis. The Company hereby authorizes Administrative Agent to modify this Agreement by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and by amending Schedule B to include any future trademark license agreements and service mark license agreements, which are Trademarks or Licenses under paragraph 4 above or under this paragraph 6 provided, however, that this paragraph 6 shall not apply to trademarks or service marks owned by third parties or agreements permitting to the Company use of such trademarks or service marks in connection with the sale of goods or performance of services in the ordinary course of business.

7. Royalties. The Company hereby agrees that the use by Administrative Agent of the Trademarks and the Licenses as authorized hereunder in connection with the exercise of its remedies under paragraph 16 shall be coextensive with the Company's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Administrative Agent to the Company.

8. Right to Inspect; Further Assignments and Security Interests. Subject to the terms of the Credit Agreement, the Administrative Agent may at all reasonable times and upon reasonable notice (and at any time when an Event of Default exists) have access to, examine, audit, make copies (at the Company's expense) and extracts from and inspect the Company's premises and examine the Company's books, records and operations relating to the Trademarks and the Licenses, including, without limitation, the Company's quality control processes; provided that, in conducting such inspections and examinations, the Administrative Agent shall use reasonable efforts not to unnecessarily disturb the conduct of the Company's ordinary business operations. From and after the occurrence of an Event of Default, the Company agrees that Administrative Agent, or a conservator appointed by Administrative Agent, shall have the right to establish such reasonable additional product quality controls as Administrative Agent or such conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by the Company under the Trademarks and the Licenses. The Company agrees (a) not to sell or assign its interest in, or grant any license under, the Trademarks or the Licenses without the prior and express written consent of Administrative Agent, which consent will not be unreasonably withheld, (b) to maintain the same standards of quality for the goods and services in connection with which the Trademarks and the Licenses are used as the Company maintained for such goods and services prior to the date hereof, and (c) not to change such quality of such goods and services in any material respect without Administrative Agent's prior and express written consent which consent, will not be unreasonably withheld.

9. Termination of Administrative Agent's Security Interest. This Agreement is made for collateral security purposes only. Upon payment in full of all of the Guaranteed Obligations, this Agreement shall terminate and Administrative Agent shall promptly execute and deliver to the Company, at the Company's expense, all termination statements and other instruments as may be necessary or proper to terminate Administrative Agent's security interest in the Trademarks and the Licenses, subject to any disposition thereof which may have been made by Administrative Agent pursuant to this Agreement or the Credit Agreement.

10. Duties of the Company. The Company shall have the duty, to the extent the Company deems it to be desirable in the normal conduct of the Company's business, to:
(a) prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or thereafter until the termination of this Agreement, and (b) make application for trademarks or service marks. The Company further agrees (i) not to abandon any Trademark or License without the prior written consent of Administrative Agent and (ii) to use its best efforts to maintain in full force and effect the Trademarks and Licenses that are deemed by the Company to be necessary or economically desirable in the operation of the Company's business. Any expenses incurred in connection with the foregoing shall be borne by the Company.

11. Administrative Agent's Right to Sue. From and after the occurrence and continuation of an Event of Default, Administrative Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and Licenses and, if Administrative Agent, for itself or on behalf of the Lenders, shall commence any such suit, the Company shall, at the request of Administrative Agent, do any and all lawful acts and execute any and all proper documents required by Administrative Agent in aid of such enforcement. The Company shall, upon demand, promptly reimburse Administrative Agent for all reasonable costs and expenses incurred by Administrative Agent in the reasonable exercise of its rights under this paragraph 11 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Administrative Agent).

12. Waivers. Administrative Agent's failure, at any time or times hereafter, to require strict performance by the Company of any provision of this Agreement shall not waive, affect or diminish any right of Administrative Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Company and Administrative Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of the Company contained in this Agreement shall be deemed to have been suspended or waived by Administrative Agent unless such suspension or waiver is in writing signed by an officer of Administrative Agent and directed to the Company specifying such suspension or waiver.

13. Administrative Agent's Exercise of Rights and Remedies upon an Event of Default. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and continuation of an Event of Default, the Administrative Agent may, and upon the written direction of the Required Lenders, shall exercise any of the rights and remedies provided in this Agreement, the Credit Agreement and any other Credit Documents.

14. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraphs 4 and 6 hereof or by a writing signed by the parties hereto.

16. Cumulative Remedies; Power of Attorney. All of Administrative Agent's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. From and after the occurrence and continuation of an Event of Default and the giving of written notice by Administrative Agent to the Company of Administrative Agent's intention to enforce its rights and claims against the Company, the Company hereby irrevocably designates, constitutes and appoints Administrative Agent (and all Persons designated by Administrative Agent in its sole and absolute discretion) as the Company's true and lawful attorney-in-fact, and authorizes Administrative Agent and any of Administrative Agent's designees, in the Company's or Administrative Agent's name, from and after the occurrence and continuation of an Event of Default, to (a) endorse the Company's name on all applications, documents, papers and instruments necessary or desirable for Administrative Agent in the use of the Trademarks or the Licenses, (b) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Licenses to anyone on commercially reasonable terms, (c) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (d) take any other actions with respect to the Trademarks or the Licenses as the Administrative Agent deems reasonably necessary to facilitate the exercise of rights and remedies under the Credit Agreement. Administrative Agent shall take no action pursuant to subparagraphs (a), (b), (c) or (d) of this paragraph 16 without taking like action with respect to the entire goodwill of the Company's business connected with the use of, and symbolized by, such Trademarks or Licenses. The Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof other than actions taken or omitted to be taken through the bad faith, willful misconduct or gross negligence of Administrative Agent. This power of attorney is coupled with an interest and shall be irrevocable until all of the Guaranteed Obligations shall have been paid in full. The Company acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Administrative Agent or the Lenders under the Credit Agreement, but rather is intended to facilitate the exercise of such rights and remedies. Administrative Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks or the Licenses may be located or deemed located.

17. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns, and shall inure to the benefit of Administrative Agent and its successors and assigns. The Company's successors and assigns shall include, without limitation, a receiver,

trustee or debtor-in-possession to the extent that any of the foregoing are considered to be a successor or assign of or for the Company; provided, however, that the Company shall not voluntarily assign or transfer its rights or Guaranteed Obligations hereunder without Administrative Agent's prior written consent.

18. Governing Law. This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in accordance with the internal laws (as opposed to conflicts of law provisions) and decisions of the State of New York.

19. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Credit Agreement.

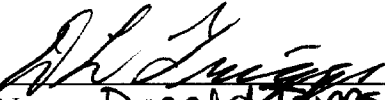
20. Administrative Agent's Duty. Administrative Agent shall not have any duty with respect to the Trademarks or the Licenses except to the extent Administrative Agent has acquired ownership of the Trademarks or Licenses upon an exercise of its remedies hereunder. Administrative Agent shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks or the Licenses against any other parties, but may do so at its option, and all reasonable expenses incurred in connection therewith shall be for the sole account of the Company and added to the Guaranteed Obligations secured hereby.

Notwithstanding any provision hereof to the contrary, during the continuance of an Event of Default, the Company may sell goods and services bearing the Trademarks and trademarks covered by the Licenses in the ordinary course of its business and in a manner consistent with its past practices, until it receives written notice from Administrative Agent of an intended sale or disposition of the Collateral.

21. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the 5th day of October, 2000.

R.H. PHILLIPS, INC., a California Corporation

By: 
Name: Donald Triggs
Title: Director

Accepted and agreed to as of the 5th day of October, 2000, by:

THE BANK OF NOVA SCOTIA, as Administrative Agent for the Lenders

By: _____
Name:
Title:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Francisco } ss.

On Oct. 4, 2000, before me, Nathan C. Mannas, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Donald L. Triggs
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Nathan C. Mannas
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

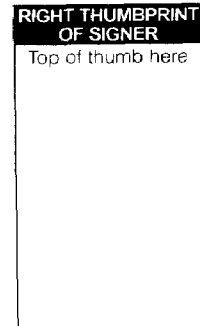
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the 5th day of October, 2000.

R.H. PHILLIPS, INC., a California Corporation

By: _____

Name:

Title:

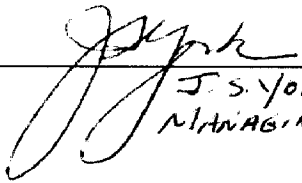
Accepted and agreed to as of the 5th day of October, 2000, by:

THE BANK OF NOVA SCOTIA, as Administrative Agent for the Lenders

By: _____

Name:

Title:


J.S. YORK
MANAGING DIRECTOR

Schedule A
to
Trademark Security Agreement

Dated as of October 5, 2000

Trademarks

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Kempton Clark	2,285,606	October 12, 1999
Kempton Clark Zin and Design	2,318,692	February 15, 2000
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EXP	1,987,101	July 16, 1996
Night Harvest	2,047,097	March 25, 1997
Chateau St. Nicholas	2,015,106	November 12, 1996

Schedule B

to

Trademark Security Agreement

Dated as of October 5, 2000

Licenses

NONE

Victoria A. Gilbert
(312) 876-8203
vag@sonnenschein.com

8000 Sears Tower
233 South Wacker Drive
Chicago, IL 60606
312.876.8000
312.876.7934 fax
www.sonnenschein.com

Chicago
Kansas City
Los Angeles
New York
San Francisco
St. Louis
Washington, D.C.

November 1, 2000

VIA EXPRESS MAIL

The Commissioner of Patents
and Trademarks
Box Assignments
Washington, D.C. 20231

RE: Recordation of Trademark Security Agreement

Dear Sir or Madam:

Enclosed for recordation is a trademark security agreement from R.H. Phillips, Inc. to The Bank of Nova Scotia, as Administrative Agent.

The recordation form cover sheet and the recordation fee of \$265.00 for such recordation is also enclosed herewith. If any problems should arise by payment of check you are authorized to charge Deposit Account No. 19-3140.

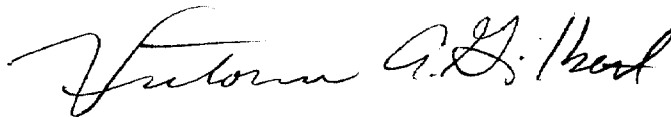
We respectfully request that the enclosed assignment be recorded and returned to the undersigned with notation of the reel and frame number and date of recordation.

Please note the date of receipt of this submission on the enclosed self-addressed, stamped postcard to be returned to the address listed on the postcard.

Kindly address any communications concerning this matter to the undersigned.

Sincerely,

SONNENSCHN NATH & ROSENTHAL



By:

Victoria A. Gilbert, Esq.

Enclosures