

07-01-2004



FO NT

DEPARTMENT OF COMMERCE Patent and Trademark Office

Tab settings

To the Honor.

102781219

ks: P

or copy thereof.

1. Name of conveying party(ies):

4-30-03

Sun World International, Inc.

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

2. Name and address of receiving party(ies)

Name: Black Diamond Capital Management, L.L.C.

Internal Address:

6-7304

Street Address: One Conway Park

100 Field Drive, Suite 140

City: Lake Forest State: IL ZIP: 60045

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

3. Nature of conveyance:

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

Execution Date: January 31, 2003

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

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

B. Patent No.(s)

Additional numbers attached?  Yes  No

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

Name: Laura Konrath

Internal Address: Winston & Strawn

Street Address: 35 W. Wacker Dr.

City: Chicago State: IL ZIP: 60632

6. Total number of applications and patents involved: 48

7. Total fee (37 CFR 3.41).....\$ 1920

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

N/A

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

05/01/2003 ELOOPER 00000105 1172/

DO NOT USE THIS SPACE

01 FC:0021

1920.00

9. Statement and signature.

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

Laura Konrath

Name of Person Signing

Signature

Signature

9/18/03

Date

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

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

PATENT REEL: 015478 FRAME: 0453

Continuation Item 4

ISSUED PATENTS

COUNTRY	VARIETY NAME	COMMODITY	TRADEMARK	PATENT NO.	GRANT/FILING DATE	TYPE OF PATENT	EXPIRATION	OWNER
United States	Sugraffteen	Grapevine	010-387	11,727	12/26/2000	Plant Patent	11/20/2018	SWII
	Supecheight	Peach	Amber Crest®	11,296	03/21/2000	Plant Patent	01/15/2018	SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	11,749	01/23/2001	Plant Patent	11/20/2018	SWII
	Sugrasix	Grapevine	Pre Cal™	6,009	09/08/1987	Plant Patent	10/15/2005	SWII
	Suaprfive	Apricot	49-054	8,184	03/23/1993	Plant Patent	10/07/2011	SWII
	Suaplumsixteen	Plum	Black Premium™	7,574	07/02/1991	Plant Patent	01/22/2010	SWII
	Sunectseven	Nectarine	Pacific Star®	4,893	10/05/1982	Plant Patent (Expired)	01/12/2001	SWII
	Suapritwo	Apricot	Honeycot®	7,550	06/11/1991	Plant Patent	03/12/2010	SWII
	Sunectten	Nectarine	Star Bright™	4,927	11/09/1982	Plant Patent (Expired)	06/08/2001	SWII
	Sunecteight	Nectarine	Super Star®	4,894	10/12/1982	Plant Patent (Expired)	02/09/2001	SWII
	Sunectnine	Nectarine	Unnamed	4,915	11/02/1982	Plant Patent (Expired)	05/04/2001	SWII
	Sunecteleven	Nectarine	Crimson Star™	4,942	11/16/1982	Plant Patent (Expired)	07/13/2001	SWII
	Sunecttwelve	Nectarine	Summer Star™	5,473	05/21/1985	Plant Patent	11/25/2003	SWII
	Sugrathirteen	Grapevine	Midnight Beauty®	10,434	06/09/1998	Plant Patent	08/08/2016	SWII
	Suaplumthirteen	Plum	Black Torch™	5,343	11/20/1984	Plant Patent	02/10/2003	SWII
	Sugraeighteen	Grapevine	164-020/White Muscat	11,820	03/27/2001	Plant Patent	11/20/2018	SWII
	Supechthree	Peach	Golden Crest™	4,903	10/26/1982	Plant Patent (Expired)	04/10/2001	SWII
	Supechfour	Peach	Amber Crest®	5,503	07/02/1985	Plant Patent	11/25/2003	SWII
	Sunectthirteen	Nectarine	Sierra Star™	6,158	04/26/1988	Plant Patent	06/02/2006	SWII
	Suaplumfourteen	Plum	Sweet Rosa™	5,342	11/20/1984	Plant Patent	02/10/2003	SWII
	Suuplemeleven	Plum	Black Diamond®	4,902	10/26/1982	Plant Patent (Expired)	03/23/2001	SWII
	Suuplemthirteen	Plum	Black Diamond®	4,965	12/14/1982	Plant Patent (Expired)	08/17/2001	SWII
	Suuplemfifteen	Plum	Black Flame™	5,487	06/04/1985	Plant Patent	11/25/2003	SWII
	Suuplemsixteen	Plum	Red Giant™	7,443	02/12/1991	Plant Patent	01/22/2010	SWII
	Suuplemsixteen	Plum	Tokay Red™	7,355	10/16/1990	Plant Patent	09/18/2009	SWII
	Suuplemsixteen	Plum	Black Giant™	8,363	09/07/1993	Plant Patent	02/27/2012	SWII
	Sunectnine	Nectarine	How Red®	8,336	08/10/1993	Plant Patent	02/25/2012	SWII
	Supechnine	Peach	Amber Crest®	11,288	03/14/2000	Plant Patent	01/15/2018	SWII
	Suapnsix	Apricot	Early Honeycot®	10,233	02/10/1998	Plant Patent	08/08/2016	SWII
	Suapnsixteen	Apricot	Improved Honeycot®	10,165	12/30/1997	Plant Patent	08/08/2016	SWII
	Suapnsixteen	Apricot	Late Honeycot®	10,232	02/10/1998	Plant Patent	08/08/2016	SWII
	Supechsix	Peach	91-002	11,631	11/14/2000	Plant Patent	01/15/2018	SWII
N/A	Sugrafive	Grapevine	Early Superior Seedless®	5,151	12/06/1983	Plant Patent	01/11/2002	SWII
N/A	S. Isidoro A.S. 75	Peach	Early Crest™	5,344	11/20/1984	Plant Patent	02/24/2003	SWII
N/A	Sugratwelve	Grapevine	Coachella Seedless™	8,298	07/13/1993	Plant Patent	12/20/2011	SWII
Red Superior	Sugratfourteen	Grapevine	Red Superior Seedless®	11,245	02/29/2000	Plant Patent	06/05/2017	SWII
Chile	Suamraiva	Grapevine	Early Superior Seedless	26	05/22/1991	Plant Variety Patent (Ext)	12/06/2000	SWII

PATENT

REEL: 015478 FRAME: 0454

36

Continuation  
Item 4

SUNWORLD  
PATENTS



PENDING PATENTS

COUNTRY	VARIETY NAME	COMMODITY	TRADEMARK	PATENT NO.	GRANT/FILING DATE	TYPE OF PATENT	EXPIRATION	OWNER
United States	Sugraseventeen	Grapevine	002-144/Late Red	Pending	01/25/2001	Plant Patent	13,199	SWII
	Sugratwentythree	Grapevine	052-375/Black Seedless	Pending	01/25/2001	Plant Patent	13,164	SWII
	Sugratwentyone	Grapevine	077-133/Seedless Red Giot	Pending	01/25/2001	Plant Patent	13,144	SWII
	Sugranineteen	Grapevine	084-284/Very Late Red	Pending	01/25/2001	Plant Patent	14,088	SWII
	Sugratwentytwo	Grapevine	086-218/Very Late White	Pending	01/25/2001	Plant Patent	13,198	SWII
	Sugratwenty	Grapevine	091-381/Late Red	Pending	01/25/2001	Plant Patent	13,448	SWII
	Suplurntwentytwo	Plum	Black Diamond®	Pending	02/26/2001	Plant Patent	13,171	SWII
	Suplurntwentythree	Plum	Black Diamond®	Pending	02/26/2001	Plant Patent	13,167	SWII
	Suplurnthirteen	Peach	91-008/Low Chill	Pending	02/26/2001	Plant Patent	13,142	SWII
	Suplurnfourteen	Peach	91-049/Low Chill	Pending	02/23/2001	Plant Patent	ASABORVED	SWII
	Suplurntwentyfour	Plum	Black Diamond®	Pending	02/23/2001	Plant Patent	13,395	SWII
	Suplurnfifteen	Peach	94-027/Low Chill	Pending	02/23/2001	Plant Patent	13,177	SWII
	Sugraone VT	Grapevine	Superior Seedless®	To be filed		Plant Patent		SWII

Pending, not  
yet  
filed

**PATENT SECURITY AGREEMENT**

This **PATENT SECURITY AGREEMENT** (this "Agreement"), dated as of January 31, 2003, is made by and between **SUN WORLD INTERNATIONAL, INC.**, a Delaware corporation ("Debtor"), in favor of **BLACK DIAMOND CAPITAL MANAGEMENT, L.L.C.**, a Delaware limited liability company ("Black Diamond"), as the collateral agent for the below-defined Lenders (in such capacity, together with any successor collateral agent, "Collateral Agent").

**RECITALS**

**WHEREAS**, Sun World International, Inc., a Delaware corporation (the "Borrower"), each subsidiary of the Borrower listed as a "Guarantor" on the signature pages thereof (each a "Guarantor" and collectively, jointly and severally, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Black Diamond, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent"), and Collateral Agent have entered into that certain Financing Agreement, dated as of January 31, 2003 (as amended, restated, supplemented or otherwise modified from time to time, the "Financing Agreement"), pursuant to which (i) the Lender Group (as defined below) has agreed to make certain financial accommodations to Borrower, and (ii) the Guarantors have agreed to guarantee the obligations of Borrower to the Lender Group;

**WHEREAS**, Debtor has executed and delivered to Collateral Agent that certain Security Agreement, dated as of January 31, 2003 (the "Security Agreement"), pursuant to which Debtor has granted to Collateral Agent, for the benefit of the Lender Group, security interests in (among other things) all or substantially all of Debtor's general intangibles; and

**WHEREAS**, to induce the Lender Group to continue to make the financial accommodations provided to Borrower pursuant to the Financing Agreement, Debtor has agreed to execute and deliver this Agreement to the Collateral Agent for filing with the PTO (as defined below) and with any other relevant recording systems in any jurisdiction, and as further evidence of and to effectuate Collateral Agent's existing security interests in the Patent Collateral (as defined below).

## AGREEMENT

**NOW, THEREFORE**, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, Debtor hereby agrees in favor of Collateral Agent as follows:

1. Definitions; Interpretation.

(a) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“Administrative Agent” shall have the meaning ascribed to such term in the Recitals to this Agreement.

“Agreement” shall have the meaning ascribed to such term in the Preamble to this Agreement.

“Bankruptcy Code” means the United States Bankruptcy Code (11 U.S.C. §101 et seq.), as amended, and any successor statute.

“Black Diamond” shall have the meaning ascribed to such term in the Preamble to this Agreement.

“Collateral Agent” shall have the meaning ascribed to such term in the Preamble to this Agreement.

“Debtor” shall have the meaning ascribed to such term in the Preamble to this Agreement.

“Event of Default” shall have the meaning ascribed to such term in the Financing Agreement.

“Financing Agreement” shall have the meaning ascribed to such term in the Recitals to this Agreement.

“Guarantors” shall have the meaning ascribed to such term in the Recitals to this Agreement.

“Lender Group” means, collectively, the Lenders, Administrative Agent and Collateral Agent.

“Lenders” means, individually and collectively, each of the lenders identified on the signature pages of the Financing Agreement, and any other Person made a party thereto in accordance with the provisions of Section 12.07 thereof (together with their respective successors and assigns).

“Patent Collateral” has the meaning set forth in Section 2.

“Patents” has the meaning set forth in Section 2.

“Proceeds” means whatever is receivable or received from or upon the sale, lease, license, collection, use, exchange or other disposition, whether voluntary or involuntary, of any Patent Collateral, including “proceeds” as defined in the UCC, and all proceeds of proceeds. Proceeds shall include (i) any and all accounts, chattel paper, instruments, general intangibles, cash and other proceeds, payable to or for the account of Debtor, from time to time with respect to any of the Patent Collateral, (ii) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of Debtor from time to time with respect to any of the Patent Collateral, (iii) any and all claims and payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Patent Collateral by any Person acting under color of governmental authority, and (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Patent Collateral or for or on account of any damage or injury to or conversion of any Patent Collateral by any Person.

“PTO” means the United States Patent and Trademark Office and any successor thereto.

“Secured Obligations” shall mean all liabilities, obligations, or undertakings owing by Debtor of any kind or description arising out of or outstanding under, advanced or issued pursuant to, or evidenced by the Financing Agreement, the Security Agreement, this Agreement, or any of the other Loan Documents, irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, voluntary or involuntary, whether now existing or hereafter arising, and including all interest (including interest that accrues after the filing of a case under the Bankruptcy Code) and any and all costs, fees (including attorneys fees), and expenses which Debtor is required to pay pursuant to any of the foregoing, by law, or otherwise.

“Security Agreement” shall have the meaning ascribed to such term in the Recitals to this Agreement.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“United States” and “U.S.” each mean the United States of America.

(b) Terms Defined in UCC. Where applicable and except as otherwise defined herein, terms used in this Agreement shall have the meanings ascribed to them in the UCC.

(c) Terms Defined in the Financing Agreement. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Financing Agreement.

(d) Interpretation. In this Agreement, except to the extent the context otherwise requires:

(i) Any reference to a Section or a Schedule is a reference to a section hereof, or a schedule hereto, respectively, and to a subsection or a clause is, unless otherwise stated, a reference to a subsection or a clause of the Section or subsection in which the reference appears.

(ii) The words "hereof," "herein," "hereto," "hereunder" and the like mean and refer to this Agreement as a whole and not merely to the specific Section, subsection, paragraph or clause in which the respective word appears.

(iii) The meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined.

(iv) The words "including," "includes" and "include" shall be deemed to be followed by the words "without limitation."

(v) References to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto.

(vi) References to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation referred to.

(vii) Any captions and headings are for convenience of reference only and shall not affect the construction of this Agreement.

(viii) In the event of a direct conflict between the terms and provisions of this Agreement and the Financing Agreement, or between the terms and provisions of this Agreement and the Security Agreement, it is the intention of the parties hereto that such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict between this Agreement and the Financing Agreement that cannot be resolved as aforesaid, the terms and provisions of the Financing Agreement shall control and govern; provided, however, that the inclusion herein of additional obligations on the part of Debtor and supplemental rights and remedies in favor of Collateral Agent for the benefit of the Lender Group (whether under New York law or applicable federal law), in each case in respect of the Patent Collateral, shall not be

deemed a conflict with the Financing Agreement. In the event of any actual, irreconcilable conflict between this Agreement and the Security Agreement that cannot be resolved as aforesaid, the terms and provisions of this Agreement shall control and govern; provided, however, that the inclusion herein of additional obligations on the part of Debtor and supplemental rights and remedies in favor of Collateral Agent for the benefit of the Lender Group (whether under New York law or applicable federal law), in each case in respect of the Patent Collateral, shall not be deemed a conflict with the Security Agreement.

2. Security Interest.

(a) Assignment and Grant of Security in Respect of the Secured Obligations. As security for the prompt payment and performance of the Secured Obligations, Debtor hereby grants, assigns, transfers, and conveys to Collateral Agent, for the benefit of the Lender Group, a continuing security interest in all of Debtor's right, title and interest in and to the following property, whether now existing or hereafter acquired or arising (collectively, the "Patent Collateral"):

(i) all letters patent of the U.S. or any other country, all registrations and recordings thereof, and all applications for letters patent of the U.S. or any other country, owned, held, or used by Debtor in whole or in part, including all existing U.S. patents and patent applications of Debtor which are described in Schedule A and Schedule B hereto, as the same may be amended or supplemented from time to time, and together with and including all patent licenses held by Debtor, including such patent licenses which are described in Schedule A and Schedule B hereto, together with all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof and the inventions disclosed therein, and all rights corresponding thereto throughout the world, including the right to make, use, lease, sell and otherwise transfer the inventions disclosed therein, and all proceeds thereof, including all license royalties and proceeds of infringement suits (collectively, the "Patents");

(ii) all claims, causes of action and rights to sue for past, present and future infringement or unconsented use of any of the Patents and all rights arising therefrom and pertaining thereto;

(iii) all general intangibles (as defined in the UCC) related to or arising out of any of the Patents; and

(iv) all Proceeds of any and all of the foregoing.

(b) Continuing Security Interest. Debtor agrees that this Agreement shall create a continuing security interest in the Patent Collateral which shall remain in effect until terminated in accordance with Section 18.



(c) Incorporation into Security Agreement. This Agreement shall be fully incorporated into the Security Agreement and all understandings, agreements and provisions contained in the Security Agreement shall be fully incorporated into this Agreement. Without limiting the foregoing, the Patent Collateral shall constitute part of the Collateral in the Security Agreement.

(d) Licenses. Anything in the Financing Agreement or this Agreement to the contrary notwithstanding, so long as no Event of Default has occurred and is continuing, Debtor may license to any other Person the Patent Collateral on a non-exclusive basis (subject to the security interests of the Collateral Agent, for the benefit of the Lender Group, therein) in the ordinary course of business consistent with past practice.

3. Further Assurances; Appointment of Collateral Agent as Attorney-in-Fact. Debtor at its expense shall execute and deliver, or cause to be executed and delivered, to Collateral Agent any and all documents and instruments, in form and substance reasonably satisfactory to Collateral Agent, in its discretion, and take any and all action, which Collateral Agent may reasonably request from time to time, to perfect and continue the perfection or to maintain the priority of, or provide notice of the security interest in the Patent Collateral held by Collateral Agent for the benefit of the Lender Group and to accomplish the purposes of this Agreement. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Collateral Agent in accordance with the foregoing, the Collateral Agent shall have the right, in the name of Debtor, or in the name of Collateral Agent or otherwise, without notice to or assent by Debtor, and Debtor hereby irrevocably constitutes and appoints Collateral Agent (and any of Collateral Agent's officers or employees or agents designated by Collateral Agent) as Debtor's true and lawful attorney-in-fact with full power and authority, (i) to sign the name of Debtor on all or any of such documents or instruments, and perform all other acts, that Collateral Agent reasonably deems necessary or advisable in order to perfect or continue perfected, maintain the priority or enforceability of or provide notice of the security interests in the Patent Collateral held by Collateral Agent for the benefit of the Lender Group, and (ii) to execute any and all other documents and instruments, and to perform any and all acts and things for and on behalf of Debtor, which Collateral Agent reasonably may deem necessary or advisable to maintain, preserve and protect the Patent Collateral and to accomplish the purposes of this Agreement, including (A) at any time during the continuance of any Event of Default, to defend, settle, adjust or institute any action, suit or proceeding with respect to the Patent Collateral, (B) at any time during the continuance of any Event of Default, to assert or retain any rights under any license agreement for any of the Patent Collateral, including any rights of Debtor arising under Section 365(n) of the Bankruptcy Code, and (C) at any time during the continuance of any Event of Default, to execute any and all applications, documents, papers and instruments for Collateral Agent to use the Patent Collateral, to grant or issue any exclusive or non-exclusive license with respect to any Patent Collateral, and to assign, convey or otherwise transfer title in or dispose of the Patent Collateral. The power of attorney set forth in this Section 3, being coupled with an interest,

is irrevocable so long as this Agreement shall not have terminated in accordance with Section 18.

4. Representations and Warranties. Debtor represents and warrants to each member of the Lender Group as follows:

(a) No Other Patents. A true and correct list of all Patents owned, held (whether pursuant to a license or otherwise), or used by Debtor, in whole or in part, is set forth in Schedule A and Schedule B.

(b) Validity. Each of the Patents listed on Schedule A and Schedule B is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, all maintenance fees required to be paid on account of any such Patents have been paid for maintaining such Patents in force, and each of such Patents is valid and enforceable.

(c) Title. (i) Debtor has rights in and good title to the Patent Collateral, (ii) Debtor is the sole and exclusive owner of the Patent Collateral, free and clear of any Liens and rights of others (other than the security interest in favor of Collateral Agent, for the benefit of the Lender Group and other than Permitted Liens), and (iii) with respect to any Patent for which Debtor is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Patent, each such license or licensing agreement is in full force and effect, Debtor is not in default of any of its obligations thereunder and, other than (A) the parties to such licenses or licensing agreements, or (B) in the case of any non-exclusive license or licensing agreement entered into by Debtor or any such licensor regarding such Patent, the parties to any other such non-exclusive licenses or license agreements entered into by Debtor or any such licensor with any other Person, no other Person has any rights in or to any such Patent Collateral.

(d) No Infringement. To the best of Debtor's knowledge, (i) no material infringement or unauthorized use presently is being made of any of the Patent Collateral by any Person, and (ii) the past, present and contemplated future use of the Patent Collateral by Debtor has not, does not and will not materially infringe upon or violate any right, privilege or license agreement of or with any other Person or give such Person the right to terminate any such right, privilege or license agreement.

(e) Powers. Debtor has the unqualified right, power and authority to pledge and to grant to Collateral Agent security interests in all of the Patent Collateral pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

(f) No Subsidiary Interests. None of Coachella Growers, a California corporation, Sun Desert, Inc., a Delaware corporation, or Sun World/Rayo, a California corporation, has any interest in any Patents.

5. Covenants. Debtor agrees: (i) that it will comply in all material respects with all of the covenants, terms and provisions of this Agreement, and (ii) that it will promptly give Collateral Agent written notice of the occurrence of any event that could have a material adverse effect on any of the Patents or the Patent Collateral, including any petition under the Bankruptcy Code filed by or against any licensor of any of the Patents for which Debtor is a licensee.

6. Future Rights. If and when Debtor shall obtain rights to any new patentable inventions, or become entitled to the benefit of any Patent, or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement thereof, the provisions of this Agreement shall automatically apply thereto and Debtor shall give to Collateral Agent prompt notice thereof. Debtor shall do all things deemed necessary or advisable by Collateral Agent to ensure the validity, perfection, priority and enforceability of the security interests of Collateral Agent in such future acquired Patent Collateral. Debtor hereby authorizes Collateral Agent to modify, amend or supplement the Schedules hereto and to re-execute this Agreement from time to time on Debtor's behalf and as its attorney-in-fact to include any future Patents which are or become Patent Collateral and to cause such re-executed Agreement or such modified, amended or supplemented Schedules to be filed with the PTO.

7. Duties of Collateral Agent and the Lender Group. Notwithstanding any provision contained in this Agreement, neither Collateral Agent nor any member of the Lender Group shall have any duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to Debtor or any other Person for any failure to do so or delay in doing so. Except for the accounting for moneys actually received by Collateral Agent or any other member of the Lender Group hereunder or in connection herewith, neither Collateral Agent nor any member of the Lender Group shall have any duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Patent Collateral.

8. Events of Default. The occurrence of any "Event of Default" under the Financing Agreement shall constitute an Event of Default hereunder.

9. Remedies. Upon the occurrence and during the continuance of an Event of Default, Collateral Agent shall have all rights and remedies available to it under the Loan Documents and applicable law (which rights and remedies are cumulative) with respect to the security interests in any of the Patent Collateral. Debtor agrees that such rights and remedies include the right of Collateral Agent as a Collateral Agent to sell or otherwise dispose of the Patent Collateral after default, pursuant to the UCC. Debtor agrees that Collateral Agent shall at all times have such royalty free licenses, to the extent permitted by law, for any Patent Collateral that is reasonably necessary to permit the exercise of any of Collateral Agent's rights or remedies upon the occurrence and during the continuation of an

Event of Default with respect to (among other things) any tangible asset of Debtor in which Collateral Agent has a security interest, including Collateral Agent's rights to sell inventory, tooling or packaging which is acquired by Debtor (or its successor, assignee or trustee in bankruptcy). In addition to and without limiting any of the foregoing, upon the occurrence and during the continuance of an Event of Default, Collateral Agent shall have the right but shall in no way be obligated to bring suit, or to take such other action as Collateral Agent deems necessary or advisable, in the name of Debtor or Collateral Agent, to enforce or protect any of the Patent Collateral, in which event Debtor shall, at the request of Collateral Agent, do any and all lawful acts and execute any and all documents required by Collateral Agent in aid of such enforcement. To the extent that Collateral Agent shall elect not to bring suit to enforce such Patent Collateral, Debtor, in the exercise of its reasonable business judgment, agrees to use all reasonable measures and its diligent efforts, whether by action, suit, proceeding or otherwise, to prevent the infringement, misappropriation or violation thereof by others and for that purpose agrees diligently to maintain any action, suit or proceeding against any Person necessary to prevent such infringement, misappropriation or violation.

10. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Debtor and Collateral Agent for the benefit of the Lender Group and their respective successors and assigns.

11. Notices. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Financing Agreement.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the federal laws of the United States and the laws of the State of New York.

13. Entire Agreement; Amendment. This Agreement and the other Loan Documents, together with the Schedules hereto and thereto, contain the entire agreement of the parties with respect to the subject matter hereof and supersede all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties, as provided in the Financing Agreement. Notwithstanding the foregoing, Collateral Agent may re-execute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof.

14. Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

15. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

16. Security Agreement. Debtor acknowledges that the rights and remedies of Collateral Agent with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement and all such rights and remedies are cumulative.

17. No Inconsistent Requirements. Debtor acknowledges that this Agreement and the other Loan Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and Debtor agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.

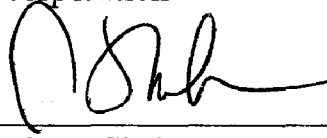
18. Termination. Upon the payment and performance in full in cash of the Secured Obligations, including the cash collateralization, expiration, or cancellation of all Secured Obligations, if any, consisting of letters of credit, and the full and final termination of any commitment to extend any financial accommodations under the Financing Agreement, this Agreement shall terminate and Collateral Agent shall execute and deliver such documents and instruments and take such further action reasonably requested by Debtor, and at Debtor's expense, as shall be necessary to evidence termination of the security interest granted by Debtor to Collateral Agent for the benefit of the Lender Group hereunder.

[Signature page follows]

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement, as of the date first above written.

**SUN WORLD INTERNATIONAL, INC.,**  
a Delaware corporation

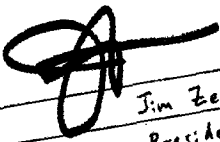
By: \_\_\_\_\_



Name: Timothy J. Shaheen

Title: Chief Executive Officer

**BLACK DIAMOND CAPITAL  
MANAGEMENT, L.L.C.,**  
a Delaware limited liability company,  
as Collateral Agent

By:   
Name: Jim Zenn  
Title: President

SCHEDULE A

to the Patent Security Agreement

ISSUED PATENTS

See attached.

A-1



ISSUED PATENTS

COUNTRY	VARIETY NAME	COMMODITY	TRADEMARK	PATENT NO.	GRANT/FILING DATE	TYPE OF PATENT	EXPIRATION	OWNER
United States								
Br. No. 010-367	Sugrafruit	Grapevine	010-367	11,727	12/26/2000	Plant Patent	11/20/2018	SWII
Br. No. 012-084	Supersweet	Peach	Amber Crest®	11,286	03/21/2000	Plant Patent	01/15/2018	SWII
Br. No. 016-226	Sugrafruit	Grapevine	016-226/Black Muscat	11,749	01/23/2001	Plant Patent	11/20/2018	SWII
Br. No. 020-005	Sugrafruit	Grapevine	Pre Cal™	6,009	09/08/1987	Plant Patent	10/15/2005	SWII
Br. No. 049-054	Suprfruit	Apricot	49-054	8,184	03/23/1993	Plant Patent	10/07/2011	SWII
Br. No. 059-134	Suprfruit	Plum	Black Premium™	7,574	07/02/1991	Plant Patent	01/22/2010	SWII
Br. No. 089-128	Sunectseven	Nectarine	Pacific Star®	4,893	10/05/1982	Plant Patent (Expired)	01/12/2001	SWII
Br. No. 089-165	Suprfruit	Apricot	Honeycot®	7,550	06/11/1991	Plant Patent	03/12/2010	SWII
Br. No. 083-050	Sunectten	Nectarine	Star Bright™	4,927	11/09/1982	Plant Patent (Expired)	06/08/2001	SWII
Br. No. 084-055	Sunectlight	Nectarine	Super Star®	4,894	10/12/1982	Plant Patent (Expired)	02/09/2001	SWII
Br. No. 086-070	Sunectnine	Nectarine	Unnamed	4,915	11/02/1982	Plant Patent (Expired)	05/04/2001	SWII
Br. No. 087-101	Sunecteleven	Nectarine	Crimson Star™	4,942	11/16/1982	Plant Patent (Expired)	07/13/2001	SWII
Br. No. 090-110	Sunecttwelve	Nectarine	Summer Star™	5,473	05/21/1985	Plant Patent	11/25/2003	SWII
Br. No. 119-300	Sugrafruit	Grapevine	Midnight Beauty®	10,454	06/09/1998	Plant Patent	08/08/2016	SWII
Br. No. 154-134	Suplumeleven	Plum	Black Torch™	5,343	11/20/1984	Plant Patent	02/10/2003	SWII
Br. No. 164-020	Sugrafruit	Grapevine	164-020/White Muscat	11,820	03/27/2001	Plant Patent	11/20/2018	SWII
Br. No. 172-044	Supchthree	Peach	Golden Crest™	4,903	10/26/1982	Plant Patent	04/10/2001	SWII
Br. No. 172-254	Supchfour	Peach	Amber Crest®	5,503	07/02/1985	Plant Patent	11/25/2003	SWII
Br. No. 181-119	Sunectthirteen	Nectarine	Sierra Star™	6,158	04/26/1988	Plant Patent	06/02/2006	SWII
Br. No. 183-065	Suplumeleven	Plum	Sweet Rosa™	5,342	11/20/1984	Plant Patent	02/10/2003	SWII
Br. No. 185-009	Suplumeleven	Plum	Black Diamond®	4,902	10/26/1982	Plant Patent (Expired)	03/23/2001	SWII
Br. No. 205-048	Suplumeleven	Plum	Black Diamond®	4,965	12/14/1982	Plant Patent (Expired)	08/17/2001	SWII
Br. No. 295-198	Suplumeleven	Plum	Black Flame™	5,487	06/04/1985	Plant Patent	11/25/2003	SWII
Br. No. 401-048	Suplumeleven	Plum	Red Giant™	7,443	02/12/1991	Plant Patent	01/22/2010	SWII
Br. No. 401-072	Suplumeleven	Plum	Tokay Red™	7,355	10/16/1990	Plant Patent	09/18/2009	SWII
Br. No. 414-016	Suplumeleven	Plum	Black Giant™	8,363	09/07/1993	Plant Patent	02/27/2012	SWII
Br. No. 448-056	Sunectnine	Peach	How Red®	8,336	08/10/1993	Plant Patent	02/25/2012	SWII
Br. No. 90-080	Suprfruit	Apricot	Amber Crest®	11,288	03/14/2000	Plant Patent	01/15/2018	SWII
Br. No. 90A-001	Suprfruit	Apricot	Early Honeycot®	10,233	02/10/1998	Plant Patent	08/08/2016	SWII
Br. No. 90A-010	Suprfruit	Apricot	Improved Honeycot®	10,165	12/30/1997	Plant Patent	08/08/2016	SWII
Br. No. 90A-030	Suprfruit	Apricot	Late Honeycot®	10,232	02/10/1998	Plant Patent	08/08/2016	SWII
Br. No. 91-002	Suprfruit	Peach	91-002	11,631	11/14/2000	Plant Patent	01/11/2002	SWII
N/A	S. Isidoro A.S. 75	Grapevine	Early Superior Seedless®	5,151	12/06/1983	Plant Patent	01/11/2002	SWII
N/A	Suprfruit	Peach	Early Crest™	5,344	11/20/1984	Plant Patent	02/24/2003	SWII
N/A	Suprfruit	Grapevine	Coachella Seedless™	8,298	07/13/1993	Plant Patent	12/20/2011	SWII
Red Superior	Suprfruit	Grapevine	Red Superior Seedless®	11,245	02/29/2000	Plant Patent	06/05/2017	SWII
Chile	Sugrafruit	Grapevine	Early Superior Seedless	26	05/22/1991	Plant Variety Patent (Exp	12/06/2000	SWI
Chile	Sunectlight	Nectarine	Super Star	Def.Reg.		Plant Variety Patent	10/28/2004	SWI
Chile	Suplumeleven	Plum	Black Diamond	Def.Reg.		Plant Variety Patent	10/28/2004	SWI
Chile	Suplumeleven	Plum	Early Black Diamond	Def.Reg.		Plant Variety Patent	10/28/2004	SWI
Chile	Suplumeleven	Plum	Sweet Rosa	Def.Reg.		Plant Variety Patent	10/28/2004	SWI
Chile	Sunectseven	Nectarine	Pacific Star	Pro.Reg.		Plant Variety Patent	10/28/2004	SWI
Chile	Sunectten	Nectarine	Star Bright	Pro.Reg.		Plant Variety Patent	10/28/2004	SWI
Chile	Suplumeleven	Plum	Black Giant	Pro.Reg.	Withdrawn	Plant Variety Patent	10/28/2004	SWI
France	Sunectseven	Nectarine	Pacific Star	6067	06/10/1991	Plant Variety Protection	07/22/2016	SWI
France	Sunectlight	Nectarine	Super Star	6068	06/10/1991	Plant Variety Protection	07/22/2016	SWI
France	Suplumeleven	Plum	Black Diamond	6069	06/10/1991	Plant Variety Protection	07/22/2016	SWI
France	Suplumeleven	Plum	Early Black Diamond	6070	06/10/1991	Plant Variety Protection	07/22/2016	SWI
France	Suplumeleven	Grapevine	Superior Seedless	6819	10/23/1992	Plant Variety Protection	08/26/2017	SWI
Israel	Sugrafruit	Grapevine	Superior Seedless	681	08/15/1990	Plant Breeders' Rights	08/15/2005	SWII
Israel	Sunectlight	Nectarine	Super Star	884	05/01/1992	Plant Breeders' Rights	05/01/2007	SWII
Israel	Suplumeleven	Plum	Black Diamond	886	05/01/1992	Plant Breeders' Rights	05/01/2007	SWII

36

ISSUED PATENTS

COUNTRY	VARIETY NAME	COMMODITY	TRADEMARK	PATENT NO.	GRANT/FILING DATE	TYPE OF PATENT	EXPIRATION	OWNER
Israel	Suplumtwelve	Plum	Early Black Diamond	887	05/01/1992	Plant Breeders' Rights	05/01/2007	SWI
Italy	Sunectseven	Nectarine	Pacific Star	1123NV	09/27/1993	Plant Variety Patent	09/27/2023	SWI
Italy	Sunecteight	Nectarine	Super Star	1124NV	09/27/1993	Plant Variety Patent	09/27/2023	SWI
Italy	Suplumeleven	Plum	Black Diamond	1331NV	04/27/1994	Plant Variety Patent	04/27/2024	SWI
Italy	Suplumsix	Plum	Angeleno	1332NV	04/27/1994	Plant Variety Patent	04/27/2024	SWI
Italy	Suplumtwelve	Plum	Early Black Diamond	1333NV	04/27/1994	Plant Variety Patent	04/27/2024	SWI
Italy	Sugraone	Grapevine	Superior Seedless	1338NV	12/30/1994	Plant Variety Patent	12/30/2024	SWII
Morocco	Sugraone	Grapevine	Superior Seedless	20296	07/01/1985	Patent	12/13/2004	SWI
Morocco	Sunectseven	Nectarine	Pacific Star	20308	07/01/1985	Patent (Abandoned)	12/19/2004	SWI
Morocco	Sunecteight	Nectarine	Super Star	20309	07/01/1985	Patent (Abandoned)	12/19/2004	SWI
Morocco	Suplumtwelve	Plum	Early Black Diamond	20310	07/01/1985	Patent	12/19/2004	SWI
Morocco	Suplumeleven	Plum	Black Diamond	20320	10/01/1985	Patent	01/04/2005	SWI
Morocco	Sugrathirteen	Grapevine	Midnight Beauty	25100	12/31/2000	Patent	04/14/2020	SWII
South Africa	Suplumthirteen	Plum	Black Torch	ZA92809	09/28/1992	Plant Breeder's Right	09/28/2012	SWII
South Africa	Suplumtwelve	Plum	Early Black Diamond	ZA92810	09/28/1992	Plant Breeder's Right	09/28/2012	SWII
South Africa	Suplumsix	Plum	Angeleno	ZA92811	09/28/1992	Plant Breeder's Right	09/28/2012	SWII
South Africa	Sugraone	Grapevine	Superior Seedless	ZA92824	10/20/1992	Plant Breeder's Right	10/20/2012	SWII
South Africa	Sugrafive	Grapevine	Early Superior Seedless	ZA92825	10/20/1992	Plant Breeder's Right	10/20/2012	SWII
South Africa	Suplumeleven	Plum	Black Diamond	ZA971707	05/13/1997	Plant Breeder's Right	05/13/2017	SWII
South Africa	Sunecteight	Nectarine	Super Star	ZA981882	06/09/1998	Plant Breeder's Right	03/12/2023	SWII
South Africa	Sunectseven	Nectarine	Pacific Star	ZA981883	06/09/1998	Plant Breeder's Right	03/12/2023	SWII
Spain	Sugraone	Grapevine	Superior Seedless	273031	10/16/1987	Utility Model	10/16/2007	SWI
Spain	Suplumsix	Plum	Angeleno	273032	10/16/1987	Utility Model	10/16/2007	SWI
Spain	Suplumeleven	Plum	Black Diamond	273448	04/04/1984	Utility Model	04/04/2004	SWII
Spain	Sugrafive	Grapevine	Early Superior Seedless	273450	04/04/1984	Utility Model	04/04/2004	SWI
Spain	Suplumtwelve	Plum	Early Black Diamond	273451	04/04/1984	Utility Model	04/04/2004	SWII
Spain	Sunectseven	Nectarine	Pacific Star	851309	03/15/1993	Plant Variety Title	03/15/2013	SWII
Spain	Sunecteight	Nectarine	Super Star	851310	03/15/1993	Plant Variety Title	03/15/2013	SWII

**SCHEDULE B**

to the Patent Security Agreement

**PENDING PATENTS**

See attached.

B-1

PENDING PATENTS

COUNTRY	VARIETY NAME	COMMODITY	TRADEMARK	PATENT NO.	GRANT/FILING DATE	TYPE OF PATENT	EXPIRATION	OWNER
United States								
Br. No. 002-144	Sugraseventeen	Grapevine	002-144/Late Red	Pending	01/25/2001	Plant Patent		SWII
Br. No. 052-375	Sugratwentythree	Grapevine	052-375/Black Seedless	Pending	01/25/2001	Plant Patent		SWII
Br. No. 077-133	Sugratwentyone	Grapevine	077-133/Seedless Red Giot	Pending	01/25/2001	Plant Patent		SWII
Br. No. 084-264	Sugratwentyone	Grapevine	084-264/Very Late Red	Pending	01/25/2001	Plant Patent		SWII
Br. No. 086-218	Sugratwentytwo	Grapevine	086-218/Very Late White	Pending	01/25/2001	Plant Patent		SWII
Br. No. 091-381	Sugratwenty	Grapevine	091-381/Late Red	Pending	01/25/2001	Plant Patent		SWII
Br. No. 113-053	Suplumtentytwo	Plum	Black Diamond®	Pending	02/26/2001	Plant Patent		SWII
Br. No. 113-100	Suplumtentythree	Plum	Black Diamond®	Pending	02/26/2001	Plant Patent		SWII
Br. No. 91-008	Supchthirteen	Peach	91-008/Low Chill	Pending	02/26/2001	Plant Patent		SWII
Br. No. 91-010	Supchfourteen	Peach	91-010/Low Chill	Pending	02/23/2001	Plant Patent		SWII
Br. No. 91P-049	Suplumtentyfour	Plum	Black Diamond®	Pending	02/23/2001	Plant Patent		SWII
Br. No. 94-027	Supchfifteen	Peach	94-027/Low Chill	Pending	02/23/2001	Plant Patent		SWII
	Sugraone VT	Grapevine	Superior Seedless®	To be filed				
Argentina								
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	08/21/2001	Plant Variety Rights		SWII
Australia								
	Sugraone	Grapevine	Superior Seedless	Pending		Plant Variety Rights		SWII
	Sugrafive	Grapevine	Early Superior Seedless	Pending		Plant Variety Rights		SWII
	Sugratwelve	Grapevine	Coachella Seedless	Pending		Plant Variety Rights		SWII
	Sugrathirteen	Grapevine	Midnight Beauty	Pending		Plant Variety Rights		SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending	2000/104	Plant Breeder's Rights		SWII
	Suplumtenty	Plum	Black Giant	Pending	98/121	Plant Breeder's Rights		SWII
Brazil								
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	08/15/2001	Plant Variety		SWII
Chile								
	Sugratwelve	Grapevine	Coachella Seedless	Pending		Plant Variety Patent		SWII
	Sugrathirteen	Grapevine	Midnight Beauty	Pending		Plant Variety Patent		SWII
	Sugratfourteen	Grapevine	Red Superior Seedless	Pending	08/08/2001	Plant Variety Patent		SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending	01/3/2001	Plant Variety Patent		SWII
	Sugraone VT	Grapevine	Superior Seedless	To be filed				
E.C.								
	Sugratwelve	Grapevine	Coachella Seedless	Pending		Plant Variety Rights		SWII
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	01/07/2000	Plant Variety Rights		SWII
	Sugratfourteen	Grapevine	Red Superior Seedless	Pending	07/02/2001	Plant Variety Rights		SWII
	Sugratfifteen	Grapevine	010-367	Pending	04/28/2000	Plant Variety Rights		SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending	03/13/2000	Plant Variety Rights		SWII
	Sugraeighteen	Grapevine	164-020/White Muscat	Pending		Plant Variety Rights		SWII
	Suplumtenty	Plum	Black Giant	Pending	98/0947	Plant Variety Rights		SWII
Egypt								
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	06/16/2001	Plant Variety Application		SWII
	Sugratfourteen	Grapevine	Red Superior Seedless	Pending	06/16/2001	Plant Variety Application		SWII
Israel								
	Sugratwelve	Grapevine	Coachella Seedless	Pending	06/01/2000	Plant Breeders' Rights		SWII
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	10/05/1999	Plant Breeders' Rights		SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending	12/28/2000	Plant Breeders' Rights		SWII
	Suplumtenty	Plum	Black Giant	Pending	07/01/1998	Plant Breeders' Rights		SWII
Italy								
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	03/30/2000	Plant Variety Patent		SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending	03/30/2000	Plant Variety Patent		SWII
	Sugraeighteen	Grapevine	164-020/White Muscat	Pending	03/30/2000	Plant Variety Patent		SWII
Mexico								
	Sugratwelve	Grapevine	Coachella Seedless	Pending		Plant Variety Certificate		SWI
	Sugrathirteen	Grapevine	Midnight Beauty	Pending	02/07/2000	Plant Variety Certificate		SWII
	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending		Plant Variety Certificate		SWII
	Sugraone VT	Grapevine	Superior Seedless	To be filed		Plant Variety Certificate		SWII

PENDING PATENTS

COUNTRY	VARIETY NAME	COMMODITY	TRADEMARK	PATENT NO.	GRANT/FILING DATE	TYPE OF PATENT	EXPIRATION	OWNER
Morocco	Sugratwelve	Grapevine	Coachella Seedless	Pending	05/31/2000	Patent		SWII
Peru	Sugrathirteen	Grapevine	Midnight Beauty	To be filed		Plant Variety Rights		SWII
South Africa	Sugratwelve	Grapevine	Coachella Seedless	Pending	06/03/2000	Plant Breeder's Right		SWII
South Africa	Sugrathirteen	Grapevine	Midnight Beauty	Pending	05/13/2000	Plant Breeder's Right		SWII
South Africa	Sugrathirteen	Grapevine	Red Superior Seedless	Pending	04/25/2001	Plant Breeder's Right		SWII
South Africa	Sugrasixteen	Grapevine	016-226/Black Muscat	Pending	12/31/2000	Plant Breeder's Right		SWII
South Africa	Suplumtwenty	Plum	Black Giant	Pending	06/30/1998	Plant Breeder's Right		SWII
Tangier	Sugratwelve	Grapevine	Coachella Seedless	Pending	06/01/2000	Patent		SWII