

02-14-2001

DEPARTMENT OF COMMERCE

2.2.01

REC



101612549

Patent and Trademark Office  
Docket No. 161317

To the Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):  
SILVER OAK WINE CELLARS, L.P.

Individual(s)       Association  
 General Partnership     Limited Partnership-CALIFORNIA  
 Corporation  
 Other:

2. Name and address of receiving party(ies):

Name: U.S. BANK NATIONAL ASSOCIATION, as  
administrative agent, collateral agent and a lender.  
Internal Address:  
Street Address: 918 17TH STREET, CNBB 0300  
City: DENVER State: COLORADO ZIP: 80202

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

Individual(s) citizenship: \_\_\_\_\_  
 Association: \_\_\_\_\_  
 General Partnership: \_\_\_\_\_  
 Limited Partnership: \_\_\_\_\_  
 Corporation-State: \_\_\_\_\_  
 Other: NATIONAL BANKING ASSOCIATION

3. Nature of conveyance:

Assignment                                       Merger  
 Security Agreement                               Change of Name  
 Other:  
Execution Date: JANUARY 29, 2001

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

4.A. Trademark Application No.(s)

B. Registration No.(s)

1,221,150  
2,330,032  
2,338,878

Additional numbers attached? \* Yes  No

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

CHARLOTTE Y. CHEN  
MORRISON & FOERSTER LLP  
555 WEST FIFTH STREET  
SUITE 3500  
LOS ANGELES, CALIFORNIA 90013-1024

6. Total number of applications and trademark registrations involved: 3

7. Total fee (37 C.F.R. § 3.41): \$90.00

Enclosed  
 Authorized to be charged to deposit account, referencing Attorney Docket \_\_\_\_\_

8. Deposit account number: 03-1952

The Commissioner is hereby authorized to charge any fees under 37 C.F.R. § 1.21 which may be required by this paper, or to credit any overpayment to Deposit Account No. 03-1952.

**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.

Name: DONNA ZENOR, ESQ.

2/1/01  
Date

Total number of pages comprising cover sheet, attachments and document: 10

02/13/2001 6TON11 00000363 1221150

01 FC:481 40.00 DP  
02 FC:482 50.00 DP

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

la-457335

**TRADEMARK**  
**REEL: 002234 FRAME: 0625**

**SUPPLEMENTAL SECURITY AGREEMENT**  
(Trademark)

THIS SUPPLEMENTAL SECURITY AGREEMENT (the "Supplemental Trademark Agreement") is made and dated this 29th day of January, 2001 by and between SILVER OAK WINE CELLARS, L.P., a California limited partnership (the "Company"), and U.S. BANK NATIONAL ASSOCIATION, acting in its capacity as administrative agent for the benefit of the Lenders (in such capacity, the "Administrative Agent") under that certain Credit Agreement dated as of even date herewith by and among the Company, the Administrative Agent, the Lenders and the Lead Arranger (as amended, modified, supplemented, and restated from time to time the "Credit Agreement," and with capitalized terms used herein and not otherwise defined used with the meanings given such terms in the Credit Agreement).

**RECITALS**

A. Pursuant to the Credit Agreement the Lenders have agreed to make Loans to the Company from time to time. As collateral security for the obligation of the Company to repay the Loans, the Company has granted to the Administrative Agent a security interest in certain property of the Company, including, without limitation, certain intellectual property, pursuant to a Security and Collateral Agency Agreement of even date herewith by and between the Company and the Administrative Agent (the "Security Agreement").

B. The parties hereto desire to supplement the Security Agreement as it relates to certain of such intellectual property consisting generally of trademarks and to create hereby a document appropriate for recordation in the Patent and Trademark Office of the United States (the "PTO").

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

**AGREEMENT**

1. Confirmation of Grant of Security Interest. The Company hereby confirms the grant of security interest, pledge, assignment and mortgage set forth in the Security Agreement and acknowledges that the Collateral described therein includes, without limitation, all of the Company's right, title and interest in the following (the "Trademark Collateral"):

(a) All trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles and other source, product and business identifiers pertaining to the products, services and business of the Company, whether now owned or hereafter acquired, including, without limitation, the trademarks specifically described on Schedule I attached hereto, as the same may be amended or replaced from time to time with the consent of the Administrative Agent;

(b) All now existing and hereafter arising registrations and applications for registration relating to any of the foregoing, all renewals and extensions thereof throughout the world in perpetuity, and all rights to make such applications and to renew and extend the same;

(c) All now existing and hereafter arising rights and licenses to make, have made, use and/or sell any items disclosed and claimed by any of the foregoing other than licenses under which the Company is the licensee and the license prohibits the Company from granting a security interest in its rights thereunder, unless the licensor has consented to such security interest in writing;

(d) All now existing and hereafter arising right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation;

(e) All now existing and hereafter arising rights, claims and interests under licensing or other contracts pertaining to any of the foregoing to the extent such rights are assignable;

(f) All now existing and hereafter arising documents, instruments and agreements which reveal the name and address of sources of supply, distribution methods and all terms of purchase, rental, license or use and delivery for all materials, products and components used in connection with any of the foregoing;

(g) All now existing and hereafter arising specifications as to and quality control manuals used in connection with the operations conducted under the name of or in connection with the foregoing;

(h) All now existing and hereafter arising goodwill associated with any of the foregoing;

(i) All now existing and hereafter arising right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Company or the Administrative Agent for past, present and future infringements of any of the foregoing; and

(j) All products and proceeds of any of the foregoing.

2. Additional Representation and Warranty and Covenant. In addition to all representations and warranties, covenants and agreements set forth in the Security Agreement, the Company hereby:

(a) Represents and warrants that Schedule I attached hereto sets forth an accurate and complete list of all trademarks owned by the Company which are registered with the PTO as of the date hereof; and

(b) Agrees to promptly notify the Administrative Agent in writing of any additional trademarks registered with the PTO of which the Company becomes the owner and to amend Schedule I accordingly.

3. No Present Assignment. Neither the Security Agreement, this Supplemental Trademark Agreement nor any other document, instrument or agreement creates or is intended to create a present assignment of the Trademark Collateral. Subject to the rights of the Administrative Agent under the Security Agreement and this Supplemental Trademark Agreement, it is the intention of the parties hereto that the Company continue to own the Trademark Collateral and that upon the indefeasible payment in full of the Obligations (as defined in the Credit Agreement), the rights of the Administrative Agent under the Security Agreement and this Supplemental Trademark Agreement in and to the Trademark Collateral shall be released and terminated.

4. Relationship to Security Agreement. The Trademark Collateral shall constitute Collateral for all purposes of the Security Agreement and the other Credit Documents and the Administrative Agent shall have all rights, powers and remedies with respect to the Trademark Collateral to the same extent as it has with respect to other Collateral. Reference is hereby made to the Security Agreement, the terms and conditions of which are incorporated herein by this reference.

5. Counterparts This Supplemental Trademark Agreement may be executed in counterparts all of which taken together shall constitute one and the same document.

[Signature Page Following]

**Description of Trademarks**  
**(As of January 29, 2001)**

<b>Trademark Name</b>	<b>Registration Number(s)/ Registration Date(s)</b>
1. Silver Oak	1221150 December 12, 1982
2. Life is a Cabernet	2330032 (I.C. 16) March 14, 2000
3. Life is a Cabernet	2338878 (I.C. 12, 25, 35) April 4, 2000

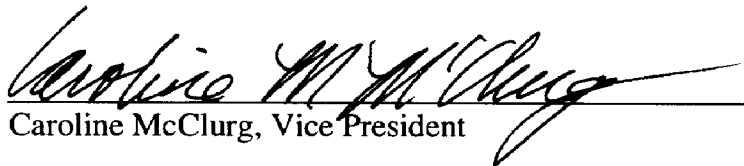
EXECUTED as of the day and year first above written.

SILVER OAK WINE CELLARS, L.P.,  
a California general partnership

By: SILVER OAK CELLARS, INC., a California  
corporation, its General Partner

By:   
Raymond T. Duncan, President

U.S. BANK NATIONAL ASSOCIATION,  
as Administrative Agent

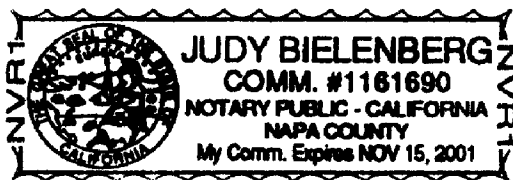
By:   
Caroline McClurg, Vice President

STATE OF CALIFORNIA )  
COUNTY OF Napa ) ss.

On Jan. 29, 2001, before me, the undersigned notary public in and for said County and State, personally appeared Caroline Mc Clurg, personally known to me (or 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(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Judy Bielenberg  
My commission expires on Nov 15 2001

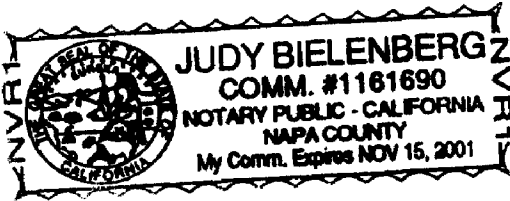


STATE OF CALIFORNIA )  
COUNTY OF Napa ) ss.

On Jan. 29, 2001, before me, the undersigned notary public in and for said County and State, personally appeared Raymond T. Duncan, personally known to me (or 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(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Judy Bielenberg  
My commission expires on Nov 15 2001



## IRREVOCABLE POWER OF ATTORNEY

SILVER OAK WINE CELLARS, L.P., a California limited partnership, located at 1777 South Harrison Street, Penthouse One, Denver, Colorado 80210 (the "Company") hereby grants to U.S. BANK NATIONAL ASSOCIATION (the "Administrative Agent"), an exclusive Irrevocable Power of Attorney to (i) transfer trademarks and applications and registrations therefor owned by the Company from time to time, (ii) renew, extend, and protect the foregoing, and (iii) register and record any such transfer, renewal, extension and protection, all in accordance with that certain Security and Collateral Agency Agreement dated as of January 29, 2001 (as amended, extended and replaced from time to time, the "Security Agreement") between the Company and the Administrative Agent.

1. The Power of Attorney granted hereunder shall be effective as of the date hereof and shall last for as long as any now existing or hereafter arising Obligations (as that term is defined in that certain Credit Agreement dated concurrently herewith executed by the Company, the Administrative Agent, the lenders party thereto and the lead arranger for the credit facility evidenced thereby (the "Credit Agreement")) of the Company remain outstanding.

2. The Power of Attorney granted herein shall be irrevocable throughout the duration of its life specified in Paragraph 1 above and is coupled with an interest; it is created for the benefit of the attorney in fact, the Administrative Agent, rather than for the Company.

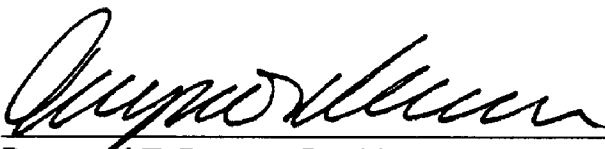
3. This Power of Attorney is created simultaneously with the imposition of other obligations upon the Company in favor of the Administrative Agent for the benefit of the lenders under the Credit Agreement.

4. The Power of Attorney granted herein is created to secure the performance of the Obligations and shall be exercisable by the Administrative Agent only upon the occurrence of an Event of Default (as defined in the Credit Agreement).

IN WITNESS WHEREOF, the Company has caused this Irrevocable Power of Attorney to be executed by its officer thereunto duly authorized, as of January 29, 2001.

SILVER OAK WINE CELLARS, L.P.,  
a California general partnership

By: SILVER OAK CELLARS, INC., a California  
corporation, its General Partner

By:   
Raymond T. Duncan, President



STATE OF CALIFORNIA )  
COUNTY OF Napa ) ss.

On Jan 29, 2001, before me, the undersigned notary public in and for said County and State, personally appeared Raymond T. Duncan, personally known ~~to me~~ (or 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(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Judy Bielenberg  
My commission expires on Nov 15 2001

