Form PTO-1594 (Rev. 01-09)
OMB Collection 0651-0027 (exp. 02/

08-13-2009

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

ET

103570665

8/11/09

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):

Hall Wines, LLC

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☐ Corporation- State:
☒ Other limited liability company - Texas

Citizenship (see guidelines)

Additional names of conveying parties attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? ☐ Yes ☐ No

Name: Wells Fargo Bank, National Association

Internal Address:

Street Address: 1445 Ross Avenue, Suite 300, LB 24

City: Dallas

State: Texas

Country: USA Zip: 75202

☒ Association Citizenship national banking association
☐ General Partnership Citizenship
☐ Limited Partnership Citizenship
☐ Corporation Citizenship
☐ Other Citizenship

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)

3. Nature of conveyance)/Execution Date(s) :

Execution Date(s) July 29, 2009

☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)
2968438; 2784456; 3379721; see attached

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: Julie H. Cooper

Internal Address: c/o Vinson & Elkins L.L.P.

Street Address: 2001 Ross Avenue, Suite 3700

City: Dallas

State: Texas Zip: 75201

Phone Number: 214-220-7919

Fax Number: 214-999-7919

Email Address: jucooper@velaw.com

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $ 165.00

☐ Authorized to be charged to deposit account
☒ Enclosed

8. Payment Information:

08/12/2009 MJAMA1 00000039 2968438
01 FC:8521 40.00 OP
02 FC:8522 125.00 OP

Deposit Account Number

Authorized User Name

9. Signature: Julie H. Cooper
Signature

8/11/2009
Date

Julie H. Cooper
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 29

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

Exhibit A

TRADEMARKS

Work Mark	Goods and Services	Registration Number (Serial Number)	Filing Date	Owner/Registrant
Hall	IC 033. US 047 049. G&S Wine. First Use and First Use in Commerce: 20040101	2968438	7/12/2005	Kathryn Hall Vineyards, LLC
K	IC 033. US 047 049. G&S Wine. First Use and First Use in Commerce: 19990000	2784456	11/18/2003	Kathryn Hall Vineyards, Inc.
DARWIN	IC 033. US 047 049. G&S Wine. First Use and First Use in Commerce: 20061221	3379721	2/5/2008	Kathryn Hall Vineyards, LLC
Kathryn Hall	IC 033. US 047 049. G&S Wine. First Use and First Use in Commerce 19990000:	2899419	11/2/2004	Kathryn Hall Vineyards, LLC
H	(In Process)			
BERGFELD	IC 033. US 047 049. G&S Wine. First Use and First Use in Commerce: 20060900	(78926151)	7/10/2006	Hall Wines, LLC
EXZELLENZ	IC 033. US 047 049. G&S Wine.	(78305048)	9/24/2003	Hall Wines, LLC

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SECOND AMENDED AND RESTATED SECURITY AGREEMENT

THIS SECOND AMENDED AND RESTATED SECURITY AGREEMENT is dated as of July 29, 2009, between HALL WINES, LLC, a Texas limited liability company ("Grantor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Secured Party").

W I T N E S S E T H:

WHEREAS, Grantor and Secured Party entered into an Amended and Restated Security Agreement dated November 3, 2006 (the "Existing Security Agreement");

WHEREAS, pursuant to that certain Second Amended and Restated Credit Agreement dated as of the date hereof by and between Grantor and Secured Party (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Secured Party has agreed to renew, modify and extend the Line of Credit (as defined in the Credit Agreement) and the Term Loan (as defined in the Credit Agreement);

WHEREAS, Hall St. Helena Winery, LLC, a Texas limited liability company, and Hall Highway 29 Winery, LLC, a Texas limited liability company, (collectively, the "St. Helena Wineries") are landlords of Grantor and wish to obtain a term loan from Security Party (the "St. Helena Term Loan") in the amount of $19,575,500;

WHEREAS, pursuant to that certain Credit Agreement dated as of the date hereof by and among the St. Helena Wineries and Secured Party (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "St. Helena Credit Agreement"), Secured Party has agreed to provide the St. Helena Term Loan to Grantor, provided that the St. Helena Term Loan is cross-collateralized with the Line of Credit and the Term Loan;

WHEREAS, in order to induce Secured Party to enter into the Credit Agreement and other Loan Documents (as therein defined) and to induce Secured Party to provide the St. Helena Term Loan pursuant to the St. Helena Credit Agreement, Grantor has agreed to amend and restate the Existing Security Agreement and grant or confirm a continuing lien on the Collateral (as hereinafter defined) to secure the payment of (i) principal, fees and other amounts required to be paid under the Credit Agreement, the Revolving Line of Credit Note and the Term Note (as each are defined in the Credit Agreement) and under that certain Secured Continuing Guaranty dated as of the date hereof, made by Grantor in favor of Secured Party (the "St. Helena Guaranty") relating to the indebtedness arising under the St. Helena Credit Agreement, and (ii) all liability, whether liquidated or unliquidated, defined, contingent, conditional or of any other nature whatsoever, and performance of all other obligations, arising under any swap, derivative, foreign exchange or hedge transaction or arrangement (or other similar transaction or arrangement howsoever described or defined) at any time entered into by Grantor with Secured Party (collectively, the "Obligations");

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINED TERMS.

All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement and the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"Contracts" shall mean all contracts, undertakings, or other agreements (other than rights evidenced by Chattel Paper, Documents or Instruments) in or under which Grantor may now or hereafter have any right, title or interest, including, without limitation, with respect to an Account, any agreement relating to the terms of payment or the terms of performance thereof.

"General Intangibles" shall mean any "general intangibles," as such term is defined in Section 9-102(a)(42) of the UCC, now owned or hereafter acquired by Grantor or in which Grantor now has or hereafter acquires any rights, and, in any event, shall include, without limitation, all right, title and interest which Grantor may now or hereafter have in or under any Contract, causes of action, payment intangibles, franchises, tax refund claims, customer lists, trademarks, patents, rights in intellectual property, Licenses, permits, copyrights, trade secrets, proprietary or confidential information, inventions and discoveries (whether patented or patentable or not) and technical information, procedures, designs, knowledge, know-how, software, data bases, business records data, skill, expertise, experience, processes, models, drawings, materials and records, goodwill, all claims under any guaranty, security interests or other security held by or granted to Grantor to secure payment of the Accounts by an Account Debtor obligated thereon, all rights of indemnification and all other intangible property of any kind and nature.

"License" shall mean any patent license, trademark license or other license as to which Secured Party has been granted a security interest hereunder.

"Patent License" shall mean all of the following now owned or hereafter acquired by Grantor or in which Grantor now has or hereafter acquires any rights: to the extent assignable by Grantor, any written agreement granting any right to make, use, sell and/or practice any invention or discovery that is the subject matter of a Patent.

"Patent" or "Patents" shall mean one or all of the following now or hereafter owned by Grantor or in which Grantor now has or hereafter acquires any rights: (i) all letters patent of the United States or any other country and all applications for letters patent of the United States or any other country, (ii) all reissues, continuations, continuations-in-part, divisions, reexaminations or extensions of any of the foregoing,

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and (iii) all inventions disclosed in and claimed in the Patents and any and all trade secrets and know-how related thereto.

"Proceeds" shall mean "proceeds", as such term is defined in Section 9-102(a)(65) of the UCC and, in any event, shall include, without limitation, (i) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Grantor from time to time with respect to any of the Collateral (as defined below), (ii) any and all payments (in any form whatsoever) made or due and payable to Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority), (iii) any claim of Grantor against third parties (A) for past, present or future infringement of any Patent or Patent License or (B) for past, present or future infringement or dilution of any Trademark or Trademark License or for injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License, (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral, and (v) the following types of property acquired with cash proceeds: Accounts, Chattel Paper, Contracts, Deposit Accounts, Documents, General Intangibles, Equipment and Inventory.

"Trademark License" shall mean all of the following now owned or hereafter acquired by Grantor or in which Grantor now has or hereafter acquires any rights: any written agreement granting any right to use any Trademark or Trademark registration.

"Trademark" or "Trademarks" shall mean one or all of the following now owned or hereafter acquired by Grantor or in which Grantor now has or hereafter acquires any rights: (i) all trademarks, trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of any State of the United States or any other country or any political subdivision thereof, (ii) all extensions or renewals thereof and (iii) the goodwill symbolized by any of the foregoing.

"UCC" shall mean the Uniform Commercial Code as the same may, from time to time, be in effect in the State of Texas; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Texas, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

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All other terms contained in this Second Amended and Restated Security Agreement, unless the context indicates otherwise, have the meanings provided for by the Uniform Commercial Code enacted and in effect in the State of Texas (the "Code") to the extent the same are used or defined therein.

2. GRANT OF LIEN.

(a) To secure the prompt and complete payment, performance and observance of all of the Obligations, Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to Secured Party, or confirms that Secured Party already possesses, a lien upon all of its right, title and interest in, to and under all personal property and other assets, whether now owned by or owing to, or hereafter acquired by or arising in favor of Grantor (including under any trade names, styles or derivations thereof), and whether owned or consigned by or to, or leased from or to, Grantor, and regardless of where located (all of which being hereinafter collectively referred to as the "Collateral"), including:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Documents;

(iv) all General Intangibles (including payment intangibles and Software);

(v) all Goods (including Inventory, Equipment and Fixtures);

(vi) all Instruments;

(vii) all Investment Property;

(viii) all Deposit Accounts of Grantor, and all other bank accounts and all deposits therein;

(ix) all money, cash or cash equivalents of Grantor;

(x) all Supporting Obligations and Letter-of-Credit Rights of Grantor;

(xi) all Patents, Trademarks, copyrights and other intellectual property of Grantor; and

(xii) to the extent not otherwise included, all Proceeds, tort claims, insurance claims and other rights to payments not otherwise included in the foregoing and products of the foregoing and all accessions to, substitutions and replacements for, and rents and profits of, each of the foregoing.

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(b) In addition, to secure the prompt and complete payment, performance and observance of the Obligations and in order to induce Secured Party as aforesaid, Grantor hereby grants to Secured Party (i) a right of setoff against the property of Grantor held by Secured Party, consisting of property described above in Section 2(a) now or hereafter in the possession or custody of or in transit to Secured Party, for any purpose, including safekeeping, collection or pledge, for the account of Grantor, or as to which Grantor may have any right or power and (ii) the license described in Section 8 hereof.

3. SECURED PARTY'S RIGHTS: LIMITATIONS ON SECURED PARTY'S OBLIGATIONS.

(a) It is expressly agreed by Grantor that, anything herein to the contrary notwithstanding, Grantor shall remain liable under each of its contracts and each of its licenses to observe and perform all the conditions and obligations to be observed and performed by it thereunder. Secured Party shall not have any obligation or liability under any contract or license by reason of or arising out of this Second Amended and Restated Security Agreement or the granting herein of a lien thereon or the receipt by Secured Party of any payment relating to any contract or license pursuant hereto. Secured Party shall not be required or obligated in any manner to perform or fulfill any of the obligations of Grantor under or pursuant to any contract or license, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any contract or license, or to present or file any claims, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(b) Secured Party may at any time after an Event of Default has occurred and be continuing (or if any rights of set-off (other than set-offs against an Account arising under the contract giving rise to the same Account) or contra accounts may be asserted with respect to the following), without prior notice to Grantor, notify Account Debtors and other persons obligated on the Collateral that Secured Party has a security interest therein, and that payments shall be made directly to Secured Party. Upon the request of Secured Party, Grantor shall so notify Account Debtors and other persons obligated on the Collateral. Once any such notice has been given to any Account Debtor or other person obligated on the Collateral, Grantor shall not give any contrary instructions to such Account Debtor or other person without Secured Party's prior written consent.

(c) Secured Party may at any time in Secured Party's own name, in the name of a nominee of Secured Party or in the name of Grantor communicate (by mail, telephone, facsimile or otherwise) with Account Debtors, parties to contracts and obligors in respect of Instruments to verify with such persons, to Secured Party's satisfaction, the existence, amount, terms of, and any other matter relating to, Accounts, payment intangibles, Instruments or Chattel Paper.

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4. REPRESENTATIONS AND WARRANTIES. Grantor represents and warrants that:

(a) Grantor has rights in and the power to transfer each item of the Collateral upon which it purports to grant a lien hereunder free and clear of any and all liens other than permitted encumbrances pursuant to Section 5.7 of the Credit Agreement ("Permitted Encumbrances"), and, in the case of copyrights, Patents and Trademarks, free and clear of licenses, registered user agreements and covenants not to sue third persons.

(b) No effective security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed (i) by Grantor in favor of Secured Party pursuant to this Second Amended and Restated Security Agreement or the other Loan Documents, and (ii) in connection with any other Permitted Encumbrances.

(c) This Second Amended and Restated Security Agreement is effective to create a valid and continuing lien on and, upon the filing of the appropriate financing statements in those jurisdictions listed on Schedule I hereto, a perfected lien in favor of Secured Party on the Collateral with respect to which a lien may be perfected by filing pursuant to the Code. Such lien is prior to all other liens, except Permitted Encumbrances that would be prior to liens in favor of Secured Party as a matter of law, and is enforceable as such as against any and all creditors of and purchasers from Grantor (other than purchasers and lessees of Inventory in the ordinary course of business and licensees under non-exclusive licenses in the ordinary course of business). All action by Grantor necessary or desirable to protect and perfect such lien on each item of the Collateral has been duly taken.

(d) Schedule II hereto lists all Instruments, Letter-of-Credit Rights and Chattel Paper of Grantor. All action by Grantor necessary or desirable to protect and perfect the lien of Secured Party on each item set forth on Schedule II (including the delivery of all originals thereof to Secured Party and the legending of all Chattel Paper as required by Section 5(b) hereof) has been duly taken. The lien of Secured Party on the Collateral listed on Schedule II hereto is prior to all other liens, except Permitted Encumbrances that would be prior to the liens in favor of Secured Party as a matter of law, and is enforceable as such against any and all creditors of and purchasers from Grantor.

(e) Grantor's name as it appears in official filings in the state of its organization, the type of entity of Grantor, organizational identification number issued by Grantor's state of organization or a statement that no such number has been issued, Grantor's state of organization, the location of Grantor's chief executive office, principal place of business, offices, all warehouses and premises where the Collateral is stored or located, and the locations of its books and records concerning the Collateral are set forth on Schedule III hereto. Grantor has only one state of organization.

(f) With respect to the Accounts, (i) they represent bona fide sales of Inventory or rendering of services to Account Debtors in the ordinary course of Grantor's

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business and are not evidenced by a judgment, Instrument or Chattel Paper; (ii) there are no setoffs, claims or disputes existing or asserted with respect thereto of which Grantor is aware and Grantor has not made any agreement with any Account Debtor for any extension of time for the payment thereof, any compromise or settlement for less than the full amount thereof, any release of any Account Debtor from liability therefor, or any deduction therefrom except a discount or allowance allowed by Grantor in the ordinary course of its business for prompt payment and disclosed to Secured Party; (iii) to Grantor's knowledge, there are no facts, events or occurrences which in any way impair the validity or enforceability thereof or could reasonably be expected to reduce the amount payable thereunder as shown on Grantor's books and records and any invoices or statements; (iv) Grantor has not received any notice of proceedings or actions which are threatened or pending against any Account Debtor which might result in any adverse change in such Account Debtor's financial condition; and (v) Grantor has no knowledge that any Account Debtor is unable generally to pay its debts as they become due. Further with respect to the Accounts, (x) the amounts shown on all invoices and statements are to Grantor's knowledge actually and absolutely owing to Grantor as indicated thereon and are not in any way contingent; (y) no payments have been or shall be made thereon except payments immediately delivered to the applicable deposit account or to Secured Party as may be required pursuant to the terms of the Credit Agreement; and (z) to Grantor's knowledge, all Account Debtors have the capacity to contract.

(g) With respect to any Inventory, (i) such Inventory is and will be located at one of Grantor's locations set forth on Schedule III hereto, (ii) no Inventory is now, or shall at any time or times hereafter be stored at any other location without Secured Party's prior consent, and if Secured Party gives such consent, Grantor will concurrently therewith obtain, to the extent required by the Credit Agreement, bailee, landlord and mortgagee agreements, (iii) Grantor has good, indefeasible and merchantable title to such Inventory and such Inventory is not subject to any lien or security interest or document whatsoever except for the lien granted to Secured Party, and except for Permitted Encumbrances, (iv) such Inventory is of good and merchantable quality, free from any defects, (v) such Inventory is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party upon sale or disposition of that Inventory or the payment of any monies to any third party upon such sale or other disposition, and (vi) the completion of manufacture, sale or other disposition of such Inventory by Secured Party following an Event of Default shall not require the consent of any person and shall not constitute a breach or default under any contract or agreement to which Grantor is a party or to which such property is subject.

(h) With respect to the Patents, the Patents (if any) and, to the best of Grantor's knowledge, any patents in which Grantor has been granted rights pursuant to the Patent Licenses are subsisting and have not been adjudged invalid or unenforceable; each of the Patents and, to the best of Grantor's knowledge, any patent in which Grantor has been granted rights pursuant to Patent Licenses are valid and enforceable; no claim has been made that the use of any of the Patents or any patent in which Grantor has been granted rights pursuant to the Patent Licenses does or may violate the rights of any third person; and Grantor shall take all reasonable actions necessary to insure that the Patents and any patents in which Grantor has been granted rights pursuant to the Patent Licenses remain valid and enforceable.

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(i) With respect to the Trademarks, the Trademarks (if any) and, to the best of Grantor's knowledge, any trademarks in which Grantor has been granted rights pursuant to Trademark Licenses are subsisting and have not been adjudged invalid or unenforceable; each of the Trademarks and, to the best of Grantor's knowledge, any trademark in which Grantor has been granted rights pursuant to Trademark Licenses is valid and enforceable; no claim has been made that the use of any of the Trademarks or any trademark in which Grantor has been granted rights pursuant to the Trademark Licenses does or may violate the rights of any third person; upon registration of its Trademarks, Grantor will use for the duration of this Second Amended and Restated Security Agreement, proper statutory notice in connection with its use of the Trademarks; and Grantor will use, for the duration of this Second Amended and Restated Security Agreement, consistent standards of quality in its manufacture of products sold under the Trademarks and any trademarks in which Grantor has been granted rights pursuant to the Trademark Licenses.

(j) Grantor does not have any interest in, or title to, any Patent, Trademark or copyright except as set forth in Schedule IV hereto. This Second Amended and Restated Security Agreement is effective to create a valid and continuing lien on Grantor's Patents, Trademarks and copyrights and such perfected liens are enforceable as such as against any and all creditors of and purchasers from Grantor (other than purchasers and lessees of Inventory in the ordinary course of business and licensees under non-exclusive licenses in the ordinary course of business).

5. COVENANTS. Grantor covenants and agrees with Secured Party that from and after the date of this Second Amended and Restated Security Agreement and until the Obligations are paid and performed in full:

(a) Further Assurances: Pledge of Instruments; Chattel Paper.

(i) At any time and from time to time, upon the written request of Secured Party and at the sole expense of Grantor, Grantor shall promptly and duly execute and deliver any and all such further instruments and documents and take such further actions as Secured Party may deem desirable to obtain the full benefits of this Second Amended and Restated Security Agreement and of the rights and powers herein granted, including (A) using its best efforts to secure all consents and approvals necessary or appropriate for the assignment to or for the benefit of Secured Party of any license or contract held by Grantor and to enforce the security interests granted hereunder; and (B) filing any financing or continuation statements under the Code with respect to the liens granted hereunder or under any other Loan Document.

(ii) Unless Secured Party shall otherwise consent in writing (which consent may be revoked) other than checks being deposited in the ordinary course of business, Grantor shall deliver to Secured Party all Collateral consisting of negotiable Documents, certificated securities, Chattel Paper and Instruments (in each case, accompanied by equity powers, allonges or other instruments of transfer executed in blank) promptly after Grantor receives the same.

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(iii) If Grantor is or becomes the beneficiary of a letter of credit, Grantor shall promptly, and in any event within two (2) Business Days after becoming a beneficiary, notify Secured Party thereof and enter into a tri-party agreement with Secured Party and the issuer and/or confirmation bank with respect to Letter-of-Credit Rights assigning such Letter-of-Credit Rights to Secured Party, all in form and substance reasonably satisfactory to Secured Party.

(iv) Grantor shall take all steps necessary to grant Secured Party control of all electronic chattel paper in accordance with the Code and all "transferable records" as defined in each of the Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

(v) Grantor hereby irrevocably authorizes Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Code or such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by part 5 of Article 9 of the Code for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) the type of organization and any organization identification number issued to Grantor, and (ii) in the case of a financing statement filed as a fixture filing or indicating any Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Grantor agrees to furnish any such information to Secured Party promptly upon request. Grantor also ratifies its authorization for Secured Party to have filed in any Uniform Commercial Code jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(vi) Grantor shall promptly, and in any event within two (2) Business Days after the same is acquired by it, notify Secured Party of any commercial tort claim (as defined in the Code) acquired by it and unless otherwise consented by Secured Party, Grantor shall enter into a supplement to this Second Amended and Restated Security Agreement, granting to Secured Party a lien in such commercial tort claim.

(b) Maintenance of Records. Grantor shall keep and maintain, at its own cost and expense, satisfactory and complete records of the Collateral, including a record of any and all payments received and any and all credits granted with respect to the Collateral and all other dealings with the Collateral. Grantor shall mark its books and records pertaining to the Collateral to evidence this Second Amended and Restated Security Agreement and the liens granted hereby. If Grantor retains possession of any Chattel Paper or Instruments with Secured Party's consent, such Chattel Paper and Instruments shall be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of Wells Fargo Bank, National Association."

(c) Covenants Regarding Patent, Trademark and Copyright Collateral.

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(i) Grantor shall notify Secured Party immediately if it knows or has reason to know that any application or registration relating to any Patent, Trademark or copyright (now or hereafter existing) may become abandoned, cancelled or declared invalid, or if any such copyright or Trademark or the invention disclosed in any such Patent is dedicated to the public domain, or of any adverse determination or development in any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, in analogous offices or agencies in other countries or in any court regarding Grantor's ownership of any copyright, Patent or Trademark, its right to register the same, or to keep and maintain the same.

(ii) If Grantor, either itself or through any agent, employee, licensee or designee, applies for a Patent or files an application for the registration of any Trademark or copyright with the United States Patent and Trademark Office, United States Copyright Office or any analogous office or agency in any other country or any political subdivision thereof or otherwise obtains rights in any Patent, Trademark or copyright, Grantor will promptly inform Secured Party, and, upon request of Secured Party, execute and deliver any and all agreements, instruments, documents, and papers as Secured Party may reasonably request to evidence Secured Party's security interest in such copyright, Patent or Trademark and the General Intangibles, including, without limitation, in the case of Trademarks, the goodwill of Grantor, relating thereto or represented thereby; provided that Grantor shall have no such duty where Grantor's copyright, Patent or Trademark rights in its application would be jeopardized by such action, including, but not limited to, the assignment of an "intent-to-use" Trademark application filed under 15 U.S.C. § 1051(b).

(iii) Grantor, consistent with the reasonable conduct and protection of its business, will take all reasonable actions to prosecute vigorously each application and to attempt to obtain the broadest Patent or registration of a Trademark or copyright therefrom and to maintain each Patent, Trademark registration and copyright registration which is material to the conduct of Grantor's business, including, without limitation, with respect to Patents, payments of required maintenance fees, and, with respect to Trademarks, filing of applications for renewal, affidavits of use and affidavits of incontestability. In the event that Grantor fails to take any of such actions, Secured Party may do so in Grantor's name or in Secured Party's name and all reasonable expenses incurred by Secured Party in connection therewith shall be paid by Grantor.

(iv) Grantor shall use its reasonable efforts to detect infringers of the copyrights, Patents and Trademarks which are material to the conduct of Grantor's business. In the event that any of the copyrights, Patents or Trademarks is infringed, misappropriated or diluted by a third party, Grantor shall notify Secured Party promptly after it learns thereof and shall, if such copyrights, Patents or Trademarks are material to the conduct of Grantor's business, promptly take appropriate action to protect such copyrights, Patents or Trademarks. In the event that Grantor fails to take any such actions, Secured Party may do so in Grantor's name or Secured Party's name and all

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reasonable expenses incurred by Secured Party in connection therewith shall be paid by Grantor.

(d) Indemnification. In any suit, proceeding or action brought by Secured Party relating to any Collateral for any sum owing with respect thereto or to enforce any rights or claims with respect thereto, Grantor will save, indemnify and keep Secured Party harmless from and against all expense (including reasonable attorneys' fees and expenses), loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of the Account Debtor or other person obligated on the Collateral, arising out of a breach by Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to, or in favor of, such obligor or its successors from Grantor, except in the case of Secured Party, to the extent such expense, loss, or damage is attributable solely to the gross negligence or willful misconduct of Secured Party as finally determined by a court of competent jurisdiction. All such obligations of Grantor shall be and remain enforceable against and only against Grantor and shall not be enforceable against Secured Party.

(e) Compliance with Terms of Accounts, etc. In all material respects, Grantor will perform and comply with all obligations in respect of the Collateral and all other agreements to which it is a party or by which it is bound relating to the Collateral.

(f) Limitation on Liens on Collateral. Grantor will not create, permit or suffer to exist, and Grantor will defend the Collateral against, and take such other action as is necessary to remove, any lien on the Collateral except Permitted Encumbrances, and will defend the right, title and interest of Secured Party in and to any of Grantor's rights under the Collateral against the claims and demands of all persons whomsoever.

(g) Limitations on Disposition. Grantor will not sell, license, lease, transfer or otherwise dispose of any of the Collateral, or attempt or contract to do so except as permitted by the Credit Agreement.

(h) Further Identification of Collateral. Grantor will, if so requested by Secured Party, furnish to Secured Party, as often as Secured Party requests, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Secured Party may reasonably request, all in such detail as Secured Party may specify.

(i) Notices. Grantor will advise Secured Party promptly, in reasonable detail, (i) of any lien (other than Permitted Encumbrances) or claim made or asserted against any of the Collateral, and (ii) of the occurrence of any other event which would have a material adverse effect on the aggregate value of the Collateral or on the liens created hereunder or under any other Loan Document.

(j) Good Standing Certificates. Grantor shall, upon request of Secured Party, provide to Secured Party a certificate of good standing from its state of organization.

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(k) No Reincorporation. Without limiting the prohibitions on mergers involving Grantor contained in the Credit Agreement, Grantor shall not reorganize itself under the laws of any jurisdiction other than the jurisdiction in which it is organized as of the date hereof without the prior written consent of Secured Party.

(l) Terminations; Amendments Not Authorized. Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement without the prior written consent of Secured Party and agrees that it will not do so without the prior written consent of Secured Party, subject to Grantor's rights under Section 9-509(d)(2) of the Code.

6. SECURED PARTY'S APPOINTMENT AS ATTORNEY-IN-FACT.

On the Closing Date, Grantor shall execute and deliver to Secured Party a power of attorney (the "Power of Attorney") substantially in the form attached hereto as Exhibit A. The power of attorney granted pursuant to the Power of Attorney is a power coupled with an interest and shall be irrevocable until the Maturity Date. The powers conferred on Secured Party, under the Power of Attorney are solely to protect Secured Party's interests in the Collateral and shall not impose any duty upon Secured Party to exercise any such powers. Secured Party agrees that (a) except for the powers granted in clause (h) of the Power of Attorney, it shall not exercise any power or authority granted under the Power of Attorney unless an Event of Default has occurred and is continuing, and (b) Secured Party shall account for any moneys received by any third party in respect of any foreclosure on or disposition of any Collateral pursuant to the Power of Attorney provided that Secured Party shall not have any duty as to any Collateral, and Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers. NEITHER SECURED PARTY NOR ANY OF ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES SHALL BE RESPONSIBLE TO GRANTOR FOR ANY ACT OR FAILURE TO ACT UNDER ANY POWER OF ATTORNEY OR OTHERWISE, EXCEPT IN RESPECT OF DAMAGES ATTRIBUTABLE SOLELY TO SECURED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AS FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION, NOR FOR ANY PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES.

7. REMEDIES: RIGHTS UPON DEFAULT.

(a) In addition to all other rights and remedies granted to it under this Second Amended and Restated Security Agreement, the Credit Agreement, the other Loan Documents, the St. Helena Guaranty and under any other instrument or agreement securing, evidencing or relating to any of the Obligations, if any Event of Default shall have occurred and be continuing, Secured Party may exercise all rights and remedies of a secured party under the Code. Without limiting the generality of the foregoing, Grantor expressly agrees that in any such event Secured Party, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Grantor or any other person (all and each of which demands, advertisements and notices are hereby

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expressly waived to the maximum extent permitted by the Code and other applicable law), may forthwith enter upon the premises of Grantor where any Collateral is located through self-help, without judicial process, without first obtaining a final judgment or giving Grantor or any other person notice and opportunity for a hearing on Secured Party's claim or action and may collect, receive, assemble, process, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, license, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at a public or private sale or sales, at any exchange at such prices as it may deem acceptable, for cash or on credit or for future delivery without assumption of any credit risk. Secured Party shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of Secured Party, the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption Grantor hereby releases. Such sales may be adjourned and continued from time to time with or without notice. Secured Party shall have the right to conduct such sales on Grantor's premises or elsewhere and shall have the right to use Grantor's premises without charge for such time or times as Secured Party deems necessary or advisable.

If any Event of Default shall have occurred and be continuing, Grantor further agrees, at Secured Party's request, to assemble the Collateral and make it available to Secured Party at a place or places designated by Secured Party which are reasonably convenient to Secured Party and Grantor, whether at Grantor's premises or elsewhere. Until Secured Party is able to effect a sale, lease, or other disposition of the Collateral, Secured Party shall have the right to hold or use the Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving the Collateral or its value or for any other purpose deemed appropriate by Secured Party. Secured Party shall have no obligation to Grantor to maintain or preserve the rights of Grantor as against third parties with respect to the Collateral while the Collateral is in the possession of Secured Party. Secured Party may, if it so elects, seek the appointment of a receiver or keeper to take possession of the Collateral and to enforce any of Secured Party's remedies, with respect to such appointment without prior notice or hearing as to such appointment. Secured Party shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale to the Obligations as provided in the Credit Agreement, and only after so paying over such net proceeds, and after the payment by Secured Party of any other amount required by any provision of law, need Secured Party account for the surplus, if any, to Grantor. To the maximum extent permitted by applicable law, Grantor waives all claims, damages, and demands against Secured Party arising out of the repossession, retention or sale of the Collateral except such as arise solely out of the gross negligence or willful misconduct of Secured Party as finally determined by a court of competent jurisdiction. Grantor agrees that ten (10) days prior notice by Secured Party of the time and place of any public sale or of the time after which a private sale may take place is reasonable notification of such matters. Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all Obligations, including any attorneys' fees and other expenses incurred by Secured Party to collect such deficiency.

(b) Except as otherwise specifically provided herein, Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law)

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of any kind in connection with this Second Amended and Restated Security Agreement or any Collateral.

(c) To the extent that applicable law imposes duties on Secured Party to exercise remedies in a commercially reasonable manner, Grantor acknowledges and agrees that it is not commercially unreasonable in and of itself for Secured Party (i) to fail to incur expenses reasonably deemed significant by Secured Party to prepare the Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to the Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of the Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against Account Debtors or other persons obligated on the Collateral or to remove liens on or any adverse claims against the Collateral, (iv) to exercise collection remedies against Account Debtors and other persons obligated on the Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of the Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other persons, whether or not in the same business as Grantor, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of the Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of the Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure Secured Party against risks of loss, collection or disposition of the Collateral or to provide to Secured Party a guaranteed return from the collection or disposition of the Collateral, or (xii) to the extent deemed appropriate by Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist Secured Party in the collection or disposition of any of the Collateral. Grantor acknowledges that the purpose of this Section 7(c) is to provide non-exhaustive indications of what actions or omissions by Secured Party would not be commercially unreasonable in Secured Party's exercise of remedies against the Collateral and that other actions or omissions by Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 7(c). Without limitation upon the foregoing, nothing contained in this Section 7(c) shall be construed to grant any rights to Grantor or to impose any duties on Secured Party that would not have been granted or imposed by this Second Amended and Restated Security Agreement or by applicable law in the absence of this Section 7(c).

(d) Secured Party shall not be required to make any demand upon, or pursue or exhaust any of its rights or remedies against, Grantor, any other obligor, guarantor, pledgor or any other person with respect to the payment of the Obligations or to pursue or exhaust any of its rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof. Secured Party shall not be required to marshal the Collateral or any guarantee of the Obligations or to resort to the Collateral or any such guarantee in any particular order, and all of its rights hereunder or under any other Loan Document shall be cumulative. To the extent it may

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lawfully do so, Grantor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against Secured Party, any valuation, stay, appraisement, extension, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the sale of any Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Second Amended and Restated Security Agreement, or otherwise.

8. GRANT OF LICENSE TO USE INTELLECTUAL PROPERTY COLLATERAL. For the purpose of enabling Secured Party to exercise rights and remedies under Section 7 hereof at such time as Secured Party, without regard to this Section 8, shall be lawfully entitled to exercise such rights and remedies, Grantor hereby grants to Secured Party an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to Grantor) to use, license or sublicense any copyright, Patent or Trademark, now owned or hereafter acquired by Grantor, and wherever the same may be located, and including, without limitation, in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer and automatic machinery software and programs used for the compilation or printout thereof, provided no use of such property is made by Secured Party until it has exercised its rights and remedies hereunder and no use of such property is made after the debt created under the Credit Agreement as currently in effect has been satisfied.

9. LIMITATION ON SECURED PARTY'S DUTY IN RESPECT OF COLLATERAL. Secured Party shall use reasonable care with respect to the Collateral in its possession or under its control. Secured Party shall not have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of Secured Party, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto.

10. REINSTATEMENT. This Second Amended and Restated Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

11. NOTICES. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this

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Second Amended and Restated Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Credit Agreement.

12. SEVERABILITY. Whenever possible, each provision of this Second Amended and Restated Security Agreement shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision of this Second Amended and Restated Security Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any remaining provisions of this Second Amended and Restated Security Agreement. This Second Amended and Restated Security Agreement is to be read, construed and applied together with the Credit Agreement, the St. Helena Guaranty and the other Loan Documents which, taken together, set forth the complete understanding and agreement of Secured Party and Grantor with respect to the matters referred to herein and therein.

13. NO WAIVER; CUMULATIVE REMEDIES. Secured Party shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by Secured Party and then only to the extent therein set forth. A waiver by Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which Secured Party would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of Secured Party, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. None of the terms or provisions of this Second Amended and Restated Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by Secured Party and Grantor.

14. LIMITATION BY LAW. All rights, remedies and powers provided in this Second Amended and Restated Security Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Second Amended and Restated Security Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not render this Second Amended and Restated Security Agreement invalid, unenforceable, in whole or in part, or not entitled to be recorded, registered or filed under the provisions of any applicable law.

15. TERMINATION OF THIS SECOND AMENDED AND RESTATED SECURITY AGREEMENT. Subject to Section 10 hereof, this Second Amended and Restated Security Agreement shall terminate upon the payment and performance in full of all Obligations, whereupon Secured Party shall file UCC termination statements and such other releases as may be required to evidence the release of its rights to and claims on the Collateral pursuant to this Second Amended and Restated Security Agreement.

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16. SUCCESSORS AND ASSIGNS. This Second Amended and Restated Security Agreement and all obligations of Grantor hereunder shall be binding upon the successors and assigns of Grantor (including any debtor-in-possession on behalf of Grantor) and shall, together with the rights and remedies of Secured Party, hereunder, inure to the benefit of Secured Party, all future holders of any instrument evidencing any of the Obligations and their respective successors and assigns. No sales of participations, other sales, assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Obligations or any portion thereof or interest therein shall in any manner impair the lien granted to Secured Party hereunder. Grantor may not assign, sell, hypothecate or otherwise transfer any interest in or obligation under this Second Amended and Restated Security Agreement.

17. COUNTERPARTS. This Second Amended and Restated Security Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same Agreement.

18. CHOICE OF LAW. THIS SECOND AMENDED AND RESTATED SECURITY AGREEMENT IS BEING EXECUTED AND DELIVERED, AND IS INTENDED TO BE PERFORMED IN THE STATE OF TEXAS. EXCEPT TO THE EXTENT THAT THE LAWS OF THE UNITED STATES MAY APPLY TO THE TERMS HEREOF, THE SUBSTANTIVE LAWS OF THE STATE OF TEXAS SHALL GOVERN THE VALIDITY, CONSTRUCTION, ENFORCEMENT AND INTERPRETATION OF THIS SECOND AMENDED AND RESTATED SECURITY AGREEMENT. IN THE EVENT OF A DISPUTE INVOLVING THIS SECOND AMENDED AND RESTATED SECURITY AGREEMENT OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION HEREWITH, THE UNDERSIGNED IRREVOCABLY AGREES THAT VENUE FOR SUCH DISPUTE SHALL LIE IN ANY COURT OF COMPETENT JURISDICTION IN DALLAS COUNTY, TEXAS TO THE EXTENT SUCH DISPUTE IS NOT RESOLVED BY BINDING ARBITRATION PURSUANT TO SECURED PARTY'S CURRENT ARBITRATION PROGRAM DESCRIBED IN SECTION 19 BELOW.

19. AGREEMENT FOR BINDING ARBITRATION. THE PARTIES AGREE TO BE BOUND BY THE TERMS AND PROVISIONS OF SECURED PARTY'S CURRENT ARBITRATION PROGRAM WHICH IS INCORPORATED BY REFERENCE HEREIN AND IS ACKNOWLEDGED AS RECEIVED BY THE PARTIES PURSUANT TO WHICH ANY AND ALL DISPUTES SHALL BE RESOLVED BY MANDATORY BINDING ARBITRATION UPON THE REQUEST OF ANY PARTY.

20. SECTION TITLES. The Section titles contained in this Second Amended and Restated Security Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

21. NO STRICT CONSTRUCTION. The parties hereto have participated jointly in the negotiation and drafting of this Second Amended and Restated Security Agreement. In the event an ambiguity or question of intent or interpretation arises, this Second Amended and

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Restated Security Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Second Amended and Restated Security Agreement.

22. USE AND PROTECTION OF COPYRIGHT, PATENT AND TRADEMARK COLLATERAL. Notwithstanding anything to the contrary contained herein, unless an Event of Default has occurred and is continuing, Secured Party shall from time to time execute and deliver, upon the written request of Grantor, any and all instruments, certificates or other documents, in the form so requested, necessary or appropriate in the judgment of Grantor to permit Grantor to continue to exploit, license, use, enjoy and protect its copyrights, Patents and Trademarks.

23. EXTENSION. The security interests in the Collateral are given or confirmed in renewal, extension and modification of the security interests previously granted in the Collateral to Secured Party by Grantor pursuant to the Existing Security Agreement; such existing security interests in the Collateral are not extinguished hereby; and the making, perfection and priority of such existing security interests in the Collateral shall continue in full force and effect.

[Remainder of Page Intentionally Left Blank]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first written above.

Borrower:

HALL WINES, LLC

By: _____
Larry E. Levey
Executive Vice President

Bank:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Michael S. Real
Vice President

[Signature Page to Second Amended and Restated Credit Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first written above.

Borrower:

HALL WINES, LLC

By: _____
Larry E. Levey
Executive Vice President

Bank:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Michael S. Real
Vice President

[Signature Page to Second Amended and Restated Credit Agreement]

SCHEDULE I
to
SECOND AMENDED AND RESTATED SECURITY AGREEMENT

FILING JURISDICTIONS

Texas.

SCHEDULE II
to
SECOND AMENDED AND RESTATED SECURITY AGREEMENT

INSTRUMENTS,
LETTER OF CREDIT RIGHTS
and
CHATTEL PAPER

None.

SCHEDULE III
TO
SECOND AMENDED AND RESTATED SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF COLLATERAL AND RECORDS CONCERNING HALL WINES, LLC'S COLLATERAL

1. Grantor's official name: Hall Wines, LLC

2. Type of entity (e.g. corporation, partnership, business trust, limited partnership, limited liability company: Limited Liability Company

3. Organizational identification number issued by Grantor's state of incorporation or organization or a statement that no number has been issued: 800150217

4. State of Incorporation or Organization of Grantor: Texas

5. Chief Executive Office and principal place of business of Grantor:

   6801 Gaylord Parkway
   Suite 100
   Frisco, Texas 75034

6. Additional Corporate Offices of Grantor:

   60 Auberge Road
   Rutherford, CA 94573

   401 St. Helena Highway South
   St. Helena, CA 94574

7. Warehouses:

Some finished goods at	Western Wine Service 875 Hanna Drive Napa, CA 94581
All bulk plus some finished and Business records at	401 St. Helena Highway St. Helena, CA 94574
Bulk wine and finished Case Goods	56 Auberge Road Rutherford, CA 94573

8. Other Premises at which Collateral is Stored or Located: New Vine Logistics, 830 Latour Court, Napa, CA 94558

9. Locations of Records Concerning Collateral: See number 6 above and also:
401 St. Helena Highway
St. Helena, CA 94574

SCHEDULE IV
to
SECOND AMENDED AND RESTATED SECURITY AGREEMENT
PATENTS, TRADEMARKS AND COPYRIGHTS

Word Mark	Hall	K	DARWIN	Kathryn Hall	H	NOVUS	BERGFELD	EXZELLENZ
Goods and Services	IC 033 US 047 049 G & S: Wine. FIRST USE AND FIRST USE IN COMMERCE: 20040101	IC 033. US 047 049. G & S: Wine. FIRST USE AND FIRST USE IN COMMERCE: 19990000	IC 033. US 047 049. G & S Wine. FIRST USE AND FIRST USE IN COMMERCE: 20061221	IC 033. US 047 049 G & S; Wine. FIRST USE AND FIRST USE IN COMMERCE: 19990000	**In Process**	IC 033. US 047 049. G & S; Wine	IC 033. US 047 049 G & S; Wine FIRST USE AND FIRST USE IN COMMERCE 20060900	IC 033 US 047 049. G & S: Wine DENIED AND ON APPEAL
Mark Drawing Code	(1) TYPED DRAWING	(3) DESIGN PLUS WORDS, LETTERS, AND/OR NUMBERS	(4) STANDARD CHARACTER MARK	(1) TYPED DRAWING		(4) STANDARD CHARACTER MARK	(4) STANDARD CHARACTER MARK	(1) TYPED DRAWING
Serial Number	78259067	78201807	78966328	78201804		78926113	78926151	78305048
Filing Date	June 5, 2003	January 9, 2003	September 1, 2006	January 9, 2003		July 10, 2006	July 10, 2006	September 24, 2003
Current Filing Basis	1A	1A	1A	1A		1B	1A	1B
Original Filing Basis	1B	1A	1B	1A		1B	1B	1B
Published for Opposition	August 10, 2004	August 26, 2003	February 20, 2007	August 10, 2004		**ABANDONED**	March 24, 2009	November 14, 2006
Registration Number	2968438	2784456	3379721	2899419		N/A		
Registration Date	July 12, 2005	Nov. 18, 2003	February 5, 2008	November 2, 2004		N/A		
Owner/Registrant	Kathryn Hall Vineyards, LLC TEXAS 60 Auberge Road, Rutherford, CA 94573	Kathryn Hall Vineyards, Inc.	Kathryn Hall Vineyards, LLC TEXAS 60 Auberge Road, Rutherford, CA 94573	Kathryn Hall Vineyards, LLC, TEXAS 60 Auberge Road, Rutherford, CA 94573		Kathryn Hall Vineyards LTD LIAB CO TEXAS 60 Auberge Road Rutherford CA 94573	Hall Wines, LLC, 401 St. Helena Hwy South, St Helena, CA 95574	Hall Wines, LLC, 401 St Helena Hwy South, St. Helena, CA 95574
Assignment Recorded	Assignment Recorded	Assignment Recorded	Assignment Recorded	Assignment Recorded		N/A	Assignment Recorded	Assignment Recorded
Affidavit of Continued Use[1]	July 12, 2011	November 18, 2009	February 5, 2014	November 2, 2010		N/A		
Attorney of Record	Kathryn C. Spelman	Kimberly G. Russell	Kathryn C. Spelman	Kimberly G. Russell		Kathryn C. Spelman	Tsan Abrahamson	Kathryn C Spelman
Application for Renewal[2]	July 12, 2015	November 18, 2013	February 5, 2018	November 2, 2014		N/A		
Type of Mark	TRADEMARK	TRADEMARK	TRADEMARK	TRADEMARK	TRADE-MARK	TRADEMARK	TRADEMARK	TRADEMARK
Register	PRINCIPAL	PRINCIPAL	PRINCIPAL	PRINCIPAL	PRINCIPAL	PRINCIPAL	PRINCIPAL	PRINCIPAL
Live/Dead	LIVE	LIVE	LIVE	LIVE	LIVE	DEAD	LIVE	LIVE

Under Section 8 of the Trademark Act, 15 USC §1058, upon the expiration of the following time periods:
[1] At the end of 6 years following the date of registration
[2] At the end of each successive 10 year period following the date of registration

EXHIBIT A

POWER OF ATTORNEY

This Power of Attorney is executed and delivered by HALL WINES, LLC, a Texas limited liability company ("Grantor") to WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association (hereinafter referred to as "Attorney"), pursuant to that certain Second Amended and Restated Credit Agreement and that certain Second Amended and Restated Security Agreement both dated as of July 29, 2009, and other related documents (the "Loan Documents"). No person to whom this Power of Attorney is presented, as authority for Attorney to take any action or actions contemplated hereby, shall be required to inquire into or seek confirmation from Grantor as to the authority of Attorney to take any action described below, or as to the existence of or fulfillment of any condition to this Power of Attorney, which is intended to grant to Attorney unconditionally the authority to take and perform the actions contemplated herein, and Grantor irrevocably waives any right to commence any suit or action, in law or equity, against any person or entity which acts in reliance upon or acknowledges the authority granted under this Power of Attorney. The power of attorney granted hereby is coupled with an interest, and may not be revoked or canceled by Grantor without Attorney's written consent.

Grantor hereby irrevocably constitutes and appoints Attorney (and all officers, employees or agents designated by Attorney), with full power of substitution, as Grantor's true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Grantor and in the name of Grantor or in its own name, from time to time in Attorney's discretion, to take any and all appropriate action and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purposes of the Loan Documents and, without limiting the generality of the foregoing, Grantor hereby grants to Attorney the power and right, on behalf of Grantor, without notice to or assent by Grantor, and at any time, to do the following: (a) change the mailing address of Grantor, open a post office box on behalf of Grantor, open mail for Grantor, and ask, demand, collect, give acquittances and receipts for, take possession of, endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, and notices in connection with any property of Grantor; (b) effect any repairs to any asset of Grantor, or continue or obtain any insurance and pay all or any part of the premiums therefor and costs thereof, and make, settle and adjust all claims under such policies of insurance, and make all determinations and decisions with respect to such policies; (c) pay or discharge any taxes, liens, security interests, or other encumbrances levied or placed on or threatened against Grantor or its property; (d) defend any suit, action or proceeding brought against Grantor if Grantor does not defend such suit, action or proceeding or if Attorney believes that Grantor is not pursuing such defense in a manner that will maximize the recovery to Attorney, and settle, compromise or adjust any suit, action, or proceeding described above and, in connection therewith, give such discharges or releases as Attorney may deem appropriate; (e) file or prosecute any claim,

take any other action otherwise deemed appropriate by Attorney for the purpose of collecting any and all such moneys due to Grantor whenever payable and to enforce any other right in respect of Grantor's property; (f) cause the certified public accountants then engaged by Grantor to prepare and deliver to Attorney at any time and from time to time, promptly upon Attorney's request, the following reports: (1) a reconciliation of all accounts, (2) an aging of all accounts, (3) trial balances, (4) test verifications of such accounts as Attorney may request, and (5) the results of each physical verification of inventory; (g) communicate in its own name with any party to any contract with regard to the assignment of the right, title and interest of Grantor in and under the contracts and other matters relating thereto; (h) to file such financing statements with respect to the Amended and Restated Security Agreement, with or without Grantor's signature, or to file a photocopy of the Amended and Restated Security Agreement in substitution for a financing statement, as Attorney may deem appropriate and to execute in Grantor's name such financing statements and amendments thereto and continuation statements which may require Grantor's signature; (i) license or, to the extent permitted by an applicable license, sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any copyright, patent or trademark, throughout the world for such term or terms, on such conditions, and in such manner, as Attorney shall in its sole discretion determine; and (j) execute, in connection with any sale provided for in any Loan Document, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral and to otherwise direct such sale or resale, all as though Attorney were the absolute owner of the property of Grantor for all purposes, and to do, at Attorney's option and Grantor's expense, at any time or from time to time, all acts and other things that Attorney reasonably deems necessary to perfect, preserve, or realize upon Grantor's property or assets and Attorney's liens thereon, all as fully and effectively as Grantor might do. Grantor hereby ratifies, to the extent permitted by law, all that said Attorney shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, this Power of Attorney is executed by Grantor this 29th day of July, 2009.

HALL WINES, LLC

By: _____
Larry E. Levey
Executive Vice President and Secretary

NOTARY PUBLIC CERTIFICATE

On this 30th day of July, 2009, ~~Donald L. Braun~~ Larry E. Levey who is personally known to me appeared before me in his/her capacity as the Treasurer of Hall Wines, LLC ("Grantor") and executed on behalf of Grantor the Power of Attorney in favor of Wells Fargo Bank, National Association to which this Certificate is attached.

Stacey Francis
Notary Public

STACEY FRANCIS
Notary Public, State of Texas
My Commission Expires
May 16, 2013