

Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (exp. 6/30/2005)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Ferrari-Carano Vineyards and Winery, LLC

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

Citizenship (see guidelines) California

Execution Date(s) Sept. 28, 2004

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Bank of America, N.A. as Administrative Agent

Internal

Address: TX1-492-14-11

Street Address: 901 Main St., 14th Floor

City: Dallas

State: Texas

Country: USA Zip: 75202

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other natl bank

Citizenship USA
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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)
see attached Schedule

B. Trademark Registration No.(s)
see attached Schedule

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Federal Research Co., LLC

Internal Address:

Street Address: 1030 15th St, NW, Suite 920

City: Washington

State: DC Zip: 20005

Phone Number: 202-783-2700

Fax Number: 202-783-0145

Email Address:

6. Total number of applications and registrations involved:

7

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 190.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 50-3155
Authorized User Name Federal Research

9. Signature:

Nov. 8, 2004

Signature

Date

Julie Cravitz

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 11

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

American LegalNet, Inc.
www.USCourtForms.com

TRADEMARK

REEL: 002977 FRAME: 0831

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SCHEDULE 1

Existing and Pending Trademarks

Mark	Application and/or Registration Number	Owner
Celebre	App. No. 75031060 Reg. No. 2355474	Borrower
Ferrari-Carano	App. No. 73832109 Reg. No. 1634300	Borrower
Ferrari-Carano Sienna	App. No. 76243311	Borrower
Tre Terre	App. No. 74368751 Reg. No. 1947162	Borrower
Vineyards of Tremonte	App. No. 74686548 Reg. No. 2239108	Borrower
Windtree Vineyard	App. No. 76483350 Reg. No. 2826206	Borrower
Almamonte Vineyards and Winery	App. No. 76562345	

AMENDED AND RESTATED SECURITY AGREEMENT

This Amended and Restated Security Agreement dated September 28, 2004 (this "Agreement") is made by FERRARI-CARANO VINEYARDS AND WINERY, LLC, a California limited liability company ("Borrower") in favor of Bank of America, N.A., as the Administrative Agent ("Administrative Agent") under the Credit Agreement referred to below for the ratable benefit of each of the lenders which are parties to the Credit Agreement from time to time (collectively, the "Lenders" and individually, a "Lender"), as secured parties, with reference to the following facts:

RECITALS

1. Borrower's predecessor in interest, Ferrari-Carano Vineyards & Winery, a California general partnership, has previously executed a Security Agreement, dated September 24, 2002, in favor of Bank of America, N.A. (the "Original Security Agreement").
2. Pursuant to the Amended and Restated Credit Agreement of even date herewith, by and among Borrower, the Lenders, and the Administrative Agent, (as such agreement may from time to time be amended, extended, renewed, supplemented or otherwise modified, the "Credit Agreement"), the Lenders have agreed to extend certain credit facilities to Borrower, under the condition that Borrower reaffirm the security interest in the Collateral in favor of Administrative Agent for the ratable benefit of the Lenders as herein provided. Terms defined in the Credit Agreement and not otherwise defined in this Agreement shall have the meanings given those terms in the Credit Agreement when used herein and such definitions are incorporated herein as though set forth in full.

AGREEMENT

NOW, THEREFORE, in order to induce the Lenders to extend the aforementioned credit facilities, and for other good and valuable consideration, the receipt and adequacy of which hereby are acknowledged, Borrower hereby amends and restates the Original Security Agreement, and represents, warrants, covenants, agrees, and grants as follows:

1. **THE SECURITY.** Borrower hereby assigns and grants to Administrative Agent, for the ratable benefit of the Lenders under the Credit Agreement, a security interest in the following described property ("Collateral"):
 - A. All of the following, whether now owned or hereafter acquired by Borrower: accounts, contract rights, chattel paper, instruments, deposit accounts, general intangibles, letter-of-credit rights and goods (provided that such term shall not include any equipment or fixtures not affixed to or located on real property which is subject to a deed of trust or mortgage in favor of the Administrative Agent).
 - B. All inventory now owned or hereafter acquired by Borrower.
 - C. All negotiable and nonnegotiable documents of title now owned or hereafter acquired by Borrower.

D. All rights under contracts of insurance now owned or hereafter acquired by Borrower covering any of the above-described property.

E. All trademarks, service marks, logos, and all United States, state and/or foreign applications for registration and registrations thereof, all trade names, trade styles, designs, and the like, all elements of package or trade dress of goods, the goodwill of the Borrower's business connected with the use of, and symbolized by any of the above, and all property of Borrower necessary to produce any products sold under any of the above, including, without limitation, those trademarks, terms, designs and registrations described in Schedule 1 hereto.

F. All equipment, machinery and machine tools with motors, control attachments, parts, tools and accessories incidental thereto, molds, dies, furniture, furnishings, fixtures, and trade fixtures, together with all replacements, substitutes, accessions, additions, and improvements to any of the foregoing now or hereafter located on real property which is subject to a deed of trust or mortgage in favor of the Administrative Agent (collectively, the "Equipment and Fixtures").

G. All proceeds, products, rents and profits now owned or hereafter acquired by Borrower of any of the above-described property.

H. All books and records now owned or hereafter acquired by Borrower pertaining to any of the above-described property, including but not limited to any computer-readable memory and any computer hardware or software necessary to process such memory ("Books and Records").

2. **THE INDEBTEDNESS.** The Collateral secures and will secure all Indebtedness of Borrower to the Administrative Agent, the Lenders and/or any affiliates of the Lenders. For the purposes of this Agreement, "Indebtedness" means all advances to, and debts, liabilities, obligations, covenants and duties of, Borrower under this Agreement, the Credit Agreement, the other Loan Documents (including, without limitation, Letters of Credit and Secured Swap Contracts), and any other instrument, document or agreement now or hereafter executed in connection therewith, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against Borrower or any Affiliate of Borrower of any proceeding under any Debtor Relief Laws naming Borrower as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

3. **BORROWER'S COVENANTS.** Borrower covenants and warrants that unless compliance is waived by Administrative Agent in writing:

A. Borrower will properly preserve the Collateral; defend the Collateral against any adverse claims and demands; and keep accurate Books and Records.

B. Borrower has notified Administrative Agent in writing of, and will notify Administrative Agent in writing prior to any change in the locations of (i) Borrower's

place of business or Borrower's chief executive office if Borrower has more than one place of business and (ii) any Collateral, including the Books and Records.

C. Borrower will notify Administrative Agent in writing prior to any change in Borrower's name, identity or business structure.

D. Borrower will maintain and keep in force insurance covering the Collateral designated by Administrative Agent against fire and extended coverages. Such insurance shall require losses to be paid on a replacement cost basis, be issued by insurance companies acceptable to Administrative Agent and include a loss payable endorsement in favor of Administrative Agent in a form acceptable to Administrative Agent.

E. Borrower has not granted and will not grant any security interest in any of the Collateral except as permitted under Section 7.01 of the Credit Agreement, and will keep the Collateral free of all liens, claims, security interests and encumbrances of any kind or nature, except as otherwise permitted under Section 7.01 of the Credit Agreement.

F. Borrower will not sell, lease, agree to sell or lease, or otherwise dispose of, or remove from Borrower's place of business (i) any inventory except in the ordinary course of business as heretofore conducted by Borrower, or (ii) any other Collateral except with the prior written consent of Administrative Agent.

G. Borrower will promptly notify Administrative Agent in writing of any event which affects the value of any Collateral, the ability of Borrower or Administrative Agent to dispose of any Collateral, or the rights and remedies of Administrative Agent in relation thereto, including, but not limited to, the levy of any legal process against any Collateral and the adoption of any marketing order, arrangement or procedure affecting the Collateral, whether governmental or otherwise.

H. If any Collateral is or becomes the subject of any negotiable document of title including any warehouse receipt or bill of lading, Borrower shall immediately deliver such document to Administrative Agent.

I. Until Administrative Agent exercises its rights to make collection, Borrower will diligently collect all Collateral.

4. **ADDITIONAL OPTIONAL REQUIREMENTS.** Borrower agrees that Administrative Agent may at its option at any time, whether or not Borrower is in default:

A. Require Borrower to segregate all collections and proceeds of the Collateral so that they are capable of identification and deliver daily such collections and proceeds to Administrative Agent in kind.

B. Require Borrower to deliver to Administrative Agent (i) copies of or extracts from the Books and Records, and (ii) information on any contracts or other matters affecting the Collateral.

C. Examine the Collateral, including the Books and Records, and make copies of or extracts from the Books and Records, and for such purposes enter at any reasonable time upon the property where any Collateral or any Books and Records are located.

D. Require Borrower to deliver to Administrative Agent any instruments or chattel paper.

E. Require Borrower to obtain Administrative Agent's prior written consent to any sale, lease, agreement to sell or lease, or other disposition of any inventory.

F. Notify any account debtors, any buyers of the Collateral, or any other persons of Administrative Agent's interest in the Collateral.

G. Require Borrower to direct all account debtors to forward all payments and proceeds of the Collateral to a post office box under Administrative Agent's exclusive control.

H. Demand and collect any payments and proceeds of the Collateral. In connection therewith Borrower irrevocably authorizes Administrative Agent to endorse or sign Borrower's name on all checks, drafts, collections, receipts and other documents, and to take possession of and open the mail addressed to Borrower and remove therefrom any payments and proceeds of the Collateral.

5. DEFAULTS. Any one or more of the following shall be a default hereunder:

A. Borrower fails to pay any Indebtedness when due.

B. Borrower breaches any term, provision, warranty or representation under this Agreement or under any other Loan Document.

C. Any custodian, receiver or trustee is appointed to take possession, custody or control of all or a substantial portion of the property of Borrower or of any guarantor of any Indebtedness.

D. Borrower or any guarantor of any Indebtedness becomes insolvent, or is generally not paying or admits in writing its inability to pay its debts as they become due, fails in business, makes a general assignment for the benefit of creditors, dies or commences any case, proceeding or other action under any bankruptcy or other law for the relief of, or relating to, debtors.

E. Any case, proceeding or other action is commenced against Borrower or any guarantor of any Indebtedness under any bankruptcy or other law for the relief of, or relating to, debtors.

F. Any involuntary lien of any kind or character attaches to any Collateral.

G. Any financial statements, certificates, schedules or other information now or hereafter furnished by Borrower to Administrative Agent proves false or incorrect in any material respect.

6. **BANK'S REMEDIES AFTER DEFAULT.** In the event of any default, Administrative Agent may do any one or more of the following:

A. Declare any Indebtedness immediately due and payable, without notice or demand.

B. Enforce the security interest given hereunder pursuant to the Uniform Commercial Code and any other applicable law.

C. Enforce the security interest of Administrative Agent in any deposit account of Borrower maintained with Administrative Agent by applying such account to the Indebtedness.

D. Require Borrower to assemble the Collateral, including the Books and Records, and make them available to Administrative Agent at a place designated by Administrative Agent.

E. Enter upon the property where any Collateral, including any Books and Records are located and take possession of such Collateral and such Books and Records, and use such property (including any buildings and facilities) and any of Borrower's equipment, if Administrative Agent deems such use necessary or advisable in order to take possession of, hold, preserve, process, assemble, prepare for sale or lease, market for sale or lease, sell or lease, or otherwise dispose of, any Collateral.

F. Grant extensions and compromise or settle claims with respect to the Collateral for less than face value, all without prior notice to Borrower.

G. Use or transfer any of Borrower's rights and interests in any Intellectual Property now owned or hereafter acquired by Borrower, if Administrative Agent deems such use or transfer necessary or advisable in order to take possession of, hold, preserve, process, assemble, prepare for sale or lease, market for sale or lease, sell or lease, or otherwise dispose of, any Collateral. Borrower agrees that any such use or transfer shall be without any additional consideration to Borrower. As used in this paragraph, "Intellectual Property" includes, but is not limited to, all trade secrets, computer software, service marks, trademarks, trade names, trade styles, copyrights, patents, applications for any of the foregoing, customer lists, working drawings, instructional manuals, and rights in processes for technical manufacturing, packaging and labeling in which Borrower has any right or interest, whether by ownership, license, contractor otherwise.

H. Have a receiver appointed by any court of competent jurisdiction to take possession of the Collateral.

I. Take such measures as Administrative Agent may deem necessary or advisable to take possession of, hold, preserve, process, assemble, insure, prepare for sale or

lease, market for sale or lease, sell or lease, or otherwise dispose of, any Collateral, and Borrower hereby irrevocably constitutes and appoints Administrative Agent as Borrower's attorney-in-fact to perform all acts and execute all documents in connection therewith.

7. MISCELLANEOUS.

A. Any waiver, express or implied, of any provision hereunder and any delay or failure by Administrative Agent to enforce any provision shall not preclude Administrative Agent from enforcing any such provision thereafter.

B. Borrower shall, at the request of Administrative Agent, execute such other agreements, documents, instruments, or financing statements in connection with this Agreement as Administrative Agent may reasonably deem necessary.

C. All notes, security agreements, subordination agreements and other documents executed by Borrower or furnished to Administrative Agent in connection with this Agreement must be in form and substance satisfactory to Administrative Agent.

D. This Agreement shall be governed by and construed according to the laws of the State of California, to the jurisdiction of which the parties hereto submit.

E. All rights and remedies herein provided are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude the further exercise thereof or the exercise of any other right or remedy.


F. All terms not defined herein are used as set forth in the Uniform Commercial Code.

G. In the event of any action by Administrative Agent to enforce this Agreement or to protect the security interest of Administrative Agent in the Collateral, or to take possession of, hold, preserve, process, assemble, insure, prepare for sale or lease, market for sale or lease, sell or lease, or otherwise dispose of, any Collateral, Borrower agrees to pay immediately the costs and expenses thereof, together with reasonable attorney's fees and allocated costs for in-house legal services.

IN WITNESS WHEREOF, Borrower has executed this Amended and Restated Security Agreement by its duly authorized officer as of the date first written above.

"Borrower"

FERRARI-CARANO VINEYARDS AND WINERY,
LLC, a California limited liability company

By: 
Name: Donald L. Carano
Title: Manager

ACCEPTED AND AGREED:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Borrower has executed this Amended and Restated Security Agreement by its duly authorized officer as of the date first written above.


"Borrower"

FERRARI-CARANO VINEYARDS AND WINERY,
LLC, a California limited liability company

By: _____
Name: Donald L. Carano
Title: Manager

ACCEPTED AND AGREED:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: 
Name: Chris M. Levine
Title: Assistant Vice President

SCHEDULE 1

Existing and Pending Trademarks

Mark	Application and/or Registration Number	Owner
Celebre	App. No. 75031060 Reg. No. 2355474	Borrower
Ferrari-Carano	App. No. 73832109 Reg. No. 1634300	Borrower
Ferrari-Carano Sienna	App. No. 76243311	Borrower
Tre Terre	App. No. 74368751 Reg. No. 1947162	Borrower
Vineyards of Tremonte	App. No. 74686548 Reg. No. 2239108	Borrower
Windtree Vineyard	App. No. 76483350 Reg. No. 2826206	Borrower
Almamonte Vineyards and Winery	App. No. 76562345	