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RECC 06-07-2001

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To the Honorable Commissioner of Patents ε	
1. Name of conveying party(ies): Trefethen Vineyards Winery, Inc. formerly Trefethen, Eugene Edgar Jr., and Trefethen, Catherine M., dba Trefethen Individual(s)	2. Name and address of receiving party(ies) Name: The Prudential Insurance Company Internal of America Address: 2998 Douglas Blvd., Suite 260 Street Address: Roseville State: CA Zip: 95661 Individual(s) citizenship Is Association General Partnership Limited Partnership Corporation-State New Jersey Other If assignee is not domiciled in the United States, a domestic representative designation is attached. The value of the property of
Execution Date: 2-28-01	(Designations must be a separate document from assignment) Additional name(s) & address(es) attached?
Application number(s) or registration number(s): A. Trademark Application No.(s)	B. Trademark Registration No.(s) 1096927
Additional number(s) at	
Name and address of party to whom correspondence concerning document should be mailed:	6. Total number of applications and registrations involved:
Name:James F. Eastman, Esq.	
Internal Address:	7. Total fee (37 CFR 3.41)\$_40
c/o Steefel, Levitt & Weiss	Enclosed
	Authorized to be charged to deposit account
One Embarcadero Center Street Address:	8. Deposit account number:
City:San Francisco_State: Zip:_94111	(Attach duplicate copy of this page if paying by deposit account)
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9. Statement and signature. To the best of my knowledge and belief, the foregoing information copy of the original document. To the best of my knowledge and belief, the foregoing information copy of the original document.	
James F. Eastman	5/29/01 Date
Traine of Forest Sugar	Signature Date State Ver sheet, attachments, and document:

Mail documents to be reforded with required cover sheet information to:
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Washington, D.C. 20231

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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. Charges to deposit account are authorized, as indicated herein. James F. Eastman			
	of Person Signing	Signature	Date Signed
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Steefel, Levitt & Weiss One Embarcadero Center, 30th Floor San Francisco, California 94111

Attention: James F. Eastman, Esq.

[MASTER]

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AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS

[MASTER]

THIS AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS dated as of 2 (28, 2001 amends and restates that certain Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements dated as of December 22, 1995, recorded on December 27, 1995 as Instrument No. 95-029036, in the Official Records of Napa County, California, originally made by (i) JOHN V. TREFETHEN AND JANET S. TREFETHEN, HUSBAND AND WIFE, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, TRUSTEES OF THE TREFETHEN FAMILY TRUST DATED MARCH 26, 1990, and JOHN V. TREFETHEN, A MARRIED MAN, and JOHN CRNCICH & CO., a California corporation, and EXCHANGE HOLDING CORPORATION, a California corporation, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, HUSBAND AND WIFE, (ii) JOHN V. TREFETHEN, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY, and CATHERINE MORGAN TREFETHEN, A MARRIED WOMAN, and EUGENE E. TREFETHEN, JR., WHO ACQUIRED TITLE AS A MARRIED MAN, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, HUSBAND AND WIFE, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, TRUSTEES OF THE TREFETHEN FAMILY TRUST DATED MARCH 26. 1990, and (iii) TREFETHEN VINEYARDS WINERY, INC., a California corporation, having a mailing address at P.O. Box 2460, Napa, California 94558, in favor of First American Title Company of Napa, having offices at 1700 2nd Street, Suite 120, Napa, California 94559, as trustee, and for the benefit of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation, having offices at 1318 E. Shaw Avenue, Suite 308, Fresno, California 93710, a portion of which was (a) assumed by CATHERINE M. TREFETHEN AND JOHN V. TREFETHEN, AS CO-TRUSTEES OF THE SURVIVOR'S TRUST, TO BE ADMINISTERED UNDER THE PROVISIONS OF ARTICLE THREE OF THE TRUST AGREEMENT FOR THE TREFETHEN FAMILY TRUST (created under Trust Agreement dated March 26, 1990 (sometimes also referred to as dated November 23, 1983), CARLA SAUNDERS AND JOHN V. TREFETHEN, AS CO-TRUSTEES OF "CARLA'S NON-EXEMPT TRUST," TO BE

ADMINISTERED UNDER THE PROVISIONS OF ARTICLE SIX OF THE TRUST AGREEMENT, JOHN V. TREFETHEN, an individual, and JOHN AND JANET TREFETHEN REVOCABLE TRUST pursuant to that certain Assumption Agreement dated as of April 27, 1997 and recorded on July 25, 1997 as Instrument No. 9716762 in the Official Records of Napa County, State of California; and (b) assigned to and assumed by TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership pursuant to that certain Assumption Agreement dated as of August 29, 1997, recorded on October 7, 1997 as Instrument No. 97-023744, in the Official Records of Napa County, California (collectively, the "Original Deed of Trust").

THE PARTIES HERETO AGREE THAT THE ORIGINAL DEED OF TRUST SHALL BE AMENDED AND RESTATED, IN ITS ENTIRETY, AS FOLLOWS

AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS

[MASTER]

THIS AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS (this "Deed of Trust") is made as of 2/2/8, 2001 by (i) TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership ("TFV, Ltd.") and JOHN V. TREFETHEN AND JANET S. TREFETHEN, AS TRUSTEES OF THE JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED DECEMBER 13, 1994 (collectively, the "Vineyards Property Trustors"), and (ii) TREFETHEN VINEYARDS WINERY, INC., a California corporation ("Trefethen Winery," and together with the Vineyards Property Trustors, collectively, "Trustor"), having a mailing address at P.O. Box 2460, Napa, California 94558, in favor of First American Title Company of Napa, having offices at 1700 2nd Street, Suite 120, Napa, California 94559, as trustee ("Trustee"), and for the benefit of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation, having offices at Woodward Centre, 7108 North Fresno Street, Suite 400, Fresno, CA 93720 ("Beneficiary").

WITNESSETH:

Trustor HEREBY IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO Trustee, IN TRUST, WITH POWER OF SALE all of Trustor's right, title and interest now owned or hereafter acquired in and to the following property, together with the Personalty (as hereinafter defined), all of which is hereinafter collectively defined as the "Property":

- A. That certain real property (collectively, the "Land") located in the County of Napa, California as more particularly described on Exhibit A-1, A-2 and A-3 attached hereto;
- B. All Improvements (as hereinafter defined) and all appurtenances, easements, rights and privileges thereof, including all minerals, oil, gas and other hydrocarbon substances thereon or therein, air rights, water, and water rights (whether riparian, appropriative, or pursuant to state

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or federal entitlements or allotments, or otherwise and whether or not appurtenant) in or hereafter relating to or used in connection with the Land, and development rights, and any land lying in the streets, roads or avenues adjoining the Land or any part thereof;

- C. All Fixtures (as hereinafter defined), whether now or hereafter installed, being hereby declared to be for all purposes of this Deed of Trust a part of the Land;
- D. All Easement Agreements (as hereinafter defined) and all other rights of ingress, egress, reciprocal agreements and other appurtenances relating to the Land; and
 - E. The Rents and Proceeds (as hereinafter defined), whether by sale or otherwise.

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may determine: (i) payment of the Indebtedness (as hereinafter defined); and (ii) payment (with interest as provided) and performance by Trustor of the Obligations (as hereinafter defined). Notwithstanding the foregoing, or any other term contained herein or in the Loan Documents, none of Trustor's obligations under or pursuant to the Hazardous Substances Agreement shall be secured by the lien of this Deed of Trust.

ARTICLE 1 DEFINITIONS

<u>Certain Defined Terms</u>: As used in this Deed of Trust the following terms shall have the following meanings:

- 1.1 <u>Application</u>: Collectively, the Vineyards-A Application, the Vineyards-B Application, the Winery-A Application and the Winery-B Application.
 - 1.2 <u>Collateral</u>: As defined in <u>Paragraph 7.1</u> hereof.
 - 1.3 Costs: As defined in Paragraph 9.21 hereof.
- Easement Agreements: Any and all ingress or egress easements or agreements, reciprocal easements or operating agreements or other appurtenances, easements or real property rights or interests relating to the Land, whether now owned or hereafter acquired, together with all water agreements relating to the Land, including without limitation (i) that certain "Agreement" by and between E. E. Trefethen, Jr. and NAPACO Vineyards, a co-partnership consisting of Lelio N Bianchini and Louis A. Petri and recorded August 17, 1971 in Book 857 at page 629 of the Official Records of Napa County, California, (ii) that certain "Roadway, Utilities and Water System Easements and Maintenance Agreement" executed by and between Eugene E. Trefethen, Jr., Michael J. Hastings, A. Dean Jenkins, and Eugene E. Trefethen, Jr. and Catherine M. Trefethen as Trustees of the Trefethen Family Trust Dated March 26, 1990, and recorded August 30, 1995 as Series No. 1995019026 of the Official Records of Napa County, California, (iii) that certain "Water Use Agreement" executed by and between Eugene E. Trefethen, Jr., Trustee under the Trefethen 1983 Family Trust, John V. Trefethen and Trefethen Winery, and recorded July 16, 1990 in Book 1753 at page 792 of the Official Records of Napa County, California, and (iv) that certain "Effluent Disposal Agreement" executed by and between Eugene E. Trefethen, Jr., Trustee under the Trefethen 1983 Family Trust, and Trefethen Winery, and

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recorded July 16, 1990 in Book 1753 at page 806 of the Official Records of Napa County, California.

- 1.5 Event of Default: As defined in Paragraph 3.1 hereof.
- 1.6 <u>Fixtures</u>: Any and all property affixed to the Land and/or located upon or within the Improvements which are so related to the Land that an interest in such property arises under applicable real estate or real property law, including, without limitation, any Improvements and/or any items set forth in the Inventory which become so related or attached to the Land.
- 1.7 <u>Hazardous Substances Agreement</u>: Collectively, the Vineyards-A Hazardous Substances Agreement, the Vineyards-B Hazardous Substances Agreement, and the Winery Hazardous Substances Agreement.
- 1.8 <u>Impositions</u>: All real estate and personal property and other taxes and assessments, and any and all other charges, expenses, payments, claims, mechanics' or material suppliers' liens or assessments of any nature that at any time prior to or after the execution of the Loan Documents may be assessed, levied, imposed, or become a lien upon the Property or the rent or income received therefrom, or any use or occupancy thereof.
- 1.9 Improvements: All (i) building improvements ("Buildings") and fixtures now or hereafter located on the Land, including, without limitation, all buildings, houses, sheds, warehouses, storage facilities and other buildings, (ii) irrigation and drainage equipment located on or used in connection with the Land, including, without limitation, wells, pumps, motors, engines, gearheads, sprinklers, drip irrigation systems, tow lines, hand lines, irrigation pipe, drainage pipe, culverts and well casings, (iii) enclosures of the Land or any part thereof, including, without limitation, fences, gates, shuts, posts, poles, barbed wire and electric wire, (iv) crop protection equipment and apparatus located on or used in connection with the Land, including, without limitation, frost protection equipment and wind machines, (v) electric, gas and water lines and equipment located on the Land, including, without limitation, transformers, circuit breakers, switch boxes, fuse and breaker panels, regulators, cut on/off valves, wiring and pipe, and (vi) trees, vines and other permanent plantings (whether Fructus Naturales or Fructus Industriales (Emblements)), whether mature or immature, now or hereafter growing on the Land, together with all trellises, wires, endposts, and stakes relating thereto.
- 1.10 <u>Indebtedness</u>: The indebtedness evidenced by the Note (including, without limitation, any Prepayment Premium due thereunder) and all other amounts due from Trustor to Beneficiary evidenced or secured by the Loan Documents, plus interest on all such amounts as provided in the Loan Documents.
 - 1.11 <u>Inventory</u>: The personal property described in <u>Exhibit B</u> attached hereto.
- 1.12 <u>Laws and Restrictions</u>: All laws, regulations, orders, codes, ordinances, rules, statutes and policies, restrictive covenants and other title encumbrances, permits and approvals, leases and other rental agreements, relating to the development, occupancy, ownership, management, use, and/or operation of the Property or otherwise affecting the Property or Trustor.

- 1.13 <u>Leases</u>: Any and all leasehold interests, including subleases and tenancies following attornment, now or hereafter affecting or covering any part of the Property.
- 1.14 <u>Loan</u>: Collectively, the Vineyards-A Loan, the Vineyards-B Loan, and the Winery Loan.
- 1.15 <u>Loan Documents</u>: Collectively, this Deed of Trust, the Vineyards-A Loan Documents, the Vineyards-B Loan Documents, and the Winery Loan Documents.
- 1.16 Note: Collectively, the Vineyards-A Note, the Vineyards-B Note, the Winery-A Note, and the Winery-B Note.
- 1.17 Obligations: Any and all of the covenants, promises and other obligations (including payment of the Indebtedness) made or owing by any Trustor to or due to Beneficiary as provided in the Loan Documents and all of the material covenants, promises and other obligations made or owing by any Trustor to any other Person relating to the Property.
- 1.18 <u>Person</u>: Any natural person, corporation, firm, association, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.
- Personalty: Trustor's right, title and interest in and to any and all personal 1.19 property now or hereafter located in, upon or about or collected or used in connection with the Property, together with all present and future attachments, accessions, replacements, substitutions and additions thereto or therefor, and the cash and noncash products and proceeds thereof, including, without limitation: all property listed in the Inventory, all equipment, the Easement Agreements, the Agreements, all crops now or hereafter grown or growing on the Land, all crops and farm products now or hereafter generated by the Land (whether Fructus Naturales or Fructus Industriales (Emblements), including, all such crops and farm products now or hereafter harvested and/or severed from the Land, whether or not then stored on the Land), all Leases and contracts related to or pertaining to the Property and any and all guaranties thereof, all causes of action and recoveries now or hereafter existing for any loss or diminution in value of the Property, all other tangible and intangible property and rights relating to the Property or its operation, or to be used in connection with the Property, including, but not limited to all agreements, licenses, governmental authorizations or permits pertaining to the Property or the development, ownership, management or operation thereof, all trademarks, service marks, designs, logos, names or similar identifications pertaining to the Property or under which the Property may be known or operated whether registered or unregistered (including, without limitation, the Trefethen winery label, the Eshcol winery label, and all tradenames and logos related thereto), and all rights to carry on business under such names, and any related goodwill associated in any way with such names or the Property, and all accounts, contract rights and general intangibles (including any rents, issues, profits, insurance proceeds and condemnation awards or compensation) arising out of or incident to the ownership, development or operation of the Property encumbered hereby and all construction materials and supplies, leasehold interests in personal property, all water stock relating to, and all water rights appurtenant to the Property, contractual rights for the use of water, drainage rights, and rights to receive or transport water to, the Property, including, without limitation, any right to receive water or subsidies with respect to

the price thereof under any contract with, or program administered by, the State of California Department of Water Resources; provided, however, that Personalty shall not include (i) any inventory relating to the Winery Property, (ii) any accounts derived from the sale of inventory, goods or services relating to the Winery Property, or (iii) any of the products or proceeds of such excluded property relating to the Winery Property(collectively, the "Excluded Property").

- 1.20 Principal Party: Any Trustor, any general partner of a partnership Trustor, any managing member of a limited liability Trustor or a limited liability member or general partner of any Trustor, any parent company of any corporate Trustor or any such general partner or any such managing member, any Person owning directly or indirectly 50% or more of the outstanding shares of a corporate Trustor, or any parent company of such Trustor, any Person owning directly or indirectly 50% or more of the outstanding membership interests of a limited liability company Trustor or any parent company of such Trustor, any trustee or beneficiary with a direct or indirect beneficial interest of 50% or more in any Trustor or the Property, any owner of the Property, or any guarantor of Trustor's obligations under the Loan Documents.
 - 1.21 Property: As defined in the above granting paragraph of this Deed of Trust.
- 1.22 <u>Receiver</u>: Any trustee, receiver, custodian, fiscal agent, liquidator or similar officer.
- 1.23 <u>Rents and Proceeds</u>: All rents, royalties, revenues, issues, profits, proceeds (including, without limitation proceeds from the sale of all or any portion of the Property or interest therein) and other income from the Property.
 - 1.24 Secondary Interest Rate: As defined in the Note.
- 1.25 <u>Title Policy</u>: The ALTA lender's title insurance policies delivered to Beneficiary in connection with the Loan.
- 1.26 <u>Vineyards-A Application</u>: The First Mortgage Loan Application dated October 11, 1995, executed by John V. Trefethen, Janet S. Trefethen, Eugene E. Trefethen, Jr., and Catherine M. Trefethen (referred to as "Applicant" therein), which Application includes the mortgage loan conditions attached thereto.
- 1.27 <u>Vineyards-A Deed of Trust</u>: That certain Amended and Restated Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements of even date herewith executed by the Vineyards Property Trustors, as "Trustor," to the benefit of Beneficiary as "Beneficiary," as security for repayment of the Vineyards-A Note.
- 1.28 <u>Vineyards-A Hazardous Substances Agreement</u>: That certain Amended and Restated Hazardous Substances Remediation and Indemnification Agreement of even date herewith executed by the Vineyards Property Trustors, as "Borrower," to the benefit of Beneficiary as "Lender" relating to the Vineyards-A Property.
- 1.29 <u>Vineyards-A Loan</u>: The loan from Beneficiary to the maker under the Vineyards-A Note, as evidenced by the Vineyards-A Note.

- 1.30 <u>Vineyards-A Loan Documents</u>: The Vineyards-A Note, the Vineyards-A Deed of Trust, the Vineyards-A Application, and all other documents (excluding the Hazardous Substances Agreement), evidencing, securing or relating to the Loan, the payment of the Indebtedness or the performance of the Obligations.
- 1.31 <u>Vineyards-A Note</u>: The Amended and Restated Promissory Note of even date herewith executed by the Vineyards Property Trustors in the original principal amount of Nine Million Two Hundred Thousand Dollars (\$9,200,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.32 <u>Vineyards-A Property</u>: As defined in the granting paragraph of the Vineyards-A Deed of Trust and termed "Property" therein.
- 1.33 <u>Vineyards-B Application</u>: Collectively, the First Mortgage Loan Application dated October 11, 1995, executed by Eugene E. Trefethen and Catherine M. Trefethen (referred to as "Applicant" therein) and that certain Rate Lock Letter and Term Sheet dated December 11, 2000, executed by TFV, Ltd.
- 1.34 <u>Vineyards-B Deed of Trust</u>: That certain Amended and Restated Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements of even date herewith executed by TFV, Ltd., as "Trustor," to the benefit of Beneficiary as "Beneficiary," as security for repayment of the Vineyards-B Note.
- 1.35 <u>Vineyards-B Hazardous Substances Agreement</u>: That certain Amended and Restated Hazardous Substances Remediation and Indemnification Agreement of even date herewith executed by TFV, Ltd., as "Borrower," to the benefit of Beneficiary as "Lender" relating to the Vineyards-B Property.
- 1.36 <u>Vineyards-B Loan</u>: The loan from Beneficiary to the maker under the Vineyards-B Note, as evidenced by the Vineyards-B Note.
- 1.37 <u>Vineyards-B Loan Documents</u>: The Vineyards-B Note, the Vineyards-B Deed of Trust, the Vineyards-B Application, and all other documents (excluding the Hazardous Substances Agreement), evidencing, securing or relating to the Loan, the payment of the Indebtedness or the performance of the Obligations.
- 1.38 <u>Vineyards-B Note</u>: The Amended and Restated Promissory Note of even date herewith executed by the TFV, Ltd. in the original principal amount of Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.39 <u>Vineyards-B Property</u>: As defined in the granting paragraph of the Vineyards-B Deed of Trust and termed "Property" therein.
 - 1.40 <u>Vineyards Loans</u>: Collectively, the Vineyards-A Loan and the Vineyards-B Loan.
- 1.41 <u>Vineyards Property</u>: Collectively, the Vineyards-A Property and the Vineyards-B Property.

- 1.42 <u>Winery-A Application</u>: The First Mortgage Loan Application dated October 11, 1995, executed by Trefethen Winery (referred to as "Applicant" therein).
- 1.43 <u>Winery-A Note:</u> The Amended and Restated Promissory Note of even date herewith executed by Trefethen Winery in the original principal amount of Three Million Six Hundred Thousand Dollars (\$3,600,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.44 <u>Winery-B Application</u>: The Rate Lock Letter and Term Sheet dated December 11, 2000, executed by Trefethen Winery (referred to as "Borrower" therein).
- 1.45 <u>Winery-B Note:</u> The Promissory Note of even date herewith executed by Trefethen Winery in the original principal amount of Three Million Dollars (\$3,000,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.46 <u>Winery Deed of Trust</u>: That certain Amended and Restated Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements of even date herewith executed by Trefethen Winery, as "Trustor," to the benefit of Beneficiary as "Beneficiary," as security for repayment of the Winery Note.
- 1.47 <u>Winery Hazardous Substances Agreement</u>: That certain Amended and Restated Hazardous Substances Remediation and Indemnification Agreement of even date herewith executed by Trefethen Winery, as "Borrower," to the benefit of Beneficiary as "Lender."
- 1.48 <u>Winery Loan</u>: The loan from Beneficiary to Trefethen Winery evidenced by the Winery Note.
- 1.49 <u>Winery Loan Documents</u>: The Winery Note, the Winery Deed of Trust, the Winery-A Application, the Winery-B Application and all other documents (excluding the Hazardous Substances Agreement), evidencing, securing or relating to the Loan, the payment of the Indebtedness or the performance of the Obligations.
 - 1.50 Winery Note: Collectively, the Winery-A Note and the Winery-B Note.
- 1.51 <u>Winery Property</u>: As defined in the granting paragraph of the Winery Deed of Trust and termed "Property" therein.

ARTICLE 2 CASUALTIES AND CONDEMNATION

- 2.1 <u>Insurance and Condemnation Proceeds.</u>
 - A. Trustor shall notify Beneficiary in writing immediately upon the occurrence of any loss or damage by fire or other casualty to the Property or upon commencement of any proceedings for condemnation of any portion of the Property. Beneficiary shall be entitled to (i) participate in any such condemnation proceedings and Trustor from time to time will deliver to Beneficiary all instruments reasonably necessary to permit such participation, and (ii) settle and

adjust all insurance claims relative to any such damage or destruction, deducting from any insurance proceeds the amount of all expenses incurred by Beneficiary in connection with any such settlement or adjustment. All proceeds paid to Trustor under any insurance policies relating to the Property shall immediately be delivered to Beneficiary. All condemnation proceeds from the Property are hereby assigned to and shall be paid to Beneficiary.

- The proceeds of any insurance policy received by Beneficiary shall, at the option of Beneficiary, either be applied to the prepayment of the Indebtedness or satisfaction of any Obligation or be paid over to Trustor for restoration of the Improvements. If Beneficiary elects to make such proceeds available for repair or reconstruction, Beneficiary shall, through a disbursement procedure established by Beneficiary, make available to Trustor the net amount of all insurance proceeds or condemnation awards received by Beneficiary after deduction of Beneficiary's reasonable costs and expenses, if any, in collection of the same (the "Net Proceeds"). In the event Beneficiary elects not to make the Net Proceeds available for repair or reconstruction, Beneficiary, at its sole option, may apply the Net Proceeds in payment of the Indebtedness or in satisfaction of any other Obligation in such order as Beneficiary may determine. Notwithstanding the foregoing, Beneficiary shall make the Net Proceeds available to Trustor for repair or reconstruction provided that (i) there shall then be no default under any Loan Document, (ii) Beneficiary shall be satisfied that (a) the Property can and will be restored to the condition of the Property immediately prior to such casualty or condemnation within 18 months of the date of such casualty or condemnation in accordance with plans and specifications approved by Beneficiary, and such completion shall occur at least 24 months prior to the maturity date of the Note secured by the second priority deed of trust in favor of Beneficiary encumbering such portion of the Property so affected, and (b) no material agreements are terminated or terminable as a result of such casualty or condemnation, (iii) Trustor shall have entered into a general construction contract acceptable in all respects to Beneficiary for completion of the repair or reconstruction, (iv) in Beneficiary's reasonable judgment, the security for the Loan has not been materially impaired as a result of such casualty or condemnation, and (v) prior to any disbursement of Net Proceeds and throughout the restoration period, Beneficiary shall have determined, in its sole and absolute discretion, that such repair or reconstruction can be completed at a cost (which cost shall include all payments coming due under the terms of the Loan) which does not exceed the aggregate of the then remaining Net Proceeds and any funds deposited with Beneficiary by Trustor.
- C. The Net Proceeds and any additional funds deposited by Trustor with Beneficiary shall constitute additional security for the Loan. Trustor shall execute, deliver, file and/or record, at its own expense, such documents and instruments as Beneficiary requires to grant to Beneficiary a perfected, first priority security interest in the Net Proceeds and such additional funds.

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2.2 Additional Provisions Relating to Condemnation. In any condemnation proceedings, Beneficiary may be represented by counsel selected by Beneficiary. The proceeds of any award or compensation so received by Beneficiary as set forth in Paragraph 2.1.A above shall, at the option of Beneficiary, either be applied to the prepayment of the Indebtedness or satisfaction of any Obligation or be paid over to Trustor for restoration of the Improvements in accordance with the provisions of Paragraph 2.1. Trustor hereby unconditionally and irrevocably waives all rights of a property owner under Section 1265.225(a) of the California Code of Civil Procedure or any successor statute providing for the allocation of condemnation proceeds between a property owner and a lien holder.

ARTICLE 3 EVENTS OF DEFAULT AND REMEDIES OF BENEFICIARY

3.1 Events of Default.

- A. It shall constitute an "Event of Default" hereunder if any of the following events shall occur and Beneficiary, by written notice delivered to Trustor, declares an Event of Default: (i) the occurrence of any default under this Deed of Trust, or (ii) the occurrence of any Event of Default as defined in and/or under any Vineyards-A Loan Document, Vineyards-B Loan Document or Winery Loan Document.
- B. It shall constitute an Event of Default hereunder without the requirement of any notice if any of the following events shall occur: (i) any Principal Party shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall have made a general assignment for the benefit of creditors; (ii) any Principal Party shall commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking to have an order for relief entered against it as debtor, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property (collectively, a "Proceeding"); (iii) any Principal Party shall take any action to authorize any of the actions set forth above in clauses (i) or (ii); or (iv) any Proceeding shall be commenced against any Principal Party, and such Proceeding (a) results in the entry of an order for relief against it which is not fully stayed within seven (7) business days after the entry thereof or (b) remains undismissed for a period of forty-five (45) days.

3.2 Remedies.

A. Upon the occurrence of any Event of Default, Beneficiary may at any time declare all of the Indebtedness (including, without limitation, any Prepayment Premium due under the terms of the Note in connection with such acceleration) to be due and payable and the same shall thereupon become immediately due and payable, together with all payments due in accordance with the terms of the Note, without any further presentment, demand, protest or notice of any kind.

Beneficiary may, in its sole discretion, also do any of the following: (i) in person. by agent, or by a Receiver, without regard to the adequacy of security, the solvency of Trustor or the condition of the Property, without obligation so to do and without notice to or demand upon Trustor, enter upon and take possession of the Property, or any part thereof, in its own name or in the name of Trustee and do any acts which Beneficiary deems necessary to preserve the value or marketability of the Property; sue for or otherwise collect the Rents and Proceeds, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, against the Obligations, all in such order as Beneficiary may determine; appear in and defend any action or proceeding purporting to affect, in any manner whatsoever, the Obligations, the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase or compromise any encumbrance, charge or lien that in the judgment of Beneficiary or Trustee is prior or superior hereto; and in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys' fees; (ii) as a matter of strict right and without notice to Trustor or anyone claiming under Trustor, and without regard to the then value of the Property or the danger of loss, removal, or material injury to the Property, apply ex parte to any court having jurisdiction to appoint a Receiver to enter upon and take possession of the Property, and Trustor hereby waives notice of any application therefor, provided a hearing to confirm such appointment with notice to Trustor is set within the time required by law (any such Receiver shall have all the powers and duties of Receivers in like or similar cases and all the powers and duties of Beneficiary in case of entry as provided herein, and shall continue as such and exercise all such powers until the date of confirmation of sale, unless such Receivership is sooner terminated); (iii) commence an action to foreclose this Deed of Trust in any manner provided hereunder or by law; (iv) with respect to any Personalty, proceed as to both the real and personal property in accordance with Beneficiary's rights and remedies in respect of the Land, or proceed to sell said Personalty separately and without regard to the Land in accordance with Beneficiary's rights and remedies as to personal property; and/or (v) deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause the Property to be sold, which notice Trustee or Beneficiary shall cause to be duly filed for record.

B. If Trustor shall at any time fail to perform or comply with any of the terms, covenants and conditions required on Trustor's part to be performed and complied with under any of the Loan Documents or any other agreement that, under the terms of this Deed of Trust, Trustor is required to perform, then Beneficiary may, in its sole discretion: (i) make any payments hereunder or thereunder payable by Trustor and take out, pay for and maintain any of the insurance policies provided for herein or therein; and/or (ii) after the expiration of any applicable grace period and subject to Trustor's rights to contest certain obligations specifically granted hereby, perform any such other acts thereunder on the part of Trustor to be performed and enter upon the Property for such purpose.

Should Beneficiary elect to foreclose by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust and one or more of the Notes and such receipts and evidence of expenditures made and secured hereby as Trustee may require. Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and notice of sale as then required by law and by this Deed of Trust. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Property at the time and place of sale fixed by it in said notice of sale, either as a whole, or in separate lots or parcels or items as Beneficiary shall determine, and in such order as Beneficiary may determine, at public auction to the highest bidder for cash in lawful money of the United States payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any Person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale and Trustor hereby covenants to warrant and defend the title of such purchaser or purchasers. After deducting all costs, fees and expenses of Trustee and of this Trust, including costs of evidence of title in connection with sale, Trustee shall apply the proceeds of sale in the following priority, to payment of: (i) first, all sums expended under the terms hereof, not then repaid, with accrued interest at the Secondary Interest Rate; (ii) second, all other sums then secured hereby; and (iii) the remainder, if any, to the person or persons legally entitled thereto. Beneficiary may, in its sole discretion, designate the order in which the Property shall be offered for sale or sold through a single sale or through two or more successive sales, or in any other manner Beneficiary deems to be in its best interest. If Beneficiary elects more than one sale or other disposition of the Property, Beneficiary may at its option cause the same to be conducted simultaneously or successively, on the same day or at such different days or times and in such order as Beneficiary may deem to be in its best interests, and no such sale shall terminate or otherwise affect the lien of this Deed of Trust on any part of the Property not then sold until all Indebtedness secured hereby has been fully paid. If Beneficiary elects to dispose of the Property through more than one sale, Trustor shall pay the costs and expenses of each such sale of its interest in the Property and of any proceedings where the same may be made. Trustee may postpone the sale of all or any part of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement, and without further notice make such sale at the time fixed by the last postponement; or Trustee may, in its discretion, give a new notice of sale. Beneficiary may rescind any such notice of default at any time before Trustee's sale by executing a notice of rescission and recording the same. The recordation of such notice shall constitute a cancellation of any prior declaration of default and demand for sale and of any acceleration of maturity of Indebtedness affected

by any prior declaration or notice of default. The exercise by Beneficiary of the right of rescission shall not constitute a waiver of any default then existing or subsequently occurring, or impair the right of Beneficiary to execute other declarations of default and demand for sale, or notices of default and of election to cause the Property to be sold, nor otherwise affect the Note or this Deed of Trust, or any of the rights, obligations or remedies of Beneficiary or Trustee hereunder.

- D. In the event of a sale of the Property, or any part thereof, and the execution of a deed therefor, the recital therein of default, and of recording notice of default and notice of sale, and of the elapse of the required time (if any) between the recording and the notice, and of the giving of notice of sale, and of a demand by Beneficiary, or its successors or assigns, that such sale should be made, shall be conclusive proof of such default, recording, election, elapse of time, and giving of such notice, and that the sale was regularly and validly made on due and proper demand by Beneficiary, its successors or assigns. Any such deed or deeds with such recitals therein shall be effective and conclusive against Trustor, its successors and assigns, and all other Persons. The receipt for the purchase money recited or contained in any deed executed to the purchaser as aforesaid shall be sufficient discharge to such purchaser from all obligations to see to the proper application of the purchase money.
- E. All remedies of Beneficiary provided for herein are cumulative and shall be in addition to any and all other rights and remedies provided in the other Loan Documents or by law, including any right of offset. The exercise of any right or remedy by Beneficiary hereunder shall not in any way constitute a cure or waiver of default hereunder or under the Loan Documents, or invalidate any act done pursuant to any notice of default, or prejudice Beneficiary in the exercise of any of its rights hereunder or under the Loan Documents.

ARTICLE 4 SECURITY AGREEMENT AND FIXTURE FILING

- 4.1 <u>Grant of Security Interest</u>. Trustor hereby grants to Beneficiary a security interest in and to all Trustor's right, title and interest now owned or hereafter acquired in and to the Improvements, Personalty and the Fixtures and all of the products and proceeds thereof (collectively, the "Collateral") to secure payment and performance of the Obligations.
- 4.2 Remedies. This Deed of Trust constitutes a security agreement with respect to the Collateral in which Beneficiary is hereby granted a security interest. In addition to the rights and remedies provided under this Deed of Trust, Beneficiary shall have all of the rights and remedies of a secured party under the California Uniform Commercial Code as well as all other rights and remedies available at law or in equity. Trustor hereby agrees to execute and deliver on demand and irrevocably constitutes and appoints Beneficiary the attorney-in-fact of Trustor to, at Trustor's expense, execute, deliver and, if appropriate, to file with the appropriate filing officer or office such instruments as Beneficiary may request or require in order to impose, perfect or continue the perfection of the lien or security interest created hereby. Upon the occurrence of

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any Event of Default, Beneficiary shall have (i) the right to cause any of the Collateral which is personal property to be sold at any one or more public or private sales as permitted by applicable law and to apply the proceeds thereof to the Indebtedness or the satisfaction of any Obligation, and (ii) the right to apply to the Indebtedness or the satisfaction of any Obligation any Collateral which is cash, negotiable documents or chattel paper. Any such disposition may be conducted by an employee or agent of Beneficiary or Trustee. Any Person, including both of Trustor and Beneficiary, shall be eligible to purchase any part or all of such Personalty at any such disposition.

- 4.3 Expenses. Expenses of retaking, holding, preparing for sale, selling or the like pertaining to the Collateral shall be borne by Trustor and shall include Beneficiary's and Trustee's reasonable attorneys' fees and legal expenses. Trustor, upon demand of Beneficiary shall assemble the Collateral and make it available to Beneficiary at the Property, a place which is hereby deemed to be reasonably convenient to Beneficiary and Trustor. Beneficiary shall give Trustor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of the Collateral or of the time after which any private sale or any other intended disposition is to be made. Any such notice sent to Trustor in the manner provided for the mailing of notices herein is hereby deemed to be reasonable notice to Trustor.
- 4.4 <u>Fixture Filing</u>. This Deed of Trust covers certain goods which are or are to become fixtures related to the Land and constitutes a fixture filing with respect such goods executed by Trustor as debtor in favor of Beneficiary as secured party.
- 4.5 <u>Crop Filing</u>. The Security Agreement set forth in this Deed of Trust covers all crops now or hereafter growing on the Land and all crops and farm products now or hereafter generated by the Land (whether Fructus Naturales or Fructus Industriales (Emblements), including, all such crops and farm products now or hereafter harvested and/or severed from the Land, whether or not then stored on the Land), and all the products and proceeds thereof, and this Deed of Trust constitutes a financing statement with respect such crops executed by Trustor as debtor in favor of Beneficiary as secured party.
- 4.6 Further Assurances. Trustor understands, acknowledges and agrees that an updated version of the California Uniform Commercial Code shall become operative on July 1, 2001, and Trustor hereby agrees that, immediately upon Beneficiary's demand, Trustor shall execute and deliver to Beneficiary (and cause any necessary third parties to execute and deliver to Beneficiary) all documents and filings (including, without limitation "control agreements"), and otherwise take all other actions as may be requested by Beneficiary, in order to maintain and provide to Beneficiary a first priority perfected security interest in the Personalty provided hereby and by the Loan Documents, and Trustor hereby agrees to pay all fees and costs associated therewith (including, without limitation, the reasonable fees and costs of Beneficiary's outside counsel).

ARTICLE 5
ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS

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- Assignment of Rents and Proceeds and Leases. Trustor absolutely and unconditionally assigns and transfers to Beneficiary (i) the Leases and (ii) the Rents and Proceeds whether now due, past due or to become due, and gives to and confers upon Beneficiary any and all rights and claims of any kind that Trustor may have against lessees under the Leases and the right, power and authority to collect such Rents and Proceeds, and apply the same to the Indebtedness or the satisfaction of any Obligation. Trustor irrevocably appoints Beneficiary its agent to, at any time, demand, receive and enforce payment, to give receipts. releases and satisfactions, and to sue, either in the name of Trustor or in the name of Beneficiary, for all such Rents and Proceeds. Neither the foregoing assignment of Leases and Rents and Proceeds to Beneficiary or the exercise by Beneficiary of any of its rights or remedies under this Deed of Trust shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation of all or any part thereof, unless and until Beneficiary, in person or by its own agent, assumes actual possession thereof, nor shall appointment of a Receiver for the Property by any court at the request of Beneficiary or by agreement with Trustor or the entering into possession of the Property by such Receiver be deemed to make Beneficiary a "mortgageein-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation thereof.
- 5.2 <u>Assignment of Agreements</u>. Trustor hereby sells, assigns, transfers, sets over and delivers to Beneficiary all of Trustor's right, title and interest in and to any and all agreements, contracts, supply contracts, reports, surveys, maintenance agreements, purchase contracts, and governmental approvals whatsoever pertaining to the operation of the Property, as the same may be amended or otherwise modified from time to time (collectively, the "Agreements"). The foregoing assignment encompasses the right of Trustor to (i) terminate any of the Agreements, (ii) perform or compel performance and otherwise exercise all remedies under the Agreements, and (iii) collect and receive all sums which may become due Trustor or which Trustor may now or shall hereafter become entitled to demand or claim, under the Agreements.
- 5.3 Revocable License. Notwithstanding anything to the contrary contained herein or in the Note, so long as no Event of Default shall have occurred, Trustor shall have a license to collect all Rents and Proceeds and all other sums which may become payable to Trustor under the Agreements, and to first apply the same to the payment or performance of the Obligations as and when due. Upon the occurrence of an Event of Default, Beneficiary shall have the right, on written notice to Trustor, to terminate and revoke the license herein granted to Trustor and shall have the right and authority then or thereafter to exercise and enforce any and all of its rights and remedies provided in this Article 5 or by law or at equity.
- 5.4 <u>Nonresponsibility</u>. The acceptance by Beneficiary of the assignments with all the rights, powers, privileges and authority so granted shall not obligate Beneficiary to assume any obligations in respect of the Rents and Proceeds or under the Agreements or take any action thereunder or to expend any money or incur any expense or perform or discharge any obligation, duty or liability in respect of the Rents and Proceeds or under the Agreements or to assume any obligation or responsibility for the nonperformance of the provisions thereof by Trustor.
- 5.5 Affirmative Covenants re Leases and Agreements. Trustor shall (i) observe, perform and discharge, all the obligations, terms, covenants, conditions and warranties of the

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Leases and Agreements, on the part of Trustor to be kept, and shall promptly notify Beneficiary of any default thereunder, (ii) upon written request of Beneficiary, direct the obligors under the Agreements and the Lessees to deliver all Rents and Proceeds and other payments due thereunder to Beneficiary, (iii) enforce or secure in the name of Beneficiary the performance of each and every obligation, term, covenant, condition and agreement of the Leases and Agreements to be performed by Lessees and obligors thereunder, (iv) appear in and defend any action or proceeding arising under, occurring out of, or in any manner connected with the Leases or the Agreements or the obligations, duties, or liabilities of Trustor, Lessees and obligors thereunder and, upon request by Beneficiary, to do so in the name and on behalf of Beneficiary but at the expense of Trustor, and to pay all costs and expenses of Beneficiary, including, attorneys' fees.

5.6 Negative Covenants re Leases and Agreements. Trustor shall not, without the prior written consent of Beneficiary: (i) lease any part of the Property or renew or extend any Leases; (ii) terminate, amend, modify or alter in any manner any Leases, or waive, excuse, condone, discount, set-off, compromise, or in any manner release or discharge Lessees from any obligations, covenants, conditions and agreements by such Lessees to be kept, or accept or consent to any surrender of the Leases; (iii) receive or collect any Rents and Proceeds for a period of more than one month in advance (whether in cash or by promissory note); (iv) further assign the Leases or pledge, transfer, mortgage or otherwise encumber or assign future payments of Rents and Proceeds; (v) commence an action of ejectment or summary proceedings for dispossession of the Lessees under any Leases; or (vi) consent to any modification of the express purposes for which the Property has been leased, or consent to any subletting of the Property or any part thereof, or to assignment of the Leases by Lessees thereunder or to any assignment or further subletting by any sublessees.

ARTICLE 6 MISCELLANEOUS

- 6.1 <u>Successor Trustee</u>. Beneficiary may remove Trustee or any successor trustee at any time or times and appoint a successor trustee by recording a written substitution in the county where the Property is located, or in any other manner permitted by law.
- 6.2 <u>No Waiver</u>. No failure by Beneficiary to insist upon strict, full and complete (i) payment when due of any portion of the Indebtedness or (ii) performance of any Obligation, nor failure to exercise any right or remedy hereunder, shall constitute a waiver of any such failure to pay or breach of any such Obligation, or of the later exercise of such right or remedy.
- 6.3 <u>Notices</u>. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person or by facsimile transmission with receipt acknowledged, (ii) one business day after having been deposited for overnight delivery with Federal Express or another comparable overnight courier service, or (iii) three business days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, addressed to the addresses set forth on page 1 hereof or addressed as such party may from time to time hereafter designate by written notice to the other parties.

- 6.4 <u>Severability</u>. If any provision hereof should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and in no way affect the validity of this Deed of Trust except that if such provision relates to the payment of any monetary sum, then Beneficiary may, at its option, declare the Indebtedness immediately due and payable.
- 6.5 <u>Joinder of Foreclosure</u>. Should Beneficiary hold any other or additional security for the performance of the Obligations, its sale or foreclosure, upon any default in such performance, in the sole discretion of Beneficiary, may be prior to, subsequent to, or joined or otherwise contemporaneous with any sale or foreclosure hereunder.
- 6.6 Governing Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the state in which the Land is located.
- 6.7 <u>Subordination</u>. At the option of Beneficiary, this Deed of Trust shall become subject and subordinate in whole or in part (but not with respect to priority of entitlement to any insurance proceeds, damages, awards, or compensation resulting from damage to the Property or condemnation or exercise of power of eminent domain), to any and all contracts of sale and/or any and all Leases upon the execution by Beneficiary and recording thereof in the Official Records of the county where the Land is located of a unilateral declaration to that effect.
- 6.8 <u>Waiver of Statute of Limitations and Rights to Trial by Jury</u>. Trustor hereby waives, to the full extent allowed by law, the right to plead any statute of limitations as a defense to any obligation secured by this Deed of Trust and the right to a jury trial in any action under or relating to the Loan Documents.
- Agreement set forth the entire understanding between Trustor and Beneficiary relative to the Loan and the same shall not be amended except by a written instrument duly executed by each of Trustor and Beneficiary. The foregoing notwithstanding, the terms and the conditions of the Application shall survive the funding of the Loan but in the event of any conflict between the provisions of the Application and any of the other Loan Documents or the Hazardous Substances Agreement, except as otherwise specifically provided herein, the terms of such other Loan Documents and Hazardous Substances Agreement shall control.
- 6.10 <u>Charges for Statements</u>. Trustor agrees to pay Beneficiary's charge, up to the maximum amount permitted by law, for any statement regarding the Obligations requested by Trustor or in its behalf.
- 6.11 <u>Usury</u>. In the event that Beneficiary determines that any charge, fee or interest paid or agreed to be paid in connection with the Loan may, under the applicable usury laws, cause the interest rate on the Loan to exceed the maximum permitted by law, then such charges, fees or interest shall be reduced and any amounts actually paid in excess of the maximum interest permitted by such laws shall be applied by Beneficiary to reduce the outstanding principal balance of the Loan. The parties intend that Trustor shall not be required to pay, and Beneficiary shall not be entitled to collect, interest in excess of the maximum legal rate permitted under the applicable usury laws.

6.12 <u>Information Reporting Under IRS Section 6045(e)</u>. Any information returns or certifications that must be filed with the Internal Revenue Service and/or provided to other parties pursuant to Internal Revenue Code Section 6045(e) shall be prepared, filed by and sent to the appropriate parties by Trustor. To the extent permitted by law, Beneficiary shall have no responsibility to perform such services; provided however, that upon demand Trustor shall pay such fee to Beneficiary as Beneficiary may reasonably and lawfully request. Beneficiary shall, where requested by Trustor, promptly supply Trustor with all information pertaining to Beneficiary reasonably required by Trustor to prepare and file any such return or certification.

6.13 ERISA.

- A. Beneficiary represents and warrants to Trustor that, as of the date of this Deed of Trust and throughout the term of the Loan, the source of funds from which Beneficiary extends the Loan is its General Account, which is subject to the claims of its general creditors under state law. For so long as The Prudential Insurance Company of America is the holder of the Note and Beneficiary hereunder, it shall not allocate all or any portion of the Loan to any account other than its General Account.
- B. Trustor represents and warrants to Beneficiary that, as of the date of this Deed of Trust and covenants that, throughout the term of the Loan, (i) Trustor is not and will not become an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which is subject to Title I of ERISA, and (ii) the assets of Trustor do not and will not constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. Section 2510.3-101.
- C. Trustor represents and warrants to Beneficiary that, as of the date of this Deed of Trust (i) Trustor is not a "governmental plan" within the meaning of Section 3(32) of ERISA and (ii) transactions by or with Trustor are not subject to state statutes regulating investment of and fiduciary obligations with respect to governmental plans.
- D. Trustor covenants and agrees to deliver to Beneficiary such certifications or other evidence from time to time throughout the term of the Loan, as requested by Beneficiary in its sole discretion, that (i) Trustor is not an "employee benefit plan" or a "governmental plan," and (ii) Trustor is not subject to state statutes regulating investments and fiduciary obligations with respect to governmental plans, and (iii) one or more of the following circumstances is true: (a) equity interests in Trustor are publicly offered securities, within the meaning of 29 C.F.R. Section 2510.3-101(b)(2); (b) less than twenty-five percent (25%) of all equity interests in Trustor are held by "benefit plan investors" within the meaning of 29 C.F.R. Section 2510.3-101(f)(2); (c) Trustor qualifies as an "operating company" or a "real estate operating company" within the meaning of 29 C.F.R. Section 2510.3-101(c) or (e); or (d) no equity interest in Trustor is held directly or indirectly by an employee benefit plan subject to ERISA.

- E. Any of the following shall constitute an Event of Default entitling Beneficiary to exercise any and all remedies to which it may be entitled under the Loan Documents: (i) the failure of any representation or warranty made by Trustor under this Paragraph 6.13 to be true and correct in all respects; (ii) the failure of Trustor to provide Beneficiary with the written certifications and evidence referred to above; or (iii) the consummation by Trustor of a transaction which would cause the Deed of Trust or any exercise of Beneficiary's rights under the Loan Documents to constitute a non-exempt prohibited transaction under ERISA or a violation of a state statute regulating governmental plans, subjecting Beneficiary to liability for violation of ERISA or such state statute.
- F. Trustor shall indemnify, protect and defend and hold Beneficiary harmless from and against all loss, fee, cost, damage and expense (including attorneys' fees and costs incurred in the investigation, defense and settlement of claims and losses incurred in correcting any prohibited transaction or in the sale of a prohibited loan, and in obtaining any individual prohibited transaction exemption under ERISA that may be required, in Beneficiary's sole discretion) that Beneficiary may incur, directly or indirectly, as a result of a default under Paragraph 6.13.E. This indemnity shall survive any termination, satisfaction or foreclosure of the Deed of Trust.

6.14 <u>Indemnification and Defense</u>.

- A. Trustor will indemnify, defend, and hold Beneficiary and its agents harmless from and against all liability, loss, claims, damage, fee, cost or expense (including reasonable attorneys' fees) that Beneficiary might incur in connection with the making or administering of the Loan, the enforcement of any of Beneficiary's rights or remedies under the Loan Documents, by reason of any failure of any representation or warranty made by Trustor or the failure of Trustor to perform any Obligation or by reason or in defense of any and all claims and demands whatsoever that may be asserted against Beneficiary arising out of or in connection with the Property or the Loan.
- B. Trustor shall appear in and defend (with counsel acceptable to Beneficiary) any action or proceeding purporting to affect the security of the Deed of Trust, or of any additional or other security for the Obligations, the interest of Beneficiary or the rights, powers and duties of Trustee hereunder.
- C. Whenever, under any Loan Document, Trustor is obligated to indemnify and/or defend Beneficiary, or Trustor is obligated to defend or prosecute any action or proceeding, then Beneficiary shall have the right to participate in such prosecution or defense using counsel of Beneficiary's choice, and all costs and expenses incurred by Beneficiary in connection with such participation (including reasonable attorneys' fees) shall be reimbursed by Trustor to Beneficiary. In addition, Beneficiary shall have the right to approve any counsel retained by Trustor in connection with the prosecution or defense of any such action or proceeding by Trustor. Trustor shall give notice to Beneficiary of the initiation of

9129:158859.4 -19- TRADEMARK REEL: 002310 FRAME: 0250 all proceedings prosecuted or required to be defended by Trustor, or which are subject to Trustor's indemnity obligations, under this Deed of Trust, promptly after the receipt by Trustor of notice of the existence of any such proceeding, but in no event later than five (5) days thereafter.

- D. Should Beneficiary incur any liability, loss, claim, damage, cost or expense required to be reimbursed by Trustor to Beneficiary hereunder, the amount thereof with interest thereon at the Secondary Interest Rate shall constitute part of the Indebtedness, shall be payable by Trustor upon demand and shall be secured by this Deed of Trust.
- 6.15 Destruction of Note. Trustor shall, if the Note is mutilated or destroyed by any cause whatsoever, or otherwise lost or stolen and regardless of whether due to the act or neglect of Beneficiary or Trustee, execute and deliver to Beneficiary in substitution therefor a duplicate promissory note containing the same terms and conditions as the Note, within ten (10) days after Beneficiary notifies Trustor of any such mutilation, destruction, loss or theft of the Note. Upon receipt of such duplicate promissory note, Beneficiary shall provide Trustor with its standard form indemnity holding Trustor harmless from claims and liabilities relating to any claim for payment or presentment of any such mutilated, destroyed, lost, and/or stolen original promissory note.
- 6.16 <u>Heirs and Assigns</u>. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.
- Interpretation. When the identity of the parties or other circumstances make it 6.17 appropriate, the masculine gender shall include the feminine and/or neuter, and the singular number shall include the plural. Specific enumeration of rights, powers and remedies of Trustee and Beneficiary and of acts which they may do and of acts Trustor must do or not do shall not exclude or limit the general. The headings of each Article and Paragraph are for convenience and do not limit or construe the contents of any provision hereof. The provisions of the Loan Documents and the Hazardous Substances Agreement shall be construed as a whole according to their common meaning, not strictly for or against any party and consistent with the provisions herein contained, in order to achieve the objectives and purposes of such documents. Each party and its counsel has reviewed and revised the Loan Documents and the Hazardous Substances Agreement and agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of such document. The use in the Loan Documents and the Hazardous Substances Agreement of the words "including", "such as", or words of similar import when following any general term, statement or matter shall not be construed to limit such statement, term or matter to the specific items or matters, whether or not language of non-limitation such as "without limitation" or "but not limited to", or words of similar import are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The term "Trustor" shall be deemed to refer to the original Trustor, and its successors and assigns (whether or not such assign assumed the Obligations hereunder); the term "Beneficiary" includes Beneficiary named herein or any future owner or holder, including pledgee and participants, of the Note, or any other instrument secured

hereby, or any participation therein; and the term "Trustee" includes the original Trustee and its successors and assigns. The references to the "Property" shall be deemed to refer to all or any portion of the Property and any interest therein. References to "foreclosure" and related phrases shall be deemed references to the appropriate procedure in connection with Trustee's private power of sale as well as any judicial foreclosure proceeding or a conveyance in lieu of foreclosure.

- 6.18 <u>Information to Third Persons</u>. If, at any time, Beneficiary desires to sell or transfer, or grant a participation interest in, all or any portion of, or any interest in, the Note or any other Loan Document to any Person, Trustor shall furnish in a timely manner any and all financial information concerning the Property and Leases, and concerning Trustor's financial condition, requested by Beneficiary or such person in connection with any such sale or transfer.
- 6.19 <u>Commingling of Funds</u>. Any and all sums collected or retained by Beneficiary hereunder (including insurance and condemnation proceeds and any amounts paid by Trustor to Beneficiary under <u>Paragraph 2</u> hereof), shall not be deemed to be held in trust, and Beneficiary may commingle such funds or proceeds with its general assets and shall not be liable for the payment of any interest or other return thereon, except to the extent otherwise required by law.
- 6.20 <u>Certain Obligations Unsecured</u>. Notwithstanding anything to the contrary set forth herein or any of the Loan Documents, this Deed of Trust shall not secure the following obligations (the "Unsecured Obligations"): (i) any obligations evidenced by or arising under the Hazardous Substances Agreement; and (ii) any other obligations in this Deed of Trust or in any of the other Loan Documents to the extent that such other obligations relate specifically to the presence on the Property of Hazardous Materials (as defined in the Hazardous Substances Agreement) and are the same or have the same effect as any of the obligations evidenced by or arising under the Hazardous Substances Agreement. Nothing in this section shall, in itself, impair or limit Beneficiary's right to obtain a judgment in accordance with applicable law after foreclosure for any deficiency in recovery of all obligations that are secured by this Deed of Trust following foreclosure.
- 6.21 <u>Costs and Fees of Trustor</u>. All costs, fees and expenses (including those of Beneficiary's legal counsel and consultants) (collectively, "Costs") incurred by Beneficiary in making, administering or collecting the Loan including, without limitation, Costs incurred by Beneficiary in connection with any inspections, reports, tests, inquiries and reviews, condemnation proceedings, endorsements to the title policy, actions or proceedings in which Beneficiary and/or Trustee may appear or be made a party (including foreclosure or other proceedings commenced by those claiming a right to any part of the Property or any action to partition all or part of the Property, whether or not pursuant to final judgment and exercise of the power of sale contained herein, whether or not the sale is actually consummated) and all sums expended by Trustee or Beneficiary in the exercise of any of their rights or remedies under this Deed of Trust shall be immediately due and payable by Trustor to Beneficiary upon demand, shall accrue interest at the Secondary Interest Rate from the date of expenditure until paid, and shall be added to the Indebtedness secured by the Loan Documents prior to any right, title or interest in or claim upon the Property attaching or accruing subsequent to the lien of this Deed of Trust.

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6.22 Intentionally Deleted.

- Release of Vineyards-B Property. In the event that the Vineyards-B Property is transferred to a Permitted Transferee (as defined in the Vineyards-B Deed of Trust) in accordance with Paragraph 4.2.D of the Vineyards-B Deed of Trust, then Beneficiary will provide Trustee with a Request for Partial Reconveyance requesting that the lien of this Deed of Trust be reconveyed with respect to the Vineyards-B Property (but with respect to no other property); provided, that, the following conditions shall be satisfied prior to or concurrently with the partial reconveyance: (i) Beneficiary receives, at Trustor's sole cost, such title insurance coverage as Beneficiary may deem reasonably necessary to ensure that the liens and security interests granted hereunder continue to be first priority security interests in and to all remaining Property, including, without limitation, CLTA 111, 111.1 and 111.4 endorsements; and (ii) Trustor shall pay all reasonable out-of-pocket costs of Beneficiary relating to the partial reconveyance, including, without limitation, Beneficiary's attorneys' fees, escrow fees, and the costs of any title insurance and/or endorsements Beneficiary shall require pursuant to subsection (i) above.
- 6.24 Amendment and Restatement. This Deed of Trust is an amendment and restatement of the Original Deed of Trust. All of the liens and obligations described and set forth in the Original Deed of Trust shall be deemed to be set forth herein in their entirety, subject to any amendments effected hereby, and in addition to the Indebtedness and Obligations secured hereby and the liens and encumbrances provided hereby, all other obligations secured by the Original Deed of Trust and outstanding as of the date hereof shall be deemed to be secured hereby, and all other liens and encumbrances of such Original Deed of Trust shall remain in full force and effect.
- 6.25 <u>Joint and Several Liability</u>. The obligations and promises set forth herein shall be joint and several undertakings of each Trustor, and Beneficiary may proceed hereunder against any one or more of Trustor without waiving its right to proceed against any of the others.
- 6.26 <u>Counterparts</u>. This Deed of Trust may be executed in any number of counterparts and by different parties in separate counterparts, each of which when executed and delivered shall be deemed an original and all of which counterparts taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Trustor has caused this Deed of Trust to be executed as of the day and year first above written. John M. Trefethen, as trustee of the JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED **DECEMBER 13, 1994** Janet S. Trefethen, as trustee of the JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED **DECEMBER 13, 1994** TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership The Trefethen Family LLC, a California limited By: liability company, its general partner Name: John V. Trefethen Its: Manager TREFETHEN VINEYARDS WINERY, INC., a California corporation Name: John V. Trefethen Its: President BENEFICIARY: THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation

-23-

TRUSTOR:
IROSTOK.
John V. Trefethen, as trustee of the JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED DECEMBER 13, 1994
Janet S. Trefethen, as trustee of the JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED DECEMBER 13, 1994
TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership
By: The Trefethen Family LLC, a California limited liability company, its general partner
By: Name: John V. Trefethen Its: Manager
TREFETHEN VINEYARDS WINERY, INC., a California corporation
By: Name: John V. Trefethen Its: President
BENEFICIARY:
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation
By: Mla Beyl

By: // Can Geyfa
Name: h/liam Beyfa
Title: 1/14 / Mericant

-23-

STATE OF CALIFORNIA)	
COUNTY OF <u>Japa</u>)	SS.

On <u>teb.</u> 26, 2001 before me, <u>Mary C-Ware</u>, Notary Public, personally appeared <u>Oshn V. Lefethen</u>, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) <u>is</u>/are subscribed to the within instrument and acknowledged to me that <u>he</u>/she/they executed the same in <u>his/her/their</u> authorized capacity(ies), and that by <u>his/her/their</u> signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

	بمممممم
	MARY C. WARE
I SECOND	COMM #42000
5 1/2 OF 1	COMM. # 1253371 NOTARY PUBLIC - CALIFORNIA TI
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CHECONIA.	My Comm. Expires MAR 11, 2004
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Mary C. Ware
Notary Public +

On <u>tel.</u> 26, 2001 before me, <u>Mary C. ware</u>, Notary Public, personally appeared <u>Quan v. Juefetten</u>, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

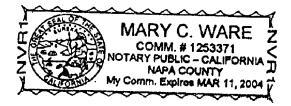
MARY C. WARE Z
COMM. # 1253371
COMM. # 1253371
NOTARY PUBLIC - CALIFORNIA J
NAPA COUNTY
My Comm. Expires MAR 11, 2004 7

Motary Public C-Ware

STATE OF CALIFORNIA)	
COUNTY OF Naga)	SS.

On <u>Its.</u> 26, 2001 before me, <u>Mary c. wase</u>, Notary Public, personally appeared <u>Quan V. Juefeltien</u>, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that <u>he/she/they</u> executed the same in <u>his/her/their</u> authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Moery C. Ware
Notary Public

STATE OF CALIFORNIA)	
)	SS.
COUNTY OF)	

On the 26, 2001 before me, Mary C. Ware, Notary Public, personally appeared Oante S. Lefethen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

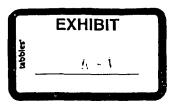
Witness my hand and official seal.

MARY C. WARE Z
COMM. # 1253371
COMM. # 1253371
NOTARY PUBLIC - CALIFORNIA J
NAPA COUNTY
My Corniri. Expires MAR 11, 2004

Notary Public T

-2-

STATE OF CALIFORNIA)
COUNTY OF Frence) ss.)
within instrument and acknowledged to me	, Notary Public, personally, personally known to me (or-proved to me on person(s) whose name(s) is/are subscribed to the that he/she/they executed the same in his/her/their/their signature(s) on the instrument the person(s), or s) acted, executed the instrument.
Witness my hand and official seal.	
LINDA MATTHEWS Commission # 1178159 Notary Public - California & Fresno County My Comm. Expires Apr 29, 2002	Notary Public



Order No: 118954A (Vineyard A)

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

PARCEL ONE:

Parcel One as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Janet S. Trefethen, Trustees of the John & Janet Trefethen Revocable Trust, created December 13, 1994", filed December 11, 1998 in Book 22 of Parcel Maps at pages 78-79 in the office of the County Recorder of said Napa County.

APN 036-140-059 ·

PARCEL TWO:

Parcel Two as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Janet S. Trefethen, Trustees of the John & Janet Trefethen Revocable Trust, created December 13, 1994", filed December 11, 1998 in Book 22 of Parcel Maps at pages 78-79 in the office of the County Recorder of said Napa County.

APN 036-140-058

PARCEL THREE:

Parcel One as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Catherine M. Trefethen, Trustees of the Trefethen Family Trust", filed October 28, 1996 in Book 21 of Parcel Maps at pages 90-91 in the office of the County Recorder of said Napa County.

APN 036-140-053

PARCEL FOUR:

Parcel Two as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Catherine M. Trefethen, Trustees of the Trefethen Family Trust", filed October 28, 1996 in Book 21 of Parcel Maps at pages 90-91 in the office of the County Recorder of said Napa County.

APN 036-140-052

PARCEL FIVE:

Real property situated in the County of Napa, State of California, being portions of Parcel 1 and Parcel 2 as shown on Map No. 4849 filed December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62 in the Office of the Recorder of Napa County, said portions being described as a whole as follows:

(Continued)

DESCRIPTION (Continued)

BEGINNING at a point on the Southeasterly line of said Parcel 2, distant thereon South 55° 34' 10" West 1202.26 feet from the most Easterly corner thereof; thence along the exterior lines of said Parcel 2 South 55° 34' 10" West 884.52 feet, North 71° 54' 35" West 100.23 feet, North 20° 49' 04" East 75.85 feet and North 22° 13' 18" West 754.09 feet to the most Westerly corner thereof, being the most Southerly corner of said Parcel 1; thence along the exterior lines of said Parcel 1 North 22° 13' 18" West 1083.45 feet and North 56° 18' 33" East 907.29 feet to a point that bears North 22° 13' 18" West from the point of beginning of this description; thence South 22° 13' 18" East 1951.17 feet to the point of beginning of this description.

APN 036-140-055

PARCEL SIX:

Real property situated in the County of Napa, State of California, being a portion of Parcel 1 as shown on Map No. 4849 filed December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62 in the Office of the Recorder of Napa County, said portion being more particularly described as follows:

BEGINNING at the most Northerly corner of said Parcel 1; thence along the Southeasterly line of said Parcel 1 South 21° 56' 55" East 1739.70 feet to a point which bears North 21° 56' 55" West 9.42 feet from the Westerly corner of the lands formerly of Catherine Morgan Trefethen as described in the Grant Deed recorded October 21, 1986 in Book 1473 of Official Records of Napa County at Page 450; thence leaving said Southeasterly line of Parcel 1 South 55° 17' 26" West 1207.94 feet; to a point on the Northeasterly line of that certain land described as Parcel One of the Deed recorded under Series Number 1996 014562 of Official Records of Napa County; thence along the Northeasterly line thereof North 22° 13' 18" West 1057.54 feet to the Northwesterly line of Parcel 1 of Parcel Maps filed December 29, 1995 in Book 21 of Parcel Maps at pages 61-62 in the office of the County Recorder of said Napa County from where the Westerly corner of said Parcel 1 bears South 56° 18' 33" West 907.29 feet; thence along the exterior lines of said Parcel 1 North 56° 18' 33" East 220.31 feet, North 22° 12' 11" West 860.00 feet to the top of the Southerly bank of Dry Creek; thence along the top of said bank the following courses and distances: North 70° 55' 46" East 80.03 feet, North 63° 35' 46" East 100.04 feet, South 81° 04' 14" East 80.03 feet, North 82° 25' 46" East 90.04 feet, North 73° 55' 46" East 120.05 feet, North 53° 05' 46" East 86.88 feet, North 78° 15' 46" East 165.14 feet, North 87° 35' 46" East 120.05 feet and North 21° 53' 13" East 226.20 feet to the point of beginning of this description.

APN 036-140-056

(Continued)

2 of 4

DESCRIPTION (Continued)

PARCEL SEVEN:

Real property situated in the County of Napa, State of California being portions of 1) Parcel 1 as shown on Map No. 4849 recorded December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62 in the Office of the Recorder of Napa County, 2) Parcel 2 as shown on said Map No. 4849, 3) the Lands of Catherine Morgan Trefethen as described in the Corporation Grant Deed recorded December 12, 1993 under series number 1993-043139 of Official Records of Napa County and 4) the lands formerly of Catherine Morgan Trefethen as described in the Grant Deed recorded October 21, 1986 in Book 1473 of Official Records of Napa County, said portions being described as a whole as follows:

BEGINNING at the most Easterly corner of said Parcel 2; thence along the Southeasterly line of said Parcel 2 South 55° 34' 10" West 1202.26 feet; thence leaving said Southeasterly line North 22° 13' 18" West 893.63 feet; thence North 55° 17' 26" East 1207.94 feet to the Northeasterly line of said Parcel 1; thence along said Northeasterly line South 21° 56' 55" East 9.42 feet to the Westerly corner of said lands formerly of Catherine Morgan Trefethen; thence along the Northwesterly line of said lands North 55° 17' 26" East 737.26 feet to the Northwesterly production of the centerline of a 14 foot wide gravel road; thence along said centerline produced and centerline South 23° 24' 05" East 843.77 feet to a point distant 45.50 feet, measured at a right angle Northwesterly from the Southeasterly line of Lot 7 as shown on the "Duplicate Plat of the Sausal Rancho..." recorded November 21, 1864 in Book "I" of Deeds at Page 99 in the Office of the Recorder of Napa County, (said line of Lot 7 being also shown on said Map No. 4849); thence parallel to and 45.50 feet Northwesterly from said Southeasterly line of Lot 7 North 55° 34' 10" East (record North 55 30' 00" East) 767.54 feet to the Westerly line of Big Ranch Road, a County Road 60 feet in width as established by Road Petition No. 54; thence along said Westerly line of Big Ranch Road South 13° 07' 55" East 41.53 feet to an angle point therein and South 24° 04' 38" East (record South 24 08' 47" East) 6.92 feet to said Southeasterly line of said Lot 7; thence along said Southeasterly line of said Lot 7 South 55° 34' 10" West (record South 55 30' 00" West) 1519.66 feet to the point of beginning of this description.

APN 036-140-054

PARCEL EIGHT:

Beginning at the most Westerly corner of that certain parcel of land described in the Deed to Eugene E. Trefethen, Jr., et ux recorded January 4, 1993 under Series Number 1993 000075 of Official Records of Napa County; thence along the Northwesterly line of said lands and the production thereof, North 55° 30' 00" East (called North 55 East in said Deed) 1862.82 feet; thence South 22° 06' 00" East 958.54 feet; thence South 55° 30' 00" West 1859.55 feet to the Southwesterly line of said lands; thence along said Southwesterly line, North 22° 17' 28" West (called North 22° 48' West in said Deed) 957.84 feet to the point of beginning.

APN 036-150-034

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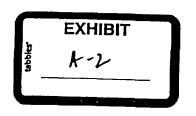
DESCRIPTION (Continued)

PARCEL NINE:

Commencing at the most Westerly corner of that certain parcel of land described in the Deed to Eugene E. Trefethen, Jr., et ux, recorded January 4, 1993 under Series Number 1993 000075 of Official Records of Napa County; thence along the Southwesterly line of said lands, South 22° 17' 28" East (called North 22° 48' West in said Deed) 957.84 feet to the true point of beginning; thence parallel to the Northwesterly line of said lands, North 55° 30' 00" East (called North 55° East in said Deed) 1859.55 feet; thence South 22° 06' 00" East 354.73 feet to the Northeasterly production of the line described as "South 55° 45' West 907.6 feet in said Deed; thence along said line produced South 55° 59' 23" West 953.93 feet to the Southwesterly terminus thereof; thence along the line described as "South 33° 45' East 1087.5 feet" in said Deed, South 33° 40' 37" East 1049.75 feet to the Northwesterly line of Oak Knoll Avenue; thence along said Northwesterly line of Oak Knoll Avenue, South 55° 29' 15" West 873.54 feet to the Northwesterly production of the Northeasterly line of the lands described in the Deed to Eugene E. Trefethen, Jr., et ux, recorded November 8, 1968 in Book 797 at page 380 of Official Records of Napa County; thence along said line, South 34° 30' 45" East 30.00 feet to the most Northerly corner of said lands conveyed to Trefethen; thence along the exterior boundary of said lands conveyed to Trefethen, being the Northeasterly and Northwesterly line of Oak Knoll Avenue, as shown on the map on file in the office of the County Engineer of Napa County, entitled, "Oak Knoll Avenue Right of Way of Title Insurance and Trust Company Property", dated August 1967, the following courses and distances: South 34° 30' 45" East, 30.00 feet, South 59° 34' 01" East 63.65 feet, South 30° 25' 59" West 142.58 feet, and along a tangent curve to the right having a radius of 615.00 feet through a central angle of 18° 24' 17" an arc distance of 197.55 feet to the most Southerly corner of said lands described in document number 1993 000075; thence along the Southwesterly line of said lands, North 22° 17' 28" West 1657.46 feet to the true point of beginning.

APN 036-150-035

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Order No: 118954D (Vineyard B)

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

Keal property situated in the County of Napa, State of California and being a portion of the lands of John V. Trefethen as described in the Corporation Grant Deed recorded December 30, 1993 under series number 1993-043138 in the Official Records of Napa County and a portion of the lands of Catherine Morgan Trefethen as described in the Corporation Grant Deed recorded December 30, 1993 under series number 1993-043139 in the Official Records of Napa County, said portions being described as a whole as follows:

BEGINNING at the most Easterly corner of Parcel 2 as shown on Map No. 4849 filed December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62, said corner being on the Southeasterly line of Lot 7 as shown on the "Duplicate Plat of the Sausal Rancho..." recorded November 21, 1864 in Book "I" of Deeds at Page 99 in the Official Records of Napa County; thence along said Southeasterly line of said Lot 7, also shown on said Map No.4849 North 55° 34′ 10" East (record North 55° 30′ 00" East) 759.57 feet to a point distant South 55° 34' 10" West (record South 55° 30' 00" West) 760.08 feet from the Westerly line of Big Ranch Road, a 60 foot wide County Road by Road Petition No. 54; thence parallel to said Westerly line of Big Ranch Road South 24° 04' 38" East 1004.39 feet to a point distant 60.00 feet as measured at a right angle Northwesterly from the Southwesterly production of the Southeasterly line of said lands described in the document recorded under series number 1993-043138; thence parallel to and 60.00 feet Northwesterly from said Southeasterly line North 55° 39' 24" East (record North 55° 35' 15" East) 759.87 feet to said Westerly line of Big Ranch Road, 60 feet wide; thence along said line of Big Ranch Road South 24° 04' 38" East 60.98 feet to said Southeasterly line of said lands described in the document recorded under series number 1993-043138: thence along said Southeasterly line South 55° 39′ 24″ West (record South 55° 35′ 15" West) 395.15 feet to a Northeasterly line of said lands as described in the document recorded under series number 1993-043139; thence along the Northeasterly and Southeasterly lines of said lands described in the document recorded under series number 1993-043139 South 24° 06' 48" East (record South 24° 10' 58" East) 455.00 feet and South 55° 39' 24" West (record South 55° 35' 15" West) 109.89 feet to the most Northerly corner of the lands of Eugene E. Trefethen, Jr., Trustee and Catherine Morgan Trefethen, Trustee under the Trefethen Family Trust dated March 26, 1990 as described in the Corporation Grant Deed recorded August 29, 1995 under series number 1995-018931 in the Official Records of Napa County; thence along the Northwesterly production of the Northeasterly line of said lands described in the document recorded under series number 1995-018931 North 22° 12′ 31″ West 10.23 feet to the Northeasterly production of the course designated "North 55° 39' 24" East 649.61 feet" in said document recorded under series number 1995-018931; thence, along said line produced South 55° 39' 24" West (record South 55° 35' 15" West) 1539.99 feet to the Southern corner of the lands described in the Corporation Grant Deed from Exchange Holding Corporation to E. J. Trefethen and C. M. Trefethen, Trustees, recorded August 30, 1991 in Book 1847 at page 878 of Official Records of Napa County, being the Northeasterly terminus of said designated course; thence along the Northeasterly line of said lands described in said Corporation Grant Deed North 23° 29' 00" West (record North 23° 33' 10" West) 206.98 feet to the Northern corner thereof, being an angle point in the line of said lands described (Continued)

1 of 3

DESCRIPTION (Continued)

in said document recorded under Series Number 1993 043139 of Official Records of Napa County; thence continuing along said lines of the lands described in said document recorded under Series Number 1993 043139 of Official Records of Napa County, North 55° 03′ 33″ East 251.12 feet (record North 55° 59′ 23″ East and North 56° 03′ 33″ East, 250.97 feet) and North 22° 01′ 51″ West (record North 22° 06′ 00″ West) 1313.27 feet to the Southeasterly line of said Parcel 2 as shown on Map No. 4849; thence along said Southeasterly line of Parcel 2 North 55° 34′ 10″ East (record North 55° 30′ 00″ East) 223.95 feet to the point of beginning of this description.

PARCEL TWO:

An Easement for ingress and egress purposes, over, along and across a strip of land 25 feet in width, the northwesterly line of which is coincident with the course designated "South 55° 39' 24" West 1539.85 feet" in Parcel One above and with the course designated "North 55° 39' 24" East 649.61 feet" in that certain Deed recorded August 29, 1995 under Series Number 1995 018931 of Official Records of Napa County.

PARCEL THREE:

An Easement for ingress and egress purposes, over, along and across a strip of land 8.00 feet wide, the southwesterly line of which is coincident with the southwesterly line of said lands described in that certain Deed recorded August 29, 1995 under Series Number 1995 018931 of Official Records of Napa County.

PARCEL FOUR:

An Easement for ingress and egress purposes over, along and across that certain strip of land 17.00 feet in width described as Parcel Two in the Individual Grant Deed to Eugene E. Trefethen, Jr. recorded October 20, 1986 in Book 1473 at page 454 of Official Records of Napa County, being a strip of land 17.00 feet in width, the northeasterly line of which is coincident with the southwesterly line of said lands described in said document recorded under Series Number 1995 018931 of Official Records of Napa County.

PARCEL FIVE:

A Right of Way for road purposes, over and along the following:

A strip of land, 15 feet in width, along the northern side of and immediately adjacent to the southeastern line of the 20 acre tract distributed to Haden Smith by Decree of Distribution of record in Book 132 of Deeds at page 154, said Napa County Records, the southern line of said strip being described as commencing on the western line of the County Road known as the "Big Ranch Road" at the southeastern corner of said 20 acre tract; and running thence South 55° 30' West 395.2 feet to the southeastern corner of Parcel One as described in Book 829 at page 472 of Official Records of Napa County.

PARCEL SIX:

The right to use, maintain, operate and repair drainage tile pipes through and over the following:

A strip of land, 5 feet in width, the centerline of which is described as follows:

COMMENCING at a point on the southeastern line of the 20 acre tract of land conveyed by Effie H. Young to Haden Smith by deed recorded in Book 127 of Deeds at page 117, said Napa County Records, said point being North 55° 30' East 970.00 feet distant

(Continued)

DESCRIPTION (Continued)

from the most southerly corner of said 20 acre tract; running thence South 73° 4' East 856.00 feet; thence North 55° 30' East 245.00 feet; thence South 86° 23' East, 257.00 feet, more or less, to a point on the northwestern line of the County Road, known as Oak Knoll Avenue, said point being South 55° 30' West 615 feet distant from the point formed by the intersection of the northwestern line of said County Road with the southwestern line of the Big Ranch Road.

PARCEL SEVEN:

An easement for tractor turnaround purposes, over, along and across a strip of land, 20.00 wide, the southwesterly line of said strip being coincident with the southwestern line of that certain parcel of land described in Exhibit "B" in deed recorded June 14, 1996 under Series Number 1996 014569 of Official Records of Napa County, and by this reference made a part hereof.

PARCEL EIGHT:

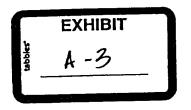
An Easement for tractor turnaround purposes over, along and across a strip of land 20.00 feet wide, the southwesterly line of said strip being coincident with the southwesterly line of that certain parcel of land described in Exhibit "C" in deed recorded June 14, 1996 under Series Number 1996 014569 of Official Records of Napa County and by this reference made a part hereof.

Parcel Nine

Easements for access, irrigation, pipeline, drain and related facilities in favor of Parcel One hereof over, across and through the Trefethen Vineyard Property, as such easements are more particularly described on the Declaration of Covenants, Conditions and Restrictions dated July 11, 1996, and recorded on July 12, 1996, as Instrument No. 1996-016790 in the Official Records of Napa County, California.

9129:161737.1

3 of 3



Order No: 118954B (Winery)

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

PARCEL ONE:

The lands described in that Corporation Grant Deed to Trefethen Vineyards Winery, Inc., recorded July 16, 1990 in Book 1753 at page 763 of Official Records of Napa County and a portion of Parcel 2 of Map No. 4711, entitled "Parcel Map of the Lands of Eugene E. Trefethen, Jr. and Catherine M. Trefethen", filed February 15, 1994, in Book 20 of Parcel Maps at pages 15-17 in the office of the County Recorder of Napa County, more particularly described as follows:

Beginning at a point on the Western line of the Sausal Rancho as shown on the map entitled, "Duplicate Plat of the Sausal Rancho, Napa County, Cal.", recorded November 21, 1864 in Book I of Deeds at page 99, said Napa County Records, and distant along said Western line South 22° 48' East 1300.28 feet from a T-bar monument marking the most Western corner of Lot 7 of said Rancho as shown on Map No. 1778 entitled, "Record of Survey Map of a Portion of the Lands Formerly of David Henry Wheatley", filed December 10, 1968 in Book 17 of Surveys at page 16 in the office of the County Recorder of said Napa County; thence South 65° 13' 40" West 2540 feet, more or less, to the Northeast line of State Highway 29 as described in the Deed to the State of California, recorded July 16, 1969 in Book 811 at page 367 of Official Records of Napa County; thence Southeasterly alaong said Northeast line 198.91 feet, more or less, to an angle point therein; thence continuing Southeasterly along said Northeast line, 613.03 feet, more or less, to the most Southerly corner of the 8.67 acre parcel of land described in the Deed to Trefethen Vineyards Winery, Inc., recorded August 9, 1979 in Book 1135 at page 461 of Official Records of Napa County; thence along the Southeast line of said parcel, North 65° 22' 31" East (called North 65° 54' 38" East in said Deed) 629.85 feet, more or less, to a 2-3/4" iron pipe gate post; thence South 24° 44' 28" East (called South 24° 12' 21" East in said Deed) 29.00 feet to a 3/4" iron pipe; thence leaving said Southeast line, North 63° 45' East 333.00 feet to a 6"x6" gate post; thence continuing North 63° 45' East 258.00 feet; thence North 22° 51' 56" West 236.36 feet, more or less, to a point on the southeastern line of said Corporation Grant Deed to Trefethen Vineyards Winery, Inc., lying North 65° 13' 40" East 86.00 feet from the southwestern terminus of that course described as "North 65° 13' 40" East 1352.95 feet" in said Corporation Grant Deed; thence North 65° 13' 40" East 1266.95 feet, more or less, to the northeastern terminus of said course described as "North 65°13'40" East 1352.95 feet"; thence North 20° 15' East 75.82 feet to the hereinabove described western line of the Sausal Rancho; thence North 22° 48' West along said western line 537.36 feet to the point of beginning.

APN 036-140-062

PARCEL TWO:

An Easement for roadway and related purposes over a strip of land, 40 feet wide, as described in the Deed to Trefethen Winery, recorded August 8, 1979 in Book 1135 at page 461 of Official Records of Napa County.

(Continued)

DESCRIPTION (Continued)

PARCEL THREE:

A non exclusive easement, 25 feet in width, for the repair, maintenance, operation of, and improvements to, for the existing catch basin, sump pump and drainage line over and along its existing course, together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651, and as reserved in deeds recorded September 10, 1999 under Series Number 1999-0028788, 1999-0028790 and 1999-0028791 of Official Records of Napa County.

PARCEL FOUR:

A non exclusive easement, 10 feet in width, 5 feet on each side of the centerline thereof, for the repair, replacement, maintenance, and operation of the existing water "drip line", together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651 of Official Records of Napa County.

PARCEL FIVE:

A non exclusive easement, 10 feet in width, 5 feet on each side of the centerline thereof, for the repair, replacement, maintenance and operation of an existing agricultural sprinkler waterline, together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651, and as reserved in deeds recorded September 10, 1999 under Series Number 1999-0028788, 1999-0028790 and 1999-0028791 of Official Records of Napa County.

PARCEL SIX:

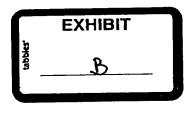
A non exclusive easement for above ground utility lines as described in that certain instrument entitled "ROADWAY, UTILITIES AND WATER SYSTEM EASEMENTS AND MAINTENANCE AGREEMENT", recorded August 30, 1995 as Series Number 1995 019026, and as reserved in deed recorded August 18, 1998 under Series Number 1998 023651 of Official Records of Napa County.

PARCEL SEVEN:

A non exclusive easement, 10 feet in width, for the maintenance, repair and replacement of an existing electric utility line to serve the existing sump pump, together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651 of Official Records of Napa County.

Parcel Eight

Easements and rights of way to construct and operate settling ponds, and to use a 55 acre foot reservoir; together with the right of way and easement for existing pipes to transmit water and roadways for access, as such easements are more particularly described on the certain Effluent Disposal Agreement dated July 12, 1990 and recorded on July 16, 1990, as Instrument No. 20363 in Vol. 1753, Page 806 in the Official Records of Napa County, California.



[Master Inventory]

RESERVOIR #1 (North)

<u>Units</u>	Description	Serial #
1	Detroit Diesel series 6-71	6 A154495
1	Amarillo right angle gearhead	4BC20087987
1	Peerless Turbine Pump	252762
1	Detroit Diesel series 6-71	6A154494
1	Amarillo right angle gearhead	4BC20068196
1	Peerless Turbine Pump	252764
1	Detroit Diesel series 6-71	6A152314
1	Amarillo right angle gearhead	4BC20071966
1	Peerless Turbine Pump	223174
1	Detroit Diesel series 6-71	6A152315
1	Amarillo right angle gearhead	4BC20073935
1	Peerless Turbine Pump	223175
1	Detroit Diesel series 6-71	6A242885
1	Amarillo right angle gearhead	SL20083673
1	Peerless Turbine Pump	F18367
1	Detroit Diesel series 6-71	6A152316
1	Amarillo right angle gearhead	4BC20073936
1	Peerless Turbine Pump	223173
1	Detroit Diesel series 6-71	6A153787
1	Amarillo right angle gearhead	4BC20067599
1	Peerless Turbine Pump	223172
1	Detroit Diesel series 6-71	6A242888
1	Amarillo right angle gearhead	SL20083672
1	Peerless Turbine Pump	F18368
Sub-Total	Reservoir #1	
8 8 8	Detroit Diesel engines series 6-71 Amarillo right angle gearheads Peerless Turbine Pumps	
RESERVOIR	#2 (South)	
1 1	Detroit Diesel series 6-71 model number 10637100 Amarillo right angle gearhead Peerless Turbine Pump	6A0291603 SL20092686 F19319
1	Detroit Diesel series 6-71 model number 10637100 Amarillo right angle gearhead	BA0291630 SL20092684 TRADEMARK REEL: 002310 FRAME: 0276

REEL: 002310 FRAME: 0270

1	Peerless Turbine Pump	F19219
1	Detroit Diesel series 6-71 model number 10637100	6A02887778
1	Amarillo right angle gearhead Peerless Turbine Pump	SL20092685 F10219
1	Detroit Diesel series 6-71 model number 10637100	670275500
1	Amarillo right angle gearhead Peerless Turbine Pump	6A0275598 SL20087531 18681
1	Detroit Diesel series 6-71 model number 10637100	(10175007
1	Amarillo right angle gearhead Peerless Turbine Pump	6A0275087 SL20087532 18682
1	GE 30HP electric motor for drip system model number 5K6235XH548A 1 Peerless Turbine Pump	C286TPH616 11011
Sub-Total	Reservoir #2	
5	Detroit Diesel engines series 6-71 model number 10637100	
5	Amarillo right angle gearheads	
6	Peerless Turbine Pumps	
1	GE 30HP electric motor for drip system/ Model number 5K6236XH548A	
DRY CREEK	SUMP PUMP	
1 1 1	Detroit Diesel engines series 2-71 or 2-53 Amarillo right angle gearhead Pump	5125422 1BC67964

Stainless Steel Tanks

Number	Nominal Gals.	Actual Capacity Gals.
1 2 8 8 2 12 8 22	235 500 1,000 2,000 3,600 4,000 5,000 7,000	253 1,021 8,360 15,944 7,280 50,328 40,720 156,668
63		280,574

Oak Tanks

Number	Nominal Gals.	Actual Capacity Gals.
7	1,000	7,028
6	1,700	10,248
1 3		17,276

Fiberglass Tanks

Number	Nominal Gals.	Actual Capacity Gals.
3	550	1,650

TREFETHEN WINERY EQUIPMENT

DESCRIPTION

Crusher Corker (1980) Labeler

Bottle Cleaner

Filler

Air Compressor

Spinner Presses

Schienk Filter Velo Filter Must Pump

SERIAL NUMBER

AR25R-028 232.825 722 170

F 8052-12-741, J167R009

T5641022M-PD 1.30T-635244 2.30T-443395 143 478 1.7053-12

2.20.7178-12 352M 0035A40 68136J1

STAINLESS STEEL TANKS

	•		manle.		
YR <u>DOT</u>	<u>Gals</u>	Type	Tank <u>Number</u>	Manufacturer	
1973	5,154	SS	112	Fabricated Metals	
1975	5,020 3,640 3,640	SS SS SS	111 121 123	Fabricated Metals Fabricated Metals Fabricated Metals	
1977	253 497 1,007 1,007 1,007 1,007 1,999 1,999	SS SS SS SS SS SS SS SS SS	1 2 3 4 5 6 7 8 9 10	Rieger Rieger Rieger Rieger Rieger Rieger Rieger Rieger Rieger	
1978	524	SS	35	Mueller, porle-tank	
1981	5,091 5,091 5,091 5,091 5,091 5,091	SS SS SS SS SS	101 102 103 104 105 106	Santa Rosa Stainless Santa Rosa Stainless Santa Rosa Stainless Santa Rosa Stainless Santa Rosa Stainless Santa Rosa Stainless	Steel Steel Steel Steel
1982	1,987 1,987 7,130 7,130 7,130 4,194 4,194 4,194 7,130 7,130 7,130 4,194 4,194 4,194 4,194 4,194 7,130 56 7,130 56 7,130 56 7,130 56	ep SS ep SS	11 12 13 14 15 18 19 20 21 24 25 26 27 28 29 30 31 32 16 17 22 23	Santa Rosa Stainless	Steel

1985	4,194 7,114 7,114	SS SS SS	33 109 110	Santa	Rosa	Stainless Stainless Stainless	Steel
1986	7,114 7,114 7,114 7,114 7,114 7,114	SS SS SS SS SS	113 114 115 116 117 118	Santa Santa Santa Santa	Rosa Rosa Rosa Rosa	Stainless Stainless Stainless Stainless Stainless Stainless	Steel Steel Steel Steel
1989	4,194 7,114 7,114 7,114 7,114	SS SS SS SS	34 107 108 119 120	Santa Santa Santa	Rosa Rosa Rosa	Stainless Stainless Stainless Stainless Stainless	Steel Steel Steel
1991	1,083 1,083	SS SS	99 100			Stainless Stainless	
1995	1,083 1,083 1,987 1,987	SS SS SS		Santa Santa	Rosa Rosa	Stainless Stainless Stainless Stainless	Steel Steel
	280,574	Total Sta		Steel G	allon	S	

YR DOT	<u>Gals</u>	Type	Tank <u>Number</u>	Manufacturer
1974	1,004	OAK	205	Arrow
10,1	1,004	OAK	206	Arrow
1978	1,004	OAK	200	?
	1,004	OAK	201	?
	1,004	OAK	202	?
	1,004	OAK	203	?
	1,004	OAK	204	?
1984	1,708	OAK	210	Tonnellerie Vicard
2202	1,708	OAK	211	Tonnellerie Vicard
	1,708	OAK	212	Tonnellerie Vicard
	1,708	OAK	213	Tonnellerie Vicard
	1,708	OAK	214	Tonnellerie Vicard
	1,708	OAK	215	Tonnellerie Vicard
	17,276	Total Oak	_	allons

13 Total Tanks

TREFETHEN WELLS

Apr-58 Current	Well N.W. of Reservoir #1 drilled in 1980 12" casing Well Test GPM 619 Motor: Newman 50HP Pump: Johnston Turbine Standing water level 29.2' GPM estimate: 580	Wl
Apr-88	Well S.W. of Reservoir #1 drilled in 1968 by Ludorff Co. 600 GPM 6" casing replaced 16" in 1985 Well Test GPM 170 Motor: 10 HP Hitachi (replaced old 30HP motor in 1985)	W2
Apr-88	Well next to Vineyard Office installed in 1922 (225GPM in 1968) 12" casing Well Test 180' GPM 169 Motor: GE 15HP Pump: Byron Jackson Turbine Standing Water Level 25.6'	WЗ
Mar-93 Current	New pump and motor installed by Doshier & Gregson 15HP 225S150-6 GPM estimate: 225	
Apr-88	Well N.W. of SGB's house (140GPM in 1968) 12" casing Well Test 150' GPM 262 Motor: US 7.5 HP W/Booster pump Berkly 5HP 1750RPM ser.4915411 Pump: Peerless Turbine	W4
Current	Standing water level 34' GPM estimate: 250	
Apr-88	Well next to driveway to Big Ranch Road (140GPM in 1963) Well Test 150' GPM 83 Motor: GE 20HP Pump: Byron Jackson Turbine 12' casing Standing water level 32'	₩5

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New Well
Oct-88
           Big Ranch Road Entrance (30' from old well)
           2001
           Casing 8"
           Submersible pump: 4HB6/10HP 230V #10988 P-779/
           J88 G89156E
           Column pipe: 3" galvanized
           Well Test
Jan-94
           Water Level 57'
           Depth to water 30'
           GPM 162
Current GPM estimate: 170
           East in vineyard 7, due North 1310 Oak Knoll
                                                                     W6
           100 yards, drilled in 1977 (Trefethen has agreement to use the well, but it is physically
           on the property that was sold)
Apr-88
           Well Test
           GPM 179
           Motor: US 20 HP
           Pump: Johnston Turbine
           Standing water level 29.2'
Jan-94
           Well Test
           310'
           Casing 10.75"
           20 HP Johnston Turbine JTAA-8BS10
           240', 5" column
           Pumping Level 66'
           GPM 166
Current GPM estimate: 160
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[9129.AGRE] F53798

9129:163051.1

000031 000 Water 000032 000 Bldg 000033 000 Bldg 000034 000 Bldg 000035 000 Bldg 000036 000 Bldg 000037 000 Bldg 000038 000 Roads	00023 000 1 00024 000 1 00025 000 1 00026 000 00027 000 00028 000 00028 000 00029 000 00029 000 00029 000 00029 000 000	0000	000019 000 Bldg 000013 000 Roads 000014 000 Water 000015 000 Water 000016 000 Water 000017 000 Water 000018 000 Water	00001 00002 00003 00004 00005 00005	February 26, 2001 1:56 PM
000000000000000000000000000000000000000	000072 000 Furn 000074 000 Offc 000075 000 Offc 000076 000 Offc 000077 000 Offc 000078 000 Furn 000079 000 Road 000080 000 Bldg	0067 000 0068 000 0069 000	00059 000 00060 000 00061 000 00063 000 00063 000 00065 000 00065 000		000039 000 Water 000040 000 Bldg 000041 000 Bldg 000042 000 Bldg 000043 000 Bldg 000044 000 Bldg 000045 000 Bldg 000046 000 Bldg 000047 000 Bldg 000048 000 Bldg
Fur Off Off Off	00132 000 Tank 00133 000 Tank 00134 000 Furn 00137 000 Offc 00138 000 Bldg 00139 000 Furn 00140 000 Furn 00141 000 Offc	00012/ 000 Frod 000129 000 Barrel 000130 000 Barrel 000131 000 Barrel	9 000 Bld 0 000 Pro 1 000 Pro 2 000 Pro 3 000 Pro 5 000 Pro 6 000 Tan	7 000 9 000 1 000 1 000 2 000 3 000 4 000 6 000	
0203 000 0204 000 0205 000 0206 000 0206 000 0207 000	0 1 3 2 2 2 0 0 0	36 000 37 000 38 000	5 4 2 0000 5 4 2 0000 5 0000 5 0000	65 000 67 000 68 000 69 000 70 000 71 000 75 000	000151 000 Bldg 000152 000 Bldg 000153 000 Bldg 000154 000 Roads 000155 000 Water 000156 000 Water 000158 000 Prod 000160 000 Prod 000162 000 Bldg 000164 000 Prod

TRADEMARK REEL: 002310 FRAME: 0279 Trefethen Winery (Continued)

Comp Tank

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> TRADEMARK REEL: 002310 FRAME: 0280

Barrel Barre

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vineyard
Computer

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Steefel, Levitt & Weiss One Embarcadero Center, 30th Floor San Francisco, California 94111

Attention: James F. Eastman, Esq.

[MASTER]

SPACE ABOVE THIS LINE FOR RECORDER'S USE

AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS

[MASTER]

THIS AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT. CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS dated as of 2 (28, 2001 amends and restates that certain Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements dated as of December 22, 1995, recorded on December 27, 1995 as Instrument No. 95-029036, in the Official Records of Napa County, California, originally made by (i) JOHN V. TREFETHEN AND JANET S. TREFETHEN, HUSBAND AND WIFE, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, TRUSTEES OF THE TREFETHEN FAMILY TRUST DATED MARCH 26, 1990, and JOHN V. TREFETHEN, A MARRIED MAN, and JOHN CRNCICH & CO., a California corporation, and EXCHANGE HOLDING CORPORATION, a California corporation, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, HUSBAND AND WIFE, (ii) JOHN V. TREFETHEN, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY, and CATHERINE MORGAN TREFETHEN, A MARRIED WOMAN, and EUGENE E. TREFETHEN, JR., WHO ACQUIRED TITLE AS A MARRIED MAN, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, HUSBAND AND WIFE, and EUGENE E. TREFETHEN, JR. AND CATHERINE M. TREFETHEN, TRUSTEES OF THE TREFETHEN FAMILY TRUST DATED MARCH 26, 1990, and (iii) TREFETHEN VINEYARDS WINERY, INC., a California corporation, having a mailing address at P.O. Box 2460, Napa, California 94558, in favor of First American Title Company of Napa, having offices at 1700 2nd Street, Suite 120, Napa, California 94559, as trustee, and for the benefit of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation, having offices at 1318 E. Shaw Avenue, Suite 308, Fresno, California 93710, a portion of which was (a) assumed by CATHERINE M. TREFETHEN AND JOHN V. TREFETHEN, AS CO-TRUSTEES OF THE SURVIVOR'S TRUST, TO BE ADMINISTERED UNDER THE PROVISIONS OF ARTICLE THREE OF THE TRUST AGREEMENT FOR THE TREFETHEN FAMILY TRUST (created under Trust Agreement dated March 26, 1990 (sometimes also referred to as dated November 23, 1983), CARLA SAUNDERS AND JOHN V. TREFETHEN, AS CO-TRUSTEES OF "CARLA'S NON-EXEMPT TRUST," TO BE

ADMINISTERED UNDER THE PROVISIONS OF ARTICLE SIX OF THE TRUST AGREEMENT, JOHN V. TREFETHEN, an individual, and JOHN AND JANET TREFETHEN REVOCABLE TRUST pursuant to that certain Assumption Agreement dated as of April 27, 1997 and recorded on July 25, 1997 as Instrument No. 9716762 in the Official Records of Napa County, State of California; and (b) assigned to and assumed by TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership pursuant to that certain Assumption Agreement dated as of August 29, 1997, recorded on October 7, 1997 as Instrument No. 97-023744, in the Official Records of Napa County, California (collectively, the "Original Deed of Trust").

THE PARTIES HERETO AGREE THAT THE ORIGINAL DEED OF TRUST SHALL BE AMENDED AND RESTATED, IN ITS ENTIRETY, AS FOLLOWS

AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS

[MASTER]

THIS AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, CROP FILING AND FIXTURE FILING WITH ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS (this "Deed of Trust") is made as of 2/28, 2001 by (i) TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership ("TFV, Ltd.") and JOHN V. TREFETHEN AND JANET S. TREFETHEN, AS TRUSTEES OF THE JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED DECEMBER 13, 1994 (collectively, the "Vineyards Property Trustors"), and (ii) TREFETHEN VINEYARDS WINERY, INC., a California corporation ("Trefethen Winery," and together with the Vineyards Property Trustors, collectively, "Trustor"), having a mailing address at P.O. Box 2460, Napa, California 94558, in favor of First American Title Company of Napa, having offices at 1700 2nd Street, Suite 120, Napa, California 94559, as trustee ("Trustee"), and for the benefit of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation, having offices at Woodward Centre, 7108 North Fresno Street, Suite 400, Fresno, CA 93720 ("Beneficiary").

WITNESSETH:

Trustor HEREBY IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO Trustee, IN TRUST, WITH POWER OF SALE all of Trustor's right, title and interest now owned or hereafter acquired in and to the following property, together with the Personalty (as hereinafter defined), all of which is hereinafter collectively defined as the "Property":

- A. That certain real property (collectively, the "Land") located in the County of Napa, California as more particularly described on Exhibit A-1, A-2 and A-3 attached hereto;
- B. All Improvements (as hereinafter defined) and all appurtenances, easements, rights and privileges thereof, including all minerals, oil, gas and other hydrocarbon substances thereon or therein, air rights, water, and water rights (whether riparian, appropriative, or pursuant to state

or federal entitlements or allotments, or otherwise and whether or not appurtenant) in or hereafter relating to or used in connection with the Land, and development rights, and any land lying in the streets, roads or avenues adjoining the Land or any part thereof;

- C. All Fixtures (as hereinafter defined), whether now or hereafter installed, being hereby declared to be for all purposes of this Deed of Trust a part of the Land;
- D. All Easement Agreements (as hereinafter defined) and all other rights of ingress, egress, reciprocal agreements and other appurtenances relating to the Land; and
 - E. The Rents and Proceeds (as hereinafter defined), whether by sale or otherwise.

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may determine: (i) payment of the Indebtedness (as hereinafter defined); and (ii) payment (with interest as provided) and performance by Trustor of the Obligations (as hereinafter defined). Notwithstanding the foregoing, or any other term contained herein or in the Loan Documents, none of Trustor's obligations under or pursuant to the Hazardous Substances Agreement shall be secured by the lien of this Deed of Trust.

ARTICLE 1 DEFINITIONS

<u>Certain Defined Terms</u>: As used in this Deed of Trust the following terms shall have the following meanings:

- 1.1 <u>Application</u>: Collectively, the Vineyards-A Application, the Vineyards-B Application, the Winery-A Application and the Winery-B Application.
 - 1.2 <u>Collateral</u>: As defined in <u>Paragraph 7.1</u> hereof.
 - 1.3 Costs: As defined in Paragraph 9.21 hereof.
- 1.4 Easement Agreements: Any and all ingress or egress easements or agreements, reciprocal easements or operating agreements or other appurtenances, easements or real property rights or interests relating to the Land, whether now owned or hereafter acquired, together with all water agreements relating to the Land, including without limitation (i) that certain "Agreement" by and between E. E. Trefethen, Jr. and NAPACO Vineyards, a co-partnership consisting of Lelio N Bianchini and Louis A. Petri and recorded August 17, 1971 in Book 857 at page 629 of the Official Records of Napa County, California, (ii) that certain "Roadway, Utilities and Water System Easements and Maintenance Agreement" executed by and between Eugene E. Trefethen, Jr., Michael J. Hastings, A. Dean Jenkins, and Eugene E. Trefethen, Jr. and Catherine M. Trefethen as Trustees of the Trefethen Family Trust Dated March 26, 1990, and recorded August 30, 1995 as Series No. 1995019026 of the Official Records of Napa County, California, (iii) that certain "Water Use Agreement" executed by and between Eugene E. Trefethen, Jr., Trustee under the Trefethen 1983 Family Trust, John V. Trefethen and Trefethen Winery, and recorded July 16, 1990 in Book 1753 at page 792 of the Official Records of Napa County, California, and (iv) that certain "Effluent Disposal Agreement" executed by and between Eugene E. Trefethen, Jr., Trustee under the Trefethen 1983 Family Trust, and Trefethen Winery, and

recorded July 16, 1990 in Book 1753 at page 806 of the Official Records of Napa County, California.

- 1.5 Event of Default: As defined in Paragraph 3.1 hereof.
- 1.6 <u>Fixtures</u>: Any and all property affixed to the Land and/or located upon or within the Improvements which are so related to the Land that an interest in such property arises under applicable real estate or real property law, including, without limitation, any Improvements and/or any items set forth in the Inventory which become so related or attached to the Land.
- 1.7 <u>Hazardous Substances Agreement</u>: Collectively, the Vineyards-A Hazardous Substances Agreement, the Vineyards-B Hazardous Substances Agreement, and the Winery Hazardous Substances Agreement.
- 1.8 <u>Impositions</u>: All real estate and personal property and other taxes and assessments, and any and all other charges, expenses, payments, claims, mechanics' or material suppliers' liens or assessments of any nature that at any time prior to or after the execution of the Loan Documents may be assessed, levied, imposed, or become a lien upon the Property or the rent or income received therefrom, or any use or occupancy thereof.
- 1.9 Improvements: All (i) building improvements ("Buildings") and fixtures now or hereafter located on the Land, including, without limitation, all buildings, houses, sheds, warehouses, storage facilities and other buildings, (ii) irrigation and drainage equipment located on or used in connection with the Land, including, without limitation, wells, pumps, motors, engines, gearheads, sprinklers, drip irrigation systems, tow lines, hand lines, irrigation pipe, drainage pipe, culverts and well casings, (iii) enclosures of the Land or any part thereof, including, without limitation, fences, gates, shuts, posts, poles, barbed wire and electric wire, (iv) crop protection equipment and apparatus located on or used in connection with the Land, including, without limitation, frost protection equipment and wind machines, (v) electric, gas and water lines and equipment located on the Land, including, without limitation, transformers, circuit breakers, switch boxes, fuse and breaker panels, regulators, cut on/off valves, wiring and pipe, and (vi) trees, vines and other permanent plantings (whether Fructus Naturales or Fructus Industriales (Emblements)), whether mature or immature, now or hereafter growing on the Land, together with all trellises, wires, endposts, and stakes relating thereto.
- 1.10 <u>Indebtedness</u>: The indebtedness evidenced by the Note (including, without limitation, any Prepayment Premium due thereunder) and all other amounts due from Trustor to Beneficiary evidenced or secured by the Loan Documents, plus interest on all such amounts as provided in the Loan Documents.
 - 1.11 <u>Inventory</u>: The personal property described in <u>Exhibit B</u> attached hereto.
- 1.12 <u>Laws and Restrictions</u>: All laws, regulations, orders, codes, ordinances, rules, statutes and policies, restrictive covenants and other title encumbrances, permits and approvals, leases and other rental agreements, relating to the development, occupancy, ownership, management, use, and/or operation of the Property or otherwise affecting the Property or Trustor.

- 1.13 <u>Leases</u>: Any and all leasehold interests, including subleases and tenancies following attornment, now or hereafter affecting or covering any part of the Property.
- 1.14 <u>Loan</u>: Collectively, the Vineyards-A Loan, the Vineyards-B Loan, and the Winery Loan.
- 1.15 <u>Loan Documents</u>: Collectively, this Deed of Trust, the Vineyards-A Loan Documents, the Vineyards-B Loan Documents, and the Winery Loan Documents.
- 1.16 Note: Collectively, the Vineyards-A Note, the Vineyards-B Note, the Winery-A Note, and the Winery-B Note.
- 1.17 <u>Obligations</u>: Any and all of the covenants, promises and other obligations (including payment of the Indebtedness) made or owing by any Trustor to or due to Beneficiary as provided in the Loan Documents and all of the material covenants, promises and other obligations made or owing by any Trustor to any other Person relating to the Property.
- 1.18 <u>Person</u>: Any natural person, corporation, firm, association, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.
- 1.19 Personalty: Trustor's right, title and interest in and to any and all personal property now or hereafter located in, upon or about or collected or used in connection with the Property, together with all present and future attachments, accessions, replacements, substitutions and additions thereto or therefor, and the cash and noncash products and proceeds thereof, including, without limitation: all property listed in the Inventory, all equipment, the Easement Agreements, the Agreements, all crops now or hereafter grown or growing on the Land, all crops and farm products now or hereafter generated by the Land (whether Fructus Naturales or Fructus Industriales (Emblements), including, all such crops and farm products now or hereafter harvested and/or severed from the Land, whether or not then stored on the Land), all Leases and contracts related to or pertaining to the Property and any and all guaranties thereof. all causes of action and recoveries now or hereafter existing for any loss or diminution in value of the Property, all other tangible and intangible property and rights relating to the Property or its operation, or to be used in connection with the Property, including, but not limited to all agreements, licenses, governmental authorizations or permits pertaining to the Property or the development, ownership, management or operation thereof, all trademarks, service marks, designs, logos, names or similar identifications pertaining to the Property or under which the Property may be known or operated whether registered or unregistered (including, without limitation, the Trefethen winery label, the Eshcol winery label, and all tradenames and logos related thereto), and all rights to carry on business under such names, and any related goodwill associated in any way with such names or the Property, and all accounts, contract rights and general intangibles (including any rents, issues, profits, insurance proceeds and condemnation awards or compensation) arising out of or incident to the ownership, development or operation of the Property encumbered hereby and all construction materials and supplies, leasehold interests in personal property, all water stock relating to, and all water rights appurtenant to the Property, contractual rights for the use of water, drainage rights, and rights to receive or transport water to, the Property, including, without limitation, any right to receive water or subsidies with respect to

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the price thereof under any contract with, or program administered by, the State of California Department of Water Resources; provided, however, that Personalty shall not include (i) any inventory relating to the Winery Property, (ii) any accounts derived from the sale of inventory, goods or services relating to the Winery Property, or (iii) any of the products or proceeds of such excluded property relating to the Winery Property(collectively, the "Excluded Property").

- 1.20 Principal Party: Any Trustor, any general partner of a partnership Trustor, any managing member of a limited liability Trustor or a limited liability member or general partner of any Trustor, any parent company of any corporate Trustor or any such general partner or any such managing member, any Person owning directly or indirectly 50% or more of the outstanding shares of a corporate Trustor, or any parent company of such Trustor, any Person owning directly or indirectly 50% or more of the outstanding membership interests of a limited liability company Trustor or any parent company of such Trustor, any trustee or beneficiary with a direct or indirect beneficial interest of 50% or more in any Trustor or the Property, any owner of the Property, or any guarantor of Trustor's obligations under the Loan Documents.
 - 1.21 Property: As defined in the above granting paragraph of this Deed of Trust.
- 1.22 <u>Receiver</u>: Any trustee, receiver, custodian, fiscal agent, liquidator or similar officer.
- 1.23 <u>Rents and Proceeds</u>: All rents, royalties, revenues, issues, profits, proceeds (including, without limitation proceeds from the sale of all or any portion of the Property or interest therein) and other income from the Property.
 - 1.24 Secondary Interest Rate: As defined in the Note.
- 1.25 <u>Title Policy</u>: The ALTA lender's title insurance policies delivered to Beneficiary in connection with the Loan.
- 1.26 <u>Vineyards-A Application</u>: The First Mortgage Loan Application dated October 11, 1995, executed by John V. Trefethen, Janet S. Trefethen, Eugene E. Trefethen, Jr., and Catherine M. Trefethen (referred to as "Applicant" therein), which Application includes the mortgage loan conditions attached thereto.
- 1.27 <u>Vineyards-A Deed of Trust</u>: That certain Amended and Restated Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements of even date herewith executed by the Vineyards Property Trustors, as "Trustor," to the benefit of Beneficiary as "Beneficiary," as security for repayment of the Vineyards-A Note.
- 1.28 <u>Vineyards-A Hazardous Substances Agreement</u>: That certain Amended and Restated Hazardous Substances Remediation and Indemnification Agreement of even date herewith executed by the Vineyards Property Trustors, as "Borrower," to the benefit of Beneficiary as "Lender" relating to the Vineyards-A Property.
- 1.29 <u>Vineyards-A Loan</u>: The loan from Beneficiary to the maker under the Vineyards-A Note, as evidenced by the Vineyards-A Note.

- 1.30 <u>Vineyards-A Loan Documents</u>: The Vineyards-A Note, the Vineyards-A Deed of Trust, the Vineyards-A Application, and all other documents (excluding the Hazardous Substances Agreement), evidencing, securing or relating to the Loan, the payment of the Indebtedness or the performance of the Obligations.
- 1.31 <u>Vineyards-A Note</u>: The Amended and Restated Promissory Note of even date herewith executed by the Vineyards Property Trustors in the original principal amount of Nine Million Two Hundred Thousand Dollars (\$9,200,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.32 <u>Vineyards-A Property</u>: As defined in the granting paragraph of the Vineyards-A Deed of Trust and termed "Property" therein.
- 1.33 <u>Vineyards-B Application</u>: Collectively, the First Mortgage Loan Application dated October 11, 1995, executed by Eugene E. Trefethen and Catherine M. Trefethen (referred to as "Applicant" therein) and that certain Rate Lock Letter and Term Sheet dated December 11, 2000, executed by TFV, Ltd.
- 1.34 <u>Vineyards-B Deed of Trust</u>: That certain Amended and Restated Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements of even date herewith executed by TFV, Ltd., as "Trustor," to the benefit of Beneficiary as "Beneficiary," as security for repayment of the Vineyards-B Note.
- 1.35 <u>Vineyards-B Hazardous Substances Agreement</u>: That certain Amended and Restated Hazardous Substances Remediation and Indemnification Agreement of even date herewith executed by TFV, Ltd., as "Borrower," to the benefit of Beneficiary as "Lender" relating to the Vineyards-B Property.
- 1.36 <u>Vineyards-B Loan</u>: The loan from Beneficiary to the maker under the Vineyards-B Note, as evidenced by the Vineyards-B Note.
- 1.37 <u>Vineyards-B Loan Documents</u>: The Vineyards-B Note, the Vineyards-B Deed of Trust, the Vineyards-B Application, and all other documents (excluding the Hazardous Substances Agreement), evidencing, securing or relating to the Loan, the payment of the Indebtedness or the performance of the Obligations.
- 1.38 <u>Vineyards-B Note</u>: The Amended and Restated Promissory Note of even date herewith executed by the TFV, Ltd. in the original principal amount of Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.39 <u>Vineyards-B Property</u>: As defined in the granting paragraph of the Vineyards-B Deed of Trust and termed "Property" therein.
 - 1.40 <u>Vineyards Loans</u>: Collectively, the Vineyards-A Loan and the Vineyards-B Loan.
- 1.41 <u>Vineyards Property</u>: Collectively, the Vineyards-A Property and the Vineyards-B Property.

- 1.42 <u>Winery-A Application</u>: The First Mortgage Loan Application dated October 11, 1995, executed by Trefethen Winery (referred to as "Applicant" therein).
- 1.43 <u>Winery-A Note:</u> The Amended and Restated Promissory Note of even date herewith executed by Trefethen Winery in the original principal amount of Three Million Six Hundred Thousand Dollars (\$3,600,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.44 <u>Winery-B Application</u>: The Rate Lock Letter and Term Sheet dated December 11, 2000, executed by Trefethen Winery (referred to as "Borrower" therein).
- 1.45 <u>Winery-B Note:</u> The Promissory Note of even date herewith executed by Trefethen Winery in the original principal amount of Three Million Dollars (\$3,000,000.00), payable to Beneficiary or its order, and all modifications, renewals or extensions thereof.
- 1.46 <u>Winery Deed of Trust</u>: That certain Amended and Restated Deed of Trust, Security Agreement, Crop Filing and Fixture Filing with Assignment of Rents and Proceeds, Leases and Agreements of even date herewith executed by Trefethen Winery, as "Trustor," to the benefit of Beneficiary as "Beneficiary," as security for repayment of the Winery Note.
- 1.47 <u>Winery Hazardous Substances Agreement</u>: That certain Amended and Restated Hazardous Substances Remediation and Indemnification Agreement of even date herewith executed by Trefethen Winery, as "Borrower," to the benefit of Beneficiary as "Lender."
- 1.48 <u>Winery Loan</u>: The loan from Beneficiary to Trefethen Winery evidenced by the Winery Note.
- 1.49 <u>Winery Loan Documents</u>: The Winery Note, the Winery Deed of Trust, the Winery-A Application, the Winery-B Application and all other documents (excluding the Hazardous Substances Agreement), evidencing, securing or relating to the Loan, the payment of the Indebtedness or the performance of the Obligations.
 - 1.50 <u>Winery Note</u>: Collectively, the Winery-A Note and the Winery-B Note.
- 1.51 <u>Winery Property</u>: As defined in the granting paragraph of the Winery Deed of Trust and termed "Property" therein.

ARTICLE 2 <u>CASUALTIES AND</u> CONDEMNATION

- 2.1 <u>Insurance and Condemnation Proceeds.</u>
 - A. Trustor shall notify Beneficiary in writing immediately upon the occurrence of any loss or damage by fire or other casualty to the Property or upon commencement of any proceedings for condemnation of any portion of the Property. Beneficiary shall be entitled to (i) participate in any such condemnation proceedings and Trustor from time to time will deliver to Beneficiary all instruments reasonably necessary to permit such participation, and (ii) settle and

adjust all insurance claims relative to any such damage or destruction, deducting from any insurance proceeds the amount of all expenses incurred by Beneficiary in connection with any such settlement or adjustment. All proceeds paid to Trustor under any insurance policies relating to the Property shall immediately be delivered to Beneficiary. All condemnation proceeds from the Property are hereby assigned to and shall be paid to Beneficiary.

- The proceeds of any insurance policy received by Beneficiary shall, at the B. option of Beneficiary, either be applied to the prepayment of the Indebtedness or satisfaction of any Obligation or be paid over to Trustor for restoration of the Improvements. If Beneficiary elects to make such proceeds available for repair or reconstruction, Beneficiary shall, through a disbursement procedure established by Beneficiary, make available to Trustor the net amount of all insurance proceeds or condemnation awards received by Beneficiary after deduction of Beneficiary's reasonable costs and expenses, if any, in collection of the same (the "Net Proceeds"). In the event Beneficiary elects not to make the Net Proceeds available for repair or reconstruction, Beneficiary, at its sole option, may apply the Net Proceeds in payment of the Indebtedness or in satisfaction of any other Obligation in such order as Beneficiary may determine. Notwithstanding the foregoing, Beneficiary shall make the Net Proceeds available to Trustor for repair or reconstruction provided that (i) there shall then be no default under any Loan Document, (ii) Beneficiary shall be satisfied that (a) the Property can and will be restored to the condition of the Property immediately prior to such casualty or condemnation within 18 months of the date of such casualty or condemnation in accordance with plans and specifications approved by Beneficiary, and such completion shall occur at least 24 months prior to the maturity date of the Note secured by the second priority deed of trust in favor of Beneficiary encumbering such portion of the Property so affected, and (b) no material agreements are terminated or terminable as a result of such casualty or condemnation, (iii) Trustor shall have entered into a general construction contract acceptable in all respects to Beneficiary for completion of the repair or reconstruction, (iv) in Beneficiary's reasonable judgment, the security for the Loan has not been materially impaired as a result of such casualty or condemnation, and (v) prior to any disbursement of Net Proceeds and throughout the restoration period, Beneficiary shall have determined, in its sole and absolute discretion, that such repair or reconstruction can be completed at a cost (which cost shall include all payments coming due under the terms of the Loan) which does not exceed the aggregate of the then remaining Net Proceeds and any funds deposited with Beneficiary by Trustor.
- C. The Net Proceeds and any additional funds deposited by Trustor with Beneficiary shall constitute additional security for the Loan. Trustor shall execute, deliver, file and/or record, at its own expense, such documents and instruments as Beneficiary requires to grant to Beneficiary a perfected, first priority security interest in the Net Proceeds and such additional funds.

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2.2 Additional Provisions Relating to Condemnation. In any condemnation proceedings, Beneficiary may be represented by counsel selected by Beneficiary. The proceeds of any award or compensation so received by Beneficiary as set forth in Paragraph 2.1.A above shall, at the option of Beneficiary, either be applied to the prepayment of the Indebtedness or satisfaction of any Obligation or be paid over to Trustor for restoration of the Improvements in accordance with the provisions of Paragraph 2.1. Trustor hereby unconditionally and irrevocably waives all rights of a property owner under Section 1265.225(a) of the California Code of Civil Procedure or any successor statute providing for the allocation of condemnation proceeds between a property owner and a lien holder.

ARTICLE 3 EVENTS OF DEFAULT AND REMEDIES OF BENEFICIARY

3.1 Events of Default.

- A. It shall constitute an "Event of Default" hereunder if any of the following events shall occur and Beneficiary, by written notice delivered to Trustor, declares an Event of Default: (i) the occurrence of any default under this Deed of Trust, or (ii) the occurrence of any Event of Default as defined in and/or under any Vineyards-A Loan Document, Vineyards-B Loan Document or Winery Loan Document.
- B. It shall constitute an Event of Default hereunder without the requirement of any notice if any of the following events shall occur: (i) any Principal Party shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall have made a general assignment for the benefit of creditors; (ii) any Principal Party shall commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking to have an order for relief entered against it as debtor, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property (collectively, a "Proceeding"); (iii) any Principal Party shall take any action to authorize any of the actions set forth above in clauses (i) or (ii); or (iv) any Proceeding shall be commenced against any Principal Party, and such Proceeding (a) results in the entry of an order for relief against it which is not fully stayed within seven (7) business days after the entry thereof or (b) remains undismissed for a period of forty-five (45) days.

3.2 Remedies.

A. Upon the occurrence of any Event of Default, Beneficiary may at any time declare all of the Indebtedness (including, without limitation, any Prepayment Premium due under the terms of the Note in connection with such acceleration) to be due and payable and the same shall thereupon become immediately due and payable, together with all payments due in accordance with the terms of the Note, without any further presentment, demand, protest or notice of any kind.

Beneficiary may, in its sole discretion, also do any of the following: (i) in person, by agent, or by a Receiver, without regard to the adequacy of security, the solvency of Trustor or the condition of the Property, without obligation so to do and without notice to or demand upon Trustor, enter upon and take possession of the Property, or any part thereof, in its own name or in the name of Trustee and do any acts which Beneficiary deems necessary to preserve the value or marketability of the Property; sue for or otherwise collect the Rents and Proceeds, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, against the Obligations, all in such order as Beneficiary may determine; appear in and defend any action or proceeding purporting to affect, in any manner whatsoever, the Obligations, the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase or compromise any encumbrance, charge or lien that in the judgment of Beneficiary or Trustee is prior or superior hereto; and in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys' fees; (ii) as a matter of strict right and without notice to Trustor or anyone claiming under Trustor, and without regard to the then value of the Property or the danger of loss, removal, or material injury to the Property, apply ex parte to any court having jurisdiction to appoint a Receiver to enter upon and take possession of the Property, and Trustor hereby waives notice of any application therefor, provided a hearing to confirm such appointment with notice to Trustor is set within the time required by law (any such Receiver shall have all the powers and duties of Receivers in like or similar cases and all the powers and duties of Beneficiary in case of entry as provided herein, and shall continue as such and exercise all such powers until the date of confirmation of sale, unless such Receivership is sooner terminated); (iii) commence an action to foreclose this Deed of Trust in any manner provided hereunder or by law; (iv) with respect to any Personalty, proceed as to both the real and personal property in accordance with Beneficiary's rights and remedies in respect of the Land, or proceed to sell said Personalty separately and without regard to the Land in accordance with Beneficiary's rights and remedies as to personal property; and/or (v) deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause the Property to be sold, which notice Trustee or Beneficiary shall cause to be duly filed for record.

B. If Trustor shall at any time fail to perform or comply with any of the terms, covenants and conditions required on Trustor's part to be performed and complied with under any of the Loan Documents or any other agreement that, under the terms of this Deed of Trust, Trustor is required to perform, then Beneficiary may, in its sole discretion: (i) make any payments hereunder or thereunder payable by Trustor and take out, pay for and maintain any of the insurance policies provided for herein or therein; and/or (ii) after the expiration of any applicable grace period and subject to Trustor's rights to contest certain obligations specifically granted hereby, perform any such other acts thereunder on the part of Trustor to be performed and enter upon the Property for such purpose.

Should Beneficiary elect to foreclose by exercise of the power of sale C. herein contained, Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust and one or more of the Notes and such receipts and evidence of expenditures made and secured hereby as Trustee may require. Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and notice of sale as then required by law and by this Deed of Trust. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Property at the time and place of sale fixed by it in said notice of sale, either as a whole, or in separate lots or parcels or items as Beneficiary shall determine, and in such order as Beneficiary may determine, at public auction to the highest bidder for cash in lawful money of the United States payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any Person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale and Trustor hereby covenants to warrant and defend the title of such purchaser or purchasers. After deducting all costs, fees and expenses of Trustee and of this Trust, including costs of evidence of title in connection with sale, Trustee shall apply the proceeds of sale in the following priority, to payment of: (i) first, all sums expended under the terms hereof, not then repaid, with accrued interest at the Secondary Interest Rate; (ii) second, all other sums then secured hereby; and (iii) the remainder, if any, to the person or persons legally entitled thereto. Beneficiary may, in its sole discretion, designate the order in which the Property shall be offered for sale or sold through a single sale or through two or more successive sales, or in any other manner Beneficiary deems to be in its best interest. If Beneficiary elects more than one sale or other disposition of the Property, Beneficiary may at its option cause the same to be conducted simultaneously or successively, on the same day or at such different days or times and in such order as Beneficiary may deem to be in its best interests, and no such sale shall terminate or otherwise affect the lien of this Deed of Trust on any part of the Property not then sold until all Indebtedness secured hereby has been fully paid. If Beneficiary elects to dispose of the Property through more than one sale, Trustor shall pay the costs and expenses of each such sale of its interest in the Property and of any proceedings where the same may be made. Trustee may postpone the sale of all or any part of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement, and without further notice make such sale at the time fixed by the last postponement; or Trustee may, in its discretion, give a new notice of sale. Beneficiary may rescind any such notice of default at any time before Trustee's sale by executing a notice of rescission and recording the same. The recordation of such notice shall constitute a cancellation of any prior declaration of default and demand for sale and of any acceleration of maturity of Indebtedness affected

by any prior declaration or notice of default. The exercise by Beneficiary of the right of rescission shall not constitute a waiver of any default then existing or subsequently occurring, or impair the right of Beneficiary to execute other declarations of default and demand for sale, or notices of default and of election to cause the Property to be sold, nor otherwise affect the Note or this Deed of Trust, or any of the rights, obligations or remedies of Beneficiary or Trustee hereunder.

- D. In the event of a sale of the Property, or any part thereof, and the execution of a deed therefor, the recital therein of default, and of recording notice of default and notice of sale, and of the elapse of the required time (if any) between the recording and the notice, and of the giving of notice of sale, and of a demand by Beneficiary, or its successors or assigns, that such sale should be made, shall be conclusive proof of such default, recording, election, elapse of time, and giving of such notice, and that the sale was regularly and validly made on due and proper demand by Beneficiary, its successors or assigns. Any such deed or deeds with such recitals therein shall be effective and conclusive against Trustor, its successors and assigns, and all other Persons. The receipt for the purchase money recited or contained in any deed executed to the purchaser as aforesaid shall be sufficient discharge to such purchaser from all obligations to see to the proper application of the purchase money.
- E. All remedies of Beneficiary provided for herein are cumulative and shall be in addition to any and all other rights and remedies provided in the other Loan Documents or by law, including any right of offset. The exercise of any right or remedy by Beneficiary hereunder shall not in any way constitute a cure or waiver of default hereunder or under the Loan Documents, or invalidate any act done pursuant to any notice of default, or prejudice Beneficiary in the exercise of any of its rights hereunder or under the Loan Documents.

ARTICLE 4 SECURITY AGREEMENT AND FIXTURE FILING

- 4.1 <u>Grant of Security Interest</u>. Trustor hereby grants to Beneficiary a security interest in and to all Trustor's right, title and interest now owned or hereafter acquired in and to the Improvements, Personalty and the Fixtures and all of the products and proceeds thereof (collectively, the "Collateral") to secure payment and performance of the Obligations.
- 4.2 Remedies. This Deed of Trust constitutes a security agreement with respect to the Collateral in which Beneficiary is hereby granted a security interest. In addition to the rights and remedies provided under this Deed of Trust, Beneficiary shall have all of the rights and remedies of a secured party under the California Uniform Commercial Code as well as all other rights and remedies available at law or in equity. Trustor hereby agrees to execute and deliver on demand and irrevocably constitutes and appoints Beneficiary the attorney-in-fact of Trustor to, at Trustor's expense, execute, deliver and, if appropriate, to file with the appropriate filing officer or office such instruments as Beneficiary may request or require in order to impose, perfect or continue the perfection of the lien or security interest created hereby. Upon the occurrence of

any Event of Default, Beneficiary shall have (i) the right to cause any of the Collateral which is personal property to be sold at any one or more public or private sales as permitted by applicable law and to apply the proceeds thereof to the Indebtedness or the satisfaction of any Obligation, and (ii) the right to apply to the Indebtedness or the satisfaction of any Obligation any Collateral which is cash, negotiable documents or chattel paper. Any such disposition may be conducted by an employee or agent of Beneficiary or Trustee. Any Person, including both of Trustor and Beneficiary, shall be eligible to purchase any part or all of such Personalty at any such disposition.

- 4.3 Expenses. Expenses of retaking, holding, preparing for sale, selling or the like pertaining to the Collateral shall be borne by Trustor and shall include Beneficiary's and Trustee's reasonable attorneys' fees and legal expenses. Trustor, upon demand of Beneficiary shall assemble the Collateral and make it available to Beneficiary at the Property, a place which is hereby deemed to be reasonably convenient to Beneficiary and Trustor. Beneficiary shall give Trustor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of the Collateral or of the time after which any private sale or any other intended disposition is to be made. Any such notice sent to Trustor in the manner provided for the mailing of notices herein is hereby deemed to be reasonable notice to Trustor.
- 4.4 <u>Fixture Filing</u>. This Deed of Trust covers certain goods which are or are to become fixtures related to the Land and constitutes a fixture filing with respect such goods executed by Trustor as debtor in favor of Beneficiary as secured party.
- 4.5 <u>Crop Filing</u>. The Security Agreement set forth in this Deed of Trust covers all crops now or hereafter growing on the Land and all crops and farm products now or hereafter generated by the Land (whether Fructus Naturales or Fructus Industriales (Emblements), including, all such crops and farm products now or hereafter harvested and/or severed from the Land, whether or not then stored on the Land), and all the products and proceeds thereof, and this Deed of Trust constitutes a financing statement with respect such crops executed by Trustor as debtor in favor of Beneficiary as secured party.
- 4.6 Further Assurances. Trustor understands, acknowledges and agrees that an updated version of the California Uniform Commercial Code shall become operative on July 1, 2001, and Trustor hereby agrees that, immediately upon Beneficiary's demand, Trustor shall execute and deliver to Beneficiary (and cause any necessary third parties to execute and deliver to Beneficiary) all documents and filings (including, without limitation "control agreements"), and otherwise take all other actions as may be requested by Beneficiary, in order to maintain and provide to Beneficiary a first priority perfected security interest in the Personalty provided hereby and by the Loan Documents, and Trustor hereby agrees to pay all fees and costs associated therewith (including, without limitation, the reasonable fees and costs of Beneficiary's outside counsel).

ARTICLE 5
ASSIGNMENT OF RENTS AND PROCEEDS, LEASES AND AGREEMENTS

- Assignment of Rents and Proceeds and Leases. Trustor absolutely and unconditionally assigns and transfers to Beneficiary (i) the Leases and (ii) the Rents and Proceeds whether now due, past due or to become due, and gives to and confers upon Beneficiary any and all rights and claims of any kind that Trustor may have against lessees under the Leases and the right, power and authority to collect such Rents and Proceeds, and apply the same to the Indebtedness or the satisfaction of any Obligation. Trustor irrevocably appoints Beneficiary its agent to, at any time, demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, either in the name of Trustor or in the name of Beneficiary. for all such Rents and Proceeds. Neither the foregoing assignment of Leases and Rents and Proceeds to Beneficiary or the exercise by Beneficiary of any of its rights or remedies under this Deed of Trust shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation of all or any part thereof, unless and until Beneficiary, in person or by its own agent, assumes actual possession thereof, nor shall appointment of a Receiver for the Property by any court at the request of Beneficiary or by agreement with Trustor or the entering into possession of the Property by such Receiver be deemed to make Beneficiary a "mortgageein-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation thereof.
- 5.2 <u>Assignment of Agreements</u>. Trustor hereby sells, assigns, transfers, sets over and delivers to Beneficiary all of Trustor's right, title and interest in and to any and all agreements, contracts, supply contracts, reports, surveys, maintenance agreements, purchase contracts, and governmental approvals whatsoever pertaining to the operation of the Property, as the same may be amended or otherwise modified from time to time (collectively, the "Agreements"). The foregoing assignment encompasses the right of Trustor to (i) terminate any of the Agreements, (ii) perform or compel performance and otherwise exercise all remedies under the Agreements, and (iii) collect and receive all sums which may become due Trustor or which Trustor may now or shall hereafter become entitled to demand or claim, under the Agreements.
- 5.3 Revocable License. Notwithstanding anything to the contrary contained herein or in the Note, so long as no Event of Default shall have occurred, Trustor shall have a license to collect all Rents and Proceeds and all other sums which may become payable to Trustor under the Agreements, and to first apply the same to the payment or performance of the Obligations as and when due. Upon the occurrence of an Event of Default, Beneficiary shall have the right, on written notice to Trustor, to terminate and revoke the license herein granted to Trustor and shall have the right and authority then or thereafter to exercise and enforce any and all of its rights and remedies provided in this Article 5 or by law or at equity.
- 5.4 Nonresponsibility. The acceptance by Beneficiary of the assignments with all the rights, powers, privileges and authority so granted shall not obligate Beneficiary to assume any obligations in respect of the Rents and Proceeds or under the Agreements or take any action thereunder or to expend any money or incur any expense or perform or discharge any obligation, duty or liability in respect of the Rents and Proceeds or under the Agreements or to assume any obligation or responsibility for the nonperformance of the provisions thereof by Trustor.
- 5.5 <u>Affirmative Covenants re Leases and Agreements</u>. Trustor shall (i) observe, perform and discharge, all the obligations, terms, covenants, conditions and warranties of the

Leases and Agreements, on the part of Trustor to be kept, and shall promptly notify Beneficiary of any default thereunder, (ii) upon written request of Beneficiary, direct the obligors under the Agreements and the Lessees to deliver all Rents and Proceeds and other payments due thereunder to Beneficiary, (iii) enforce or secure in the name of Beneficiary the performance of each and every obligation, term, covenant, condition and agreement of the Leases and Agreements to be performed by Lessees and obligors thereunder, (iv) appear in and defend any action or proceeding arising under, occurring out of, or in any manner connected with the Leases or the Agreements or the obligations, duties, or liabilities of Trustor, Lessees and obligors thereunder and, upon request by Beneficiary, to do so in the name and on behalf of Beneficiary but at the expense of Trustor, and to pay all costs and expenses of Beneficiary, including, attorneys' fees.

Negative Covenants re Leases and Agreements. Trustor shall not, without the prior written consent of Beneficiary: (i) lease any part of the Property or renew or extend any Leases; (ii) terminate, amend, modify or alter in any manner any Leases, or waive, excuse, condone, discount, set-off, compromise, or in any manner release or discharge Lessees from any obligations, covenants, conditions and agreements by such Lessees to be kept, or accept or consent to any surrender of the Leases; (iii) receive or collect any Rents and Proceeds for a period of more than one month in advance (whether in cash or by promissory note); (iv) further assign the Leases or pledge, transfer, mortgage or otherwise encumber or assign future payments of Rents and Proceeds; (v) commence an action of ejectment or summary proceedings for dispossession of the Lessees under any Leases; or (vi) consent to any modification of the express purposes for which the Property has been leased, or consent to any subletting of the Property or any part thereof, or to assignment of the Leases by Lessees thereunder or to any assignment or further subletting by any sublessees.

ARTICLE 6 MISCELLANEOUS

- 6.1 <u>Successor Trustee</u>. Beneficiary may remove Trustee or any successor trustee at any time or times and appoint a successor trustee by recording a written substitution in the county where the Property is located, or in any other manner permitted by law.
- 6.2 <u>No Waiver</u>. No failure by Beneficiary to insist upon strict, full and complete (i) payment when due of any portion of the Indebtedness or (ii) performance of any Obligation, nor failure to exercise any right or remedy hereunder, shall constitute a waiver of any such failure to pay or breach of any such Obligation, or of the later exercise of such right or remedy.
- 6.3 Notices. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person or by facsimile transmission with receipt acknowledged, (ii) one business day after having been deposited for overnight delivery with Federal Express or another comparable overnight courier service, or (iii) three business days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, addressed to the addresses set forth on page 1 hereof or addressed as such party may from time to time hereafter designate by written notice to the other parties.

- 6.4 Severability. If any provision hereof should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and in no way affect the validity of this Deed of Trust except that if such provision relates to the payment of any monetary sum, then Beneficiary may, at its option, declare the Indebtedness immediately due and payable.
- 6.5 <u>Joinder of Foreclosure</u>. Should Beneficiary hold any other or additional security for the performance of the Obligations, its sale or foreclosure, upon any default in such performance, in the sole discretion of Beneficiary, may be prior to, subsequent to, or joined or otherwise contemporaneous with any sale or foreclosure hereunder.
- 6.6 Governing Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the state in which the Land is located.
- 6.7 <u>Subordination</u>. At the option of Beneficiary, this Deed of Trust shall become subject and subordinate in whole or in part (but not with respect to priority of entitlement to any insurance proceeds, damages, awards, or compensation resulting from damage to the Property or condemnation or exercise of power of eminent domain), to any and all contracts of sale and/or any and all Leases upon the execution by Beneficiary and recording thereof in the Official Records of the county where the Land is located of a unilateral declaration to that effect.
- 6.8 Waiver of Statute of Limitations and Rights to Trial by Jury. Trustor hereby waives, to the full extent allowed by law, the right to plead any statute of limitations as a defense to any obligation secured by this Deed of Trust and the right to a jury trial in any action under or relating to the Loan Documents.
- 6.9 Entire Agreement. The Loan Documents and the Hazardous Substances Agreement set forth the entire understanding between Trustor and Beneficiary relative to the Loan and the same shall not be amended except by a written instrument duly executed by each of Trustor and Beneficiary. The foregoing notwithstanding, the terms and the conditions of the Application shall survive the funding of the Loan but in the event of any conflict between the provisions of the Application and any of the other Loan Documents or the Hazardous Substances Agreement, except as otherwise specifically provided herein, the terms of such other Loan Documents and Hazardous Substances Agreement shall control.
- 6.10 <u>Charges for Statements</u>. Trustor agrees to pay Beneficiary's charge, up to the maximum amount permitted by law, for any statement regarding the Obligations requested by Trustor or in its behalf.
- 6.11 <u>Usury</u>. In the event that Beneficiary determines that any charge, fee or interest paid or agreed to be paid in connection with the Loan may, under the applicable usury laws, cause the interest rate on the Loan to exceed the maximum permitted by law, then such charges, fees or interest shall be reduced and any amounts actually paid in excess of the maximum interest permitted by such laws shall be applied by Beneficiary to reduce the outstanding principal balance of the Loan. The parties intend that Trustor shall not be required to pay, and Beneficiary shall not be entitled to collect, interest in excess of the maximum legal rate permitted under the applicable usury laws.

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6.12 Information Reporting Under IRS Section 6045(e). Any information returns or certifications that must be filed with the Internal Revenue Service and/or provided to other parties pursuant to Internal Revenue Code Section 6045(e) shall be prepared, filed by and sent to the appropriate parties by Trustor. To the extent permitted by law, Beneficiary shall have no responsibility to perform such services; provided however, that upon demand Trustor shall pay such fee to Beneficiary as Beneficiary may reasonably and lawfully request. Beneficiary shall, where requested by Trustor, promptly supply Trustor with all information pertaining to Beneficiary reasonably required by Trustor to prepare and file any such return or certification.

6.13 ERISA.

- A. Beneficiary represents and warrants to Trustor that, as of the date of this Deed of Trust and throughout the term of the Loan, the source of funds from which Beneficiary extends the Loan is its General Account, which is subject to the claims of its general creditors under state law. For so long as The Prudential Insurance Company of America is the holder of the Note and Beneficiary hereunder, it shall not allocate all or any portion of the Loan to any account other than its General Account.
- B. Trustor represents and warrants to Beneficiary that, as of the date of this Deed of Trust and covenants that, throughout the term of the Loan, (i) Trustor is not and will not become an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which is subject to Title I of ERISA, and (ii) the assets of Trustor do not and will not constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. Section 2510.3-101.
- C. Trustor represents and warrants to Beneficiary that, as of the date of this Deed of Trust (i) Trustor is not a "governmental plan" within the meaning of Section 3(32) of ERISA and (ii) transactions by or with Trustor are not subject to state statutes regulating investment of and fiduciary obligations with respect to governmental plans.
- D. Trustor covenants and agrees to deliver to Beneficiary such certifications or other evidence from time to time throughout the term of the Loan, as requested by Beneficiary in its sole discretion, that (i) Trustor is not an "employee benefit plan" or a "governmental plan," and (ii) Trustor is not subject to state statutes regulating investments and fiduciary obligations with respect to governmental plans, and (iii) one or more of the following circumstances is true: (a) equity interests in Trustor are publicly offered securities, within the meaning of 29 C.F.R. Section 2510.3-101(b)(2); (b) less than twenty-five percent (25%) of all equity interests in Trustor are held by "benefit plan investors" within the meaning of 29 C.F.R. Section 2510.3-101(f)(2); (c) Trustor qualifies as an "operating company" or a "real estate operating company" within the meaning of 29 C.F.R. Section 2510.3-101(c) or (e); or (d) no equity interest in Trustor is held directly or indirectly by an employee benefit plan subject to ERISA.

- E. Any of the following shall constitute an Event of Default entitling Beneficiary to exercise any and all remedies to which it may be entitled under the Loan Documents: (i) the failure of any representation or warranty made by Trustor under this Paragraph 6.13 to be true and correct in all respects; (ii) the failure of Trustor to provide Beneficiary with the written certifications and evidence referred to above; or (iii) the consummation by Trustor of a transaction which would cause the Deed of Trust or any exercise of Beneficiary's rights under the Loan Documents to constitute a non-exempt prohibited transaction under ERISA or a violation of a state statute regulating governmental plans, subjecting Beneficiary to liability for violation of ERISA or such state statute.
- F. Trustor shall indemnify, protect and defend and hold Beneficiary harmless from and against all loss, fee, cost, damage and expense (including attorneys' fees and costs incurred in the investigation, defense and settlement of claims and losses incurred in correcting any prohibited transaction or in the sale of a prohibited loan, and in obtaining any individual prohibited transaction exemption under ERISA that may be required, in Beneficiary's sole discretion) that Beneficiary may incur, directly or indirectly, as a result of a default under Paragraph 6.13.E. This indemnity shall survive any termination, satisfaction or foreclosure of the Deed of Trust.

6.14 Indemnification and Defense.

- A. Trustor will indemnify, defend, and hold Beneficiary and its agents harmless from and against all liability, loss, claims, damage, fee, cost or expense (including reasonable attorneys' fees) that Beneficiary might incur in connection with the making or administering of the Loan, the enforcement of any of Beneficiary's rights or remedies under the Loan Documents, by reason of any failure of any representation or warranty made by Trustor or the failure of Trustor to perform any Obligation or by reason or in defense of any and all claims and demands whatsoever that may be asserted against Beneficiary arising out of or in connection with the Property or the Loan.
- B. Trustor shall appear in and defend (with counsel acceptable to Beneficiary) any action or proceeding purporting to affect the security of the Deed of Trust, or of any additional or other security for the Obligations, the interest of Beneficiary or the rights, powers and duties of Trustee hereunder.
- C. Whenever, under any Loan Document, Trustor is obligated to indemnify and/or defend Beneficiary, or Trustor is obligated to defend or prosecute any action or proceeding, then Beneficiary shall have the right to participate in such prosecution or defense using counsel of Beneficiary's choice, and all costs and expenses incurred by Beneficiary in connection with such participation (including reasonable attorneys' fees) shall be reimbursed by Trustor to Beneficiary. In addition, Beneficiary shall have the right to approve any counsel retained by Trustor in connection with the prosecution or defense of any such action or proceeding by Trustor. Trustor shall give notice to Beneficiary of the initiation of

- all proceedings prosecuted or required to be defended by Trustor, or which are subject to Trustor's indemnity obligations, under this Deed of Trust, promptly after the receipt by Trustor of notice of the existence of any such proceeding, but in no event later than five (5) days thereafter.
- D. Should Beneficiary incur any liability, loss, claim, damage, cost or expense required to be reimbursed by Trustor to Beneficiary hereunder, the amount thereof with interest thereon at the Secondary Interest Rate shall constitute part of the Indebtedness, shall be payable by Trustor upon demand and shall be secured by this Deed of Trust.
- 6.15 Destruction of Note. Trustor shall, if the Note is mutilated or destroyed by any cause whatsoever, or otherwise lost or stolen and regardless of whether due to the act or neglect of Beneficiary or Trustee, execute and deliver to Beneficiary in substitution therefor a duplicate promissory note containing the same terms and conditions as the Note, within ten (10) days after Beneficiary notifies Trustor of any such mutilation, destruction, loss or theft of the Note. Upon receipt of such duplicate promissory note, Beneficiary shall provide Trustor with its standard form indemnity holding Trustor harmless from claims and liabilities relating to any claim for payment or presentment of any such mutilated, destroyed, lost, and/or stolen original promissory note.
- 6.16 <u>Heirs and Assigns</u>. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.
- Interpretation. When the identity of the parties or other circumstances make it 6.17 appropriate, the masculine gender shall include the feminine and/or neuter, and the singular number shall include the plural. Specific enumeration of rights, powers and remedies of Trustee and Beneficiary and of acts which they may do and of acts Trustor must do or not do shall not exclude or limit the general. The headings of each Article and Paragraph are for convenience and do not limit or construe the contents of any provision hereof. The provisions of the Loan Documents and the Hazardous Substances Agreement shall be construed as a whole according to their common meaning, not strictly for or against any party and consistent with the provisions herein contained, in order to achieve the objectives and purposes of such documents. Each party and its counsel has reviewed and revised the Loan Documents and the Hazardous Substances Agreement and agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of such document. The use in the Loan Documents and the Hazardous Substances Agreement of the words "including", "such as", or words of similar import when following any general term, statement or matter shall not be construed to limit such statement, term or matter to the specific items or matters, whether or not language of non-limitation such as "without limitation" or "but not limited to", or words of similar import are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The term "Trustor" shall be deemed to refer to the original Trustor, and its successors and assigns (whether or not such assign assumed the Obligations hereunder); the term "Beneficiary" includes Beneficiary named herein or any future owner or holder, including pledgee and participants, of the Note, or any other instrument secured

hereby, or any participation therein; and the term "Trustee" includes the original Trustee and its successors and assigns. The references to the "Property" shall be deemed to refer to all or any portion of the Property and any interest therein. References to "foreclosure" and related phrases shall be deemed references to the appropriate procedure in connection with Trustee's private power of sale as well as any judicial foreclosure proceeding or a conveyance in lieu of foreclosure.

- 6.18 Information to Third Persons. If, at any time, Beneficiary desires to sell or transfer, or grant a participation interest in, all or any portion of, or any interest in, the Note or any other Loan Document to any Person, Trustor shall furnish in a timely manner any and all financial information concerning the Property and Leases, and concerning Trustor's financial condition, requested by Beneficiary or such person in connection with any such sale or transfer.
- 6.19 Commingling of Funds. Any and all sums collected or retained by Beneficiary hereunder (including insurance and condemnation proceeds and any amounts paid by Trustor to Beneficiary under Paragraph 2 hereof), shall not be deemed to be held in trust, and Beneficiary may commingle such funds or proceeds with its general assets and shall not be liable for the payment of any interest or other return thereon, except to the extent otherwise required by law.
- 6.20 <u>Certain Obligations Unsecured</u>. Notwithstanding anything to the contrary set forth herein or any of the Loan Documents, this Deed of Trust shall not secure the following obligations (the "Unsecured Obligations"): (i) any obligations evidenced by or arising under the Hazardous Substances Agreement; and (ii) any other obligations in this Deed of Trust or in any of the other Loan Documents to the extent that such other obligations relate specifically to the presence on the Property of Hazardous Materials (as defined in the Hazardous Substances Agreement) and are the same or have the same effect as any of the obligations evidenced by or arising under the Hazardous Substances Agreement. Nothing in this section shall, in itself, impair or limit Beneficiary's right to obtain a judgment in accordance with applicable law after foreclosure for any deficiency in recovery of all obligations that are secured by this Deed of Trust following foreclosure.
- 6.21 Costs and Fees of Trustor. All costs, fees and expenses (including those of Beneficiary's legal counsel and consultants) (collectively, "Costs") incurred by Beneficiary in making, administering or collecting the Loan including, without limitation, Costs incurred by Beneficiary in connection with any inspections, reports, tests, inquiries and reviews, condemnation proceedings, endorsements to the title policy, actions or proceedings in which Beneficiary and/or Trustee may appear or be made a party (including foreclosure or other proceedings commenced by those claiming a right to any part of the Property or any action to partition all or part of the Property, whether or not pursuant to final judgment and exercise of the power of sale contained herein, whether or not the sale is actually consummated) and all sums expended by Trustee or Beneficiary in the exercise of any of their rights or remedies under this Deed of Trust shall be immediately due and payable by Trustor to Beneficiary upon demand, shall accrue interest at the Secondary Interest Rate from the date of expenditure until paid, and shall be added to the Indebtedness secured by the Loan Documents prior to any right, title or interest in or claim upon the Property attaching or accruing subsequent to the lien of this Deed of Trust.

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- 6.22 <u>Intentionally Deleted</u>.
- Release of Vineyards-B Property. In the event that the Vineyards-B Property is transferred to a Permitted Transferee (as defined in the Vineyards-B Deed of Trust) in accordance with Paragraph 4.2.D of the Vineyards-B Deed of Trust, then Beneficiary will provide Trustee with a Request for Partial Reconveyance requesting that the lien of this Deed of Trust be reconveyed with respect to the Vineyards-B Property (but with respect to no other property); provided, that, the following conditions shall be satisfied prior to or concurrently with the partial reconveyance: (i) Beneficiary receives, at Trustor's sole cost, such title insurance coverage as Beneficiary may deem reasonably necessary to ensure that the liens and security interests granted hereunder continue to be first priority security interests in and to all remaining Property, including, without limitation, CLTA 111, 111.1 and 111.4 endorsements; and (ii) Trustor shall pay all reasonable out-of-pocket costs of Beneficiary relating to the partial reconveyance, including, without limitation, Beneficiary's attorneys' fees, escrow fees, and the costs of any title insurance and/or endorsements Beneficiary shall require pursuant to subsection (i) above.
- 6.24 Amendment and Restatement. This Deed of Trust is an amendment and restatement of the Original Deed of Trust. All of the liens and obligations described and set forth in the Original Deed of Trust shall be deemed to be set forth herein in their entirety, subject to any amendments effected hereby, and in addition to the Indebtedness and Obligations secured hereby and the liens and encumbrances provided hereby, all other obligations secured by the Original Deed of Trust and outstanding as of the date hereof shall be deemed to be secured hereby, and all other liens and encumbrances of such Original Deed of Trust shall remain in full force and effect.
- 6.25 <u>Joint and Several Liability</u>. The obligations and promises set forth herein shall be joint and several undertakings of each Trustor, and Beneficiary may proceed hereunder against any one or more of Trustor without waiving its right to proceed against any of the others.
- 6.26 <u>Counterparts</u>. This Deed of Trust may be executed in any number of counterparts and by different parties in separate counterparts, each of which when executed and delivered shall be deemed an original and all of which counterparts taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Trustor has caused this Deed of Trust to be executed as of the day and year first above written. John M. Trefethen, as trustee of the JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED **DECEMBER 13, 1994** Janet S. Trefethen, as trustee of the JOHN AND JANET TREFETHEN REVOCABLE TRUST U/T/A DATED **DECEMBER 13, 1994** TREFETHEN FAMILY VINEYARDS, LTD., a California limited partnership The Trefethen Family LLC, a California limited By: liability company, its general partner Name: John V. Trefethen Its: Manager TREFETHEN VINEYARDS WINERY, INC., a California corporation Name: John V. Trefethen Its: President **BENEFICIARY:** THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation

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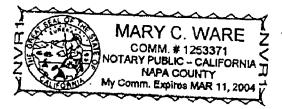
IN WITNESS WHEREOF, day and year first above written.	, Trustor	has caused this Deed of Trust to be executed as of the
	TRU	STOR:
•		
	TREF	V. Trefethen, as trustee of the JOHN AND JANET FETHEN REVOCABLE TRUST U/T/A DATED EMBER 13, 1994
	TREF	S. Trefethen, as trustee of the JOHN AND JANET FETHEN REVOCABLE TRUST U/T/A DATED EMBER 13, 1994
		FETHEN FAMILY VINEYARDS, LTD., a California ed partnership
	Ву:	The Trefethen Family LLC, a California limited liability company, its general partner
		By: Name: John V. Trefethen Its: Manager
		FETHEN VINEYARDS WINERY, INC., a California ration
		e: John V. Trefethen President
	BEN	EFICIARY:
		PRUDENTIAL INSURANCE COMPANY OF RICA, a New Jersey corporation

Name: William Beyfer
Title: 1/16 Paging and

-23-

On <u>feb. 26</u>, 2001 before me, <u>Mary e-Ware</u>, Notary Public, personally appeared <u>Orden V. Lefethen</u>, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that <u>he/she/they</u> executed the same in <u>his/her/their</u> authorized capacity(ies), and that by <u>his/her/their</u> signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Motary Public & Ware

On <u>feb.</u> 26, 2001 before me, <u>Mary C. ware</u>, Notary Public, personally appeared <u>Orfin V. Trefetten</u>, <u>personally known to me</u> (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) <u>is</u>/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in <u>his</u>/her/their authorized capacity(ies), and that by <u>his</u>/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

MARY C. WARE Z
COMM. # 1253371
COMM. # 1253371
NOTARY PUBLIC - CALIFORNIA II
NAPA COUNTY
My Comm. Expires MAR 11, 2004

Motary Public C-Ware

On <u>Ieb. 26</u>, 2001 before me, <u>Mary c. ware</u>, Notary Public, personally appeared <u>gwhn v. Irefetten</u>, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that <u>he/she/they</u> executed the same in <u>his/her/their</u> authorized capacity(jes), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

MAGA	~~~~~~~
	MARY C. WARE
TEST VIOLEN	COMM # 1253374 💆
200	NOTARY PUBLIC - CALIFORNIA 🗅
4 \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	NAMA COUNTY A
A CHORNE	My Comm. Expires MAR 11, 2004

Morry Public & C. Ware

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

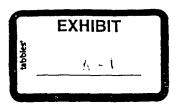
Witness my hand and official seal.

MARY C. WARE Z
COMM. # 1253371
NOTARY PUBLIC - CALIFORNIA J
NAPA COUNTY
My Comm. Expires MAR 11, 2004 7

Notary Public T

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STATE OF CALIFORNIA)
COUNTY OF Frence) ss.)
within instrument and acknowledged to me	e,, Notary Public, personally, personally known to me (or-proved to me on e person(s) whose name(s) is/are subscribed to the e that he/she/they executed the same in his/her/their er/their signature(s) on the instrument the person(s), or (s) acted, executed the instrument.
Witness my hand and official seal.	
LINDA MATTHEWS Commission # 1178159 Notary Public - California Fresno County My Comm. Expires Apr 29, 2002	Notary Public



Order No: 118954A (Vineyard A)

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

PARCEL ONE:

Parcel One as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Janet S. Trefethen, Trustees of the John & Janet Trefethen Revocable Trust, created December 13, 1994", filed December 11, 1998 in Book 22 of Parcel Maps at pages 78-79 in the office of the County Recorder of said Napa County.

APN 036-140-059 -

PARCEL TWO:

Parcel Two as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Janet S. Trefethen, Trustees of the John & Janet Trefethen Revocable Trust, created December 13, 1994", filed December 11, 1998 in Book 22 of Parcel Maps at pages 78-79 in the office of the County Recorder of said Napa County.

APN 036-140-058

PARCEL THREE:

Parcel One as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Catherine M. Trefethen, Trustees of the Trefethen Family Trust", filed October 28, 1996 in Book 21 of Parcel Maps at pages 90-91 in the office of the County Recorder of said Napa County.

APN 036-140-053

PARCEL FOUR:

Parcel Two as shown on the map entitled, "Parcel Map of the Lands of John V. Trefethen and Catherine M. Trefethen, Trustees of the Trefethen Family Trust", filed October 28, 1996 in Book 21 of Parcel Maps at pages 90-91 in the office of the County Recorder of said Napa County.

APN 036-140-052

PARCEL FIVE:

Real property situated in the County of Napa, State of California, being portions of Parcel 1 and Parcel 2 as shown on Map No. 4849 filed December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62 in the Office of the Recorder of Napa County, said portions being described as a whole as follows:

(Continued)

BEGINNING at a point on the Southeasterly line of said Parcel 2, distant thereon South 55° 34′ 10″ West 1202.26 feet from the most Easterly corner thereof; thence along the exterior lines of said Parcel 2 South 55° 34′ 10″ West 884.52 feet, North 71° 54′ 35″ West 100.23 feet, North 20° 49′ 04″ East 75.85 feet and North 22° 13′ 18″ West 754.09 feet to the most Westerly corner thereof, being the most Southerly corner of said Parcel 1; thence along the exterior lines of said Parcel 1 North 22° 13′ 18″ West 1083.45 feet and North 56° 18′ 33″ East 907.29 feet to a point that bears North 22° 13′ 18″ West from the point of beginning of this description; thence South 22° 13′ 18″ East 1951.17 feet to the point of beginning of this description.

APN 036-140-055

PARCEL SIX:

Real property situated in the County of Napa, State of California, being a portion of Parcel 1 as shown on Map No. 4849 filed December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62 in the Office of the Recorder of Napa County, said portion being more particularly described as follows:

BEGINNING at the most Northerly corner of said Parcel 1; thence along the Southeasterly line of said Parcel 1 South 21° 56' 55" East 1739.70 feet to a point which bears North 21° 56' 55" West 9.42 feet from the Westerly corner of the lands formerly of Catherine Morgan Trefethen as described in the Grant Deed recorded October 21, 1986 in Book 1473 of Official Records of Napa County at Page 450; thence leaving said Southeasterly line of Parcel 1 South 55° 17' 26" West 1207.94 feet; to a point on the Northeasterly line of that certain land described as Parcel One of the Deed recorded under Series Number 1996 014562 of Official Records of Napa County; thence along the Northeasterly line thereof North 22° 13' 18" West 1057.54 feet to the Northwesterly line of Parcel 1 of Parcel Maps filed December 29, 1995 in Book 21 of Parcel Maps at pages 61-62 in the office of the County Recorder of said Napa County from where the Westerly corner of said Parcel 1 bears South 56° 18' 33" West 907.29 feet; thence along the exterior lines of said Parcel 1 North 56° 18' 33" East 220.31 feet, North 22° 12' 11" West 860.00 feet to the top of the Southerly bank of Dry Creek; thence along the top of said bank the following courses and distances: North 70° 55' 46" East 80.03 feet, North 63° 35' 46" East 100.04 feet, South 81° 04' 14" East 80.03 feet, North 82° 25' 46" East 90.04 feet, North 73° 55' 46" East 120.05 feet, North 53° 05' 46" East 86.88 feet, North 78° 15' 46" East 165.14 feet, North 87° 35' 46" East 120.05 feet and North 21° 53' 13" East 226.20 feet to the point of beginning of this description.

APN 036-140-056

(Continued)

PARCEL SEVEN:

Real property situated in the County of Napa, State of California being portions of 1) Parcel 1 as shown on Map No. 4849 recorded December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62 in the Office of the Recorder of Napa County, 2) Parcel 2 as shown on said Map No. 4849, 3) the Lands of Catherine Morgan Trefethen as described in the Corporation Grant Deed recorded December 12, 1993 under series number 1993-043139 of Official Records of Napa County and 4) the lands formerly of Catherine Morgan Trefethen as described in the Grant Deed recorded October 21, 1986 in Book 1473 of Official Records of Napa County, said portions being described as a whole as follows:

BEGINNING at the most Easterly corner of said Parcel 2; thence along the Southeasterly line of said Parcel 2 South 55° 34' 10" West 1202.26 feet; thence leaving said Southeasterly line North 22° 13' 18" West 893.63 feet; thence North 55° 17' 26" East 1207.94 feet to the Northeasterly line of said Parcel 1; thence along said Northeasterly line South 21° 56' 55" East 9.42 feet to the Westerly corner of said lands formerly of Catherine Morgan Trefethen; thence along the Northwesterly line of said lands North 55° 17' 26" East 737.26 feet to the Northwesterly production of the centerline of a 14 foot wide gravel road; thence along said centerline produced and centerline South 23° 24' 05" East 843.77 feet to a point distant 45.50 feet, measured at a right angle Northwesterly from the Southeasterly line of Lot 7 as shown on the "Duplicate Plat of the Sausal Rancho..." recorded November 21, 1864 in Book "I" of Deeds at Page 99 in the Office of the Recorder of Napa County, (said line of Lot 7 being also shown on said Map No. 4849); thence parallel to and 45.50 feet Northwesterly from said Southeasterly line of Lot 7 North 55° 34' 10" East (record North 55 30' 00" East) 767.54 feet to the Westerly line of Big Ranch Road, a County Road 60 feet in width as established by Road Petition No. 54; thence along said Westerly line of Big Ranch Road South 13° 07' 55" East 41.53 feet to an angle point therein and South 24° 04' 38" East (record South 24 08' 47" East) 6.92 feet to said Southeasterly line of said Lot 7; thence along said Southeasterly line of said Lot 7 South 55° 34' 10" West (record South 55 30' 00" West) 1519.66 feet to the point of beginning of this description.

APN 036-140-054

PARCEL EIGHT:

Beginning at the most Westerly corner of that certain parcel of land described in the Deed to Eugene E. Trefethen, Jr., et ux recorded January 4, 1993 under Series Number 1993 000075 of Official Records of Napa County; thence along the Northwesterly line of said lands and the production thereof, North 55° 30' 00" East (called North 55 East in said Deed) 1862.82 feet; thence South 22° 06' 00" East 958.54 feet; thence South 55° 30' 00" West 1859.55 feet to the Southwesterly line of said lands; thence along said Southwesterly line, North 22° 17' 28" West (called North 22° 48' West in said Deed) 957.84 feet to the point of beginning.

APN 036-150-034

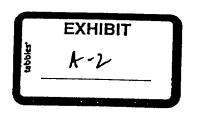
(Continued)

PARCEL NINE:

Commencing at the most Westerly corner of that certain parcel of land described in the Deed to Eugene E. Trefethen, Jr., et ux, recorded January 4, 1993 under Series Number 1993 000075 of Official Records of Napa County; thence along the Southwesterly line of said lands, South 22° 17' 28" East (called North 22° 48' West in said Deed) 957.84 feet to the true point of beginning; thence parallel to the Northwesterly line of said lands, North 55° 30' 00" East (called North 55° East in said Deed) 1859.55 feet; thence South 22° 06' 00" East 354.73 feet to the Northeasterly production of the line described as "South 55° 45' West 907.6 feet in said Deed; thence along said line produced South 55° 59' 23" West 953.93 feet to the Southwesterly terminus thereof; thence along the line described as "South 33° 45' East 1087.5 feet" in said Deed, South 33° 40' 37" East 1049.75 feet to the Northwesterly line of Oak Knoll Avenue; thence along said Northwesterly line of Oak Knoll Avenue, South 55° 29' 15" West 873.54 feet to the Northwesterly production of the Northeasterly line of the lands described in the Deed to Eugene E. Trefethen, Jr., et ux, recorded November 8. 1968 in Book 797 at page 380 of Official Records of Napa County; thence along said line, South 34° 30' 45" East 30.00 feet to the most Northerly corner of said lands conveyed to Trefethen; thence along the exterior boundary of said lands conveyed to Trefethen, being the Northeasterly and Northwesterly line of Oak Knoll Avenue, as shown on the map on file in the office of the County Engineer of Napa County, entitled, "Oak Knoll Avenue Right of Way of Title Insurance and Trust Company Property", dated August 1967, the following courses and distances: South 34° 30' 45" East, 30.00 feet, South 59° 34' 01" East 63.65 feet, South 30° 25' 59" West 142.58 feet, and along a tangent curve to the right having a radius of 615.00 feet through a central angle of 18° 24' 17" an arc distance of 197.55 feet to the most Southerly corner of said lands described in document number 1993 000075; thence along the Southwesterly line of said lands, North 22° 17' 28" West 1657.46 feet to the true point of beginning.

APN 036-150-035

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Order No: 118954D (Vineyard B)

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

Keal property situated in the County of Napa, State of California and being a portion of the lands of John V. Trefethen as described in the Corporation Grant Deed recorded December 30, 1993 under series number 1993-043138 in the Official Records of Napa County and a portion of the lands of Catherine Morgan Trefethen as described in the Corporation Grant Deed recorded December 30, 1993 under series number 1993-043139 in the Official Records of Napa County, said portions being described as a whole as follows:

BEGINNING at the most Easterly corner of Parcel 2 as shown on Map No. 4849 filed December 29, 1995 in Book 21 of Parcel Maps at Pages 61 and 62, said corner being on the Southeasterly line of Lot 7 as shown on the "Duplicate Plat of the Sausal Rancho..." recorded November 21, 1864 in Book "I" of Deeds at Page 99 in the Official Records of Napa County; thence along said Southeasterly line of said Lot 7, also shown on said Map No.4849 North 55° 34' 10" East (record North 55° 30' 00" East) 759.57 feet to a point distant South 55° 34' 10" West (record South 55° 30' 00" West) 760.08 feet from the Westerly line of Big Ranch Road, a 60 foot wide County Road by Road Petition No. 54; thence parallel to said Westerly line of Big Ranch Road South 24° 04' 38" East 1004.39 feet to a point distant 60.00 feet as measured at a right angle Northwesterly from the Southwesterly production of the Southeasterly line of said lands described in the document recorded under series number 1993-043138; thence parallel to and 60.00 feet Northwesterly from said Southeasterly line North 55° 39' 24" East (record North 55° 35' 15" East) 759.87 feet to said Westerly line of Big Ranch Road, 60 feet wide; thence along said line of Big Ranch Road South 24° 04' 38" East 60.98 feet to said Southeasterly line of said lands described in the document recorded under series number 1993-043138; thence along said Southeasterly line South 55° 39' 24" West (record South 55° 35' 15" West) 395.15 feet to a Northeasterly line of said lands as described in the document recorded under series number 1993-043139; thence along the Northeasterly and Southeasterly lines of said lands described in the document recorded under series number 1993-043139 South 24° 06' 48" East (record South 24° 10' 58" East) 455.00 feet and South 55° 39' 24" West (record South 55° 35' 15" West) 109.89 feet to the most Northerly corner of the lands of Eugene E. Trefethen, Jr., Trustee and Catherine Morgan Trefethen, Trustee under the Trefethen Family Trust dated March 26, 1990 as described in the Corporation Grant Deed recorded August 29, 1995 under series number 1995-018931 in the Official Records of Napa County; thence along the Northwesterly production of the Northeasterly line of said lands described in the document recorded under series number 1995-018931 North 22° 12' 31" West 10.23 feet to the Northeasterly production of the course designated "North 55° 39' 24" East 649.61 feet" in said document recorded under series number 1995-018931; thence, along said line produced South 55° 39' 24" West (record South 55° 35' 15" West) 1539.99 feet to the Southern corner of the lands described in the Corporation Grant Deed from Exchange Holding Corporation to E. J. Trefethen and C. M. Trefethen, Trustees, recorded August 30, 1991 in Book 1847 at page 878 of Official Records of Napa County, being the Northeasterly terminus of said designated course; thence along the Northeasterly line of said lands described in said Corporation Grant Deed North 23° 29' 00" West (record North 23° 33' 10" West) 206.98 feet to the Northern corner thereof, being an angle point in the line of said lands described (Continued)

1 of 3

in said document recorded under Series Number 1993 043139 of Official Records of Napa County; thence continuing along said lines of the lands described in said document recorded under Series Number 1993 043139 of Official Records of Napa County, North 55° 03′ 33″ East 251.12 feet (record North 55° 59′ 23″ East and North 56° 03′ 33″ East, 250.97 feet) and North 22° 01′ 51″ West (record North 22° 06′ 00″ West) 1313.27 feet to the Southeasterly line of said Parcel 2 as shown on Map No. 4849; thence along said Southeasterly line of Parcel 2 North 55° 34′ 10″ East (record North 55° 30′ 00″ East) 223.95 feet to the point of beginning of this description.

PARCEL TWO:

An Easement for ingress and egress purposes, over, along and across a strip of land 25 feet in width, the northwesterly line of which is coincident with the course designated "South 55° 39' 24" West 1539.85 feet" in Parcel One above and with the course designated "North 55° 39' 24" East 649.61 feet" in that certain Deed recorded August 29, 1995 under Series Number 1995 018931 of Official Records of Napa County.

PARCEL THREE:

An Easement for ingress and egress purposes, over, along and across a strip of land 8.00 feet wide, the southwesterly line of which is coincident with the southwesterly line of said lands described in that certain Deed recorded August 29, 1995 under Series Number 1995 018931 of Official Records of Napa County.

PARCEL FOUR:

An Easement for ingress and egress purposes over, along and across that certain strip of land 17.00 feet in width described as Parcel Two in the Individual Grant Deed to Eugene E. Trefethen, Jr. recorded October 20, 1986 in Book 1473 at page 454 of Official Records of Napa County, being a strip of land 17.00 feet in width, the northeasterly line of which is coincident with the southwesterly line of said lands described in said document recorded under Series Number 1995 018931 of Official Records of Napa County.

PARCEL FIVE:

A Right of Way for road purposes, over and along the following:

A strip of land, 15 feet in width, along the northern side of and immediately adjacent to the southeastern line of the 20 acre tract distributed to Haden Smith by Decree of Distribution of record in Book 132 of Deeds at page 154, said Napa County Records, the southern line of said strip being described as commencing on the western line of the County Road known as the "Big Ranch Road" at the southeastern corner of said 20 acre tract; and running thence South 55° 30' West 395.2 feet to the southeastern corner of Parcel One as described in Book 829 at page 472 of Official Records of Napa County.

PARCEL SIX:

The right to use, maintain, operate and repair drainage tile pipes through and over the following:

A strip of land, 5 feet in width, the centerline of which is described as follows:

COMMENCING at a point on the southeastern line of the 20 acre tract of land conveyed by Effie H. Young to Haden Smith by deed recorded in Book 127 of Deeds at page 117, said Napa County Records, said point being North 55° 30' East 970.00 feet distant

(Continued)

2 of 3

from the most southerly corner of said 20 acre tract; running thence South 73° 4' East 856.00 feet; thence North 55° 30' East 245.00 feet; thence South 86° 23' East, 257.00 feet, more or less, to a point on the northwestern line of the County Road, known as Oak Knoll Avenue, said point being South 55° 30' West 615 feet distant from the point formed by the intersection of the northwestern line of said County Road with the southwestern line of the Big Ranch Road.

PARCEL SEVEN:

An easement for tractor turnaround purposes, over, along and across a strip of land, 20.00 wide, the southwesterly line of said strip being coincident with the southwestern line of that certain parcel of land described in Exhibit "B" in deed recorded June 14, 1996 under Series Number 1996 014569 of Official Records of Napa County, and by this reference made a part hereof.

PARCEL EIGHT:

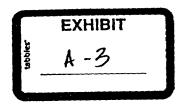
An Easement for tractor turnaround purposes over, along and across a strip of land 20.00 feet wide, the southwesterly line of said strip being coincident with the southwesterly line of that certain parcel of land described in Exhibit "C" in deed recorded June 14, 1996 under Series Number 1996 014569 of Official Records of Napa County and by this reference made a part hereof.

Parcel Nine

Easements for access, irrigation, pipeline, drain and related facilities in favor of Parcel One hereof over, across and through the Trefethen Vineyard Property, as such easements are more particularly described on the Declaration of Covenants, Conditions and Restrictions dated July 11, 1996, and recorded on July 12, 1996, as Instrument No. 1996-016790 in the Official Records of Napa County, California.

9129:161737.1

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Order No: 118954B (Winery)

The land referred to herein is situated in the State of California, County of Napa, and is described as follows:

PARCEL ONE:

The lands described in that Corporation Grant Deed to Trefethen Vineyards Winery, Inc., recorded July 16, 1990 in Book 1753 at page 763 of Official Records of Napa County and a portion of Parcel 2 of Map No. 4711, entitled "Parcel Map of the Lands of Eugene E. Trefethen, Jr. and Catherine M. Trefethen", filed February 15, 1994, in Book 20 of Parcel Maps at pages 15-17 in the office of the County Recorder of Napa County, more particularly described as follows:

Beginning at a point on the Western line of the Sausal Rancho as shown on the map entitled, "Duplicate Plat of the Sausal Rancho, Napa County, Cal.", recorded November 21, 1864 in Book I of Deeds at page 99, said Napa County Records, and distant along said Western line South 22° 48' East 1300.28 feet from a T-bar monument marking the most Western corner of Lot 7 of said Rancho as shown on Map No. 1778 entitled, "Record of Survey Map of a Portion of the Lands Formerly of David Henry Wheatley", filed December 10, 1968 in Book 17 of Surveys at page 16 in the office of the County Recorder of said Napa County; thence South 65° 13' 40" West 2540 feet, more or less, to the Northeast line of State Highway 29 as described in the Deed to the State of California, recorded July 16, 1969 in Book 811 at page 367 of Official Records of Napa County; thence Southeasterly alaong said Northeast line 198.91 feet, more or less, to an angle point therein; thence continuing Southeasterly along said Northeast line, 613.03 feet, more or less, to the most Southerly corner of the 8.67 acre parcel of land described in the Deed to Trefethen Vineyards Winery, Inc., recorded August 9, 1979 in Book 1135 at page 461 of Official Records of Napa County; thence along the Southeast line of said parcel, North 65° 22' 31" East (called North 65° 54' 38" East in said Deed) 629.85 feet, more or less, to a 2-3/4" iron pipe gate post; thence South 24° 44' 28" East (called South 24° 12' 21" East in said Deed) 29.00 feet to a 3/4" iron pipe; thence leaving said Southeast line, North 63° 45' East 333.00 feet to a 6"x6" gate post; thence continuing North 63° 45' East 258.00 feet; thence North 22° 51' 56" West 236.36 feet, more or less, to a point on the southeastern line of said Corporation Grant Deed to Trefethen Vineyards Winery, Inc., lying North 65° 13' 40" East 86.00 feet from the southwestern terminus of that course described as "North 65° 13' 40" East 1352.95 feet" in said Corporation Grant Deed; thence North 65° 13' 40" East 1266.95 feet, more or less, to the northeastern terminus of said course described as "North 65°13'40" East 1352.95 feet"; thence North 20° 15' East 75.82 feet to the hereinabove described western line of the Sausal Rancho; thence North 22° 48' West along said western line 537.36 feet to the point of beginning.

APN 036-140-062

PARCEL TWO:

An Easement for roadway and related purposes over a strip of land, 40 feet wide, as described in the Deed to Trefethen Winery, recorded August 8, 1979 in Book 1135 at page 461 of Official Records of Napa County.

(Continued)

PARCEL THREE:

A non exclusive easement, 25 feet in width, for the repair, maintenance, operation of, and improvements to, for the existing catch basin, sump pump and drainage line over and along its existing course, together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651, and as reserved in deeds recorded September 10, 1999 under Series Number 1999-0028788, 1999-0028790 and 1999-0028791 of Official Records of Napa County.

PARCEL FOUR:

A non exclusive easement, 10 feet in width, 5 feet on each side of the centerline thereof, for the repair, replacement, maintenance, and operation of the existing water "drip line", together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651 of Official Records of Napa County.

PARCEL FIVE:

A non exclusive easement, 10 feet in width, 5 feet on each side of the centerline thereof, for the repair, replacement, maintenance and operation of an existing agricultural sprinkler waterline, together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651, and as reserved in deeds recorded September 10, 1999 under Series Number 1999-0028788, 1999-0028790 and 1999-0028791 of Official Records of Napa County.

PARCEL SIX:

A non exclusive easement for above ground utility lines as described in that certain instrument entitled "ROADWAY, UTILITIES AND WATER SYSTEM EASEMENTS AND MAINTENANCE AGREEMENT", recorded August 30, 1995 as Series Number 1995 019026, and as reserved in deed recorded August 18, 1998 under Series Number 1998 023651 of Official Records of Napa County.

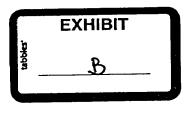
PARCEL SEVEN:

A non exclusive easement, 10 feet in width, for the maintenance, repair and replacement of an existing electric utility line to serve the existing sump pump, together with all purposes ordinarily incidental thereto, as reserved in deed recorded August 18, 1998 under Series Number 1998 023651 of Official Records of Napa County.

Parcel Eight

Easements and rights of way to construct and operate settling ponds, and to use a 55 acre foot reservoir; together with the right of way and easement for existing pipes to transmit water and roadways for access, as such easements are more particularly described on the certain Effluent Disposal Agreement dated July 12, 1990 and recorded on July 16, 1990, as Instrument No. 20363 in Vol. 1753, Page 806 in the Official Records of Napa County, California.

2 of 2 **TRAD**



[Master Inventory]

RESERVOIR #1 (North)

1	Amarillo right angle gearhead Peerless Turbine Pump	4BC20071966 223174
1 1 1	Detroit Diesel series 6-71 Amarillo right angle gearhead Peerless Turbine Pump	6A152315 4BC20073935 223175
1 1 1	Detroit Diesel series 6-71 Amarillo right angle gearhead Peerless Turbine Pump	6A242885 SL20083673 F18367
1 1 1	Detroit Diesel series 6-71 Amarillo right angle gearhead Peerless Turbine Pump	6A152316 4BC20073936 223173
1 1 1	Detroit Diesel series 6-71 Amarillo right angle gearhead Peerless Turbine Pump	6A153787 4BC20067599 223172
1 1 1	Detroit Diesel series 6-71 Amarillo right angle gearhead Peerless Turbine Pump	6A242888 SL20083672 F18368
Sub-Total	Reservoir #1	
8 8 8	Detroit Diesel engines series 6-71 Amarillo right angle gearheads Peerless Turbine Pumps	
RESERVOIR	#2 (South)	
1 1 1	Detroit Diesel series 6-71 model number 10637100 Amarillo right angle gearhead Peerless Turbine Pump	6A0291603 SL20092686 F19319
1	Detroit Diesel series 6-71 model number 10637100 Amarillo right angle gearhead	BA0291630 SL20092684 TRADEMARK REEL: 002310 FRAME: 032

1	Peerless Turbine Pump	F19219
1	Detroit Diesel series 6-71 model number 10637100	6A02887778
1	Amarillo right angle gearhead Peerless Turbine Pump	SL20092685 F10219
1	Detroit Diesel series 6-71 model number 10637100	6A0275598
1	Amarillo right angle gearhead Peerless Turbine Pump	SL20087531 18681
1	Detroit Diesel series 6-71	
1 1	model number 10637100 Amarillo right angle gearhead Peerless Turbine Pump	6A0275087 SL20087532 18682
1	GE 30HP electric motor for drip system model number 5K6235XH548A 1 Peerless Turbine Pump	C286TPH616 11011
Sub-Total	Reservoir #2	
5	Detroit Diesel engines series 6-71 model number 10637100	
5	Amarillo right angle gearheads	
6 1	Peerless Turbine Pumps GE 30HP electric motor for drip system/ Model number 5K6236XH548A	
DRY CREEK	SUMP PUMP	
1 1 1	Detroit Diesel engines series 2-71 or 2-53 Amarillo right angle gearhead Pump	5125422 1BC67964

Stainless Steel Tanks

Number	Nominal Gals.	Actual Capacity Gals.
1	235	253
2	500	1,021
8	1,000	8,360
8	2,000	15,944
2	3,600	7,280
12	4,000	50,328
8	5,000	40,720
22	7,000	156,668
63	———	280,574

Oak Tanks

Number	Nominal Gals.	Actual Capacity Gals.
7	1,000	7,028
6	1,700	10,248
- 13		17,276

Fiberglass Tanks

Number	Nominal Gals.	Actual Capacity Gals.
3	550	1,650

TREFETHEN WINERY EQUIPMENT

DESCRIPTION

Crusher Corker (1980) Labeler Bottle Cleaner

Filler

Air Compressor

Spinner Presses

Schienk Filter Velo Filter Must Pump

SERIAL NUMBER

68136**J**1

AR25R-028
232.825
722 170
F 8052-12-741, J167R009
T5641022M-PD
1.30T-635244
2.30T-443395
143 478
1.7053-12
2.20.7178-12
352M
0035A40

STAINLESS STEEL TANKS

YR DOT Gals Type Numb 1973 5,154 SS 112 1975 5,020 SS 111 3,640 SS 121	
1975 5,020 SS 111 3,640 SS 121	Fabricated Metals Fabricated Metals Fabricated Metals Rieger Rieger
3,640 SS 121	Fabricated Metals Fabricated Metals Rieger Rieger
3,640 SS 123	Rieger
1977 253 SS 1 497 SS 2 1,007 SS 3 1,007 SS 4 1,007 SS 5 1,007 SS 6 1,999 SS 7 1,999 SS 8 1,999 SS 9 1,999 SS 10	Rieger Rieger Rieger Rieger Rieger Rieger
1978 524 SS 35	Mueller, porle-tank
1981 5,091 SS 101 5,091 SS 102 5,091 SS 103 5,091 SS 104 5,091 SS 105 5,091 SS 106	Santa Rosa Stainless Steel Santa Rosa Stainless Steel
1982 1,987 SS 11 1,987 SS 12 7,130 SS 13 7,130 SS 14 7,130 SS 15 4,194 SS 18 4,194 SS 20 4,194 SS 21 7,130 SS 24 7,130 SS 25 7,130 SS 25 7,130 SS 26 4,194 SS 27 4,194 SS 28 4,194 SS 28 4,194 SS 29 4,194 SS 30 4,194 SS 30 4,194 SS 30 4,194 SS 32 7,130 Sep SS 16 7,130 Sep SS 17 7,130 Sep SS 22 7,130 Sep SS 23	Santa Rosa Stainless Steel

1985	4,194 7,114 7,114	SS SS SS	33 109 110	Santa	Rosa	Stainless Stainless Stainless	Steel
1986	7,114 7,114 7,114 7,114 7,114 7,114	SS SS SS SS SS	113 114 115 116 117 118	Santa Santa Santa Santa	Rosa Rosa Rosa	Stainless Stainless Stainless Stainless Stainless Stainless	Steel Steel Steel
1989	4,194 7,114 7,114 7,114 7,114	SS SS SS SS	34 107 108 119 120	Santa Santa Santa	Rosa Rosa Rosa	Stainless Stainless Stainless Stainless Stainless	Steel Steel Steel
1991	1,083 1,083	SS SS	99 100			Stainless Stainless	
1995	1,083 1,083 1,987 1,987	SS SS SS		Santa Santa	Rosa Rosa	Stainless Stainless Stainless Stainless	Steel Steel
	280,574	Total Sta		Steel G	allon	5	

63 Total Tanks

YR <u>DOT</u>	Gals	<u>Type</u>	Tank <u>Number</u>	Manufacturer
1974	1,004 1,004	OAK OAK	205 206	Arrow Arrow
1978	1,004 1,004 1,004 1,004 1,004	OAK OAK OAK OAK OAK	200 201 202 203 204	? ? ? ?
1984	1,708 1,708 1,708 1,708 1,708	OAK OAK OAK OAK OAK	210 211 212 213 214 215	Tonnellerie Vicard Tonnellerie Vicard Tonnellerie Vicard Tonnellerie Vicard Tonnellerie Vicard Tonnellerie Vicard
	17,276	Total Oa 13 Total	ak Tanks G l Tanks	allons

TREFETHEN WELLS

Apr-58	Well N.W. of Reservoir #1 drilled in 1980 12" casing Well Test GPM 619 Motor: Newman 50HP Pump: Johnston Turbine Standing water level 29.2' GPM estimate: 580	Wl
Apr-88	Well S.W. of Reservoir #1 drilled in 1968 by Ludorff Co. 600 GPM 6" casing replaced 16" in 1985 Well Test GPM 170 Motor: 10 HP Hitachi (replaced old 30HP motor in 1985)	W2
Apr-88	Well next to Vineyard Office installed in 1922 (225GPM in 1968) 12" casing Well Test 180' GPM 169 Motor: GE 15HP Pump: Byron Jackson Turbine Standing Water Level 25.6'	W3
Mar-93	New pump and motor installed by Doshier & Gregson 15HP 225S150-6 GPM estimate: 225	
Apr-88	Well N.W. of SGB's house (140GPM in 1968) 12" casing Well Test 150' GPM 262 Motor: US 7.5 HP W/Booster pump Berkly 5HP 1750RPM ser.4915411 Pump: Peerless Turbine Standing water level 34' GPM estimate: 250	W4
Apr-88	Well next to driveway to Big Ranch Road (140GPM in 1963) Well Test 150' GPM 83 Motor: GE 20HP Pump: Byron Jackson Turbine 12' casing Standing water level 32'	W 5

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New Well
Oct-88
          Big Ranch Road Entrance (30' from old well)
          2001
          Casing 8"
          Submersible pump: 4HB6/10HP 230V #10988 P-779/
          J88 G89156E
          Column pipe: 3" galvanized
Jan-94
          Well Test
          Water Level 57'
          Depth to water 30'
          GPM 162
Current GPM estimate: 170
          East in vineyard 7, due North 1310 Oak Knoll
                                                                W6
          100 yards, drilled in 1977 (Trefethen has
          agreement to use the well, but it is physically
          on the property that was sold)
          Well Test
Apr-88
          GPM 179
          Motor: US 20 HP
          Pump: Johnston Turbine
          Standing water level 29.2'
          Well Test
Jan-94
          310'
          Casing 10.75"
          20 HP Johnston Turbine JTAA-8BS10
          240', 5" column
          Pumping Level 66'
          GPM 166
Current GPM estimate: 160
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[9129.AGRE] F53798

00032 000 Bldg 00033 000 Bldg 00034 000 Bldg 00035 000 Bldg 00036 000 Bldg 00037 000 Bldg 00038 000 Road	000022 000 Bldg 000023 000 Bldg 000024 000 Bldg 000025 000 Bldg 000026 000 Bldg 000027 000 Bldg 000028 000 Bldg 000029 000 Bldg 000030 000 Water	00013 000 00014 000 00015 000 00016 000 00017 000 00018 000 00019 000 00020 000	000001 000 auto 000002 000 Bldg 000003 000 Bldg 000004 000 Bldg 000005 000 Bldg 000006 000 Bldg 000007 000 Bldg 000008 000 Bldg 000009 000 Bldg	February 26, 2001 1:56 PM
00082 000 00083 000 00084 000 00085 000 00086 000 00088 000	000069 000 Offc 000072 000 Furn 000074 000 Offc 000075 000 Offc 000076 000 Offc 000077 000 Offc 000078 000 Furn 000079 000 Road 000080 000 Bldg 000081 000 Bldg	000060 000 000061 000 000062 000 000063 000 00064 000 00065 000 00066 000 00066 000	00059	
0000	000130 000 Barrel 000131 000 Barrel 000132 000 Tank 000133 000 Furn 000134 000 Furn 000137 000 Offc 000138 000 Bldg 000139 000 Furn 000140 000 Furn 000141 000 Offc	0 000 Pr 1 000 Pr 2 000 Pr 3 000 Pr 5 000 Pr 5 000 Pr 5 000 Pr 5 000 Pr	00106 000 00107 000 00109 000 00111 000 00111 000 00112 000 00113 000 00114 000 00115 000 00116 000	000091 000 Barrel 000092 000 Prod 000093 000 Tank 000094 000 Water 000096 000 Offc 000100 000 Offc 000101 000 Furn 000104 000 Offc
000 Of 000 Fu 000 B1 000 B1 000 B1 000 B1	00188 000 00190 000 00191 000 00192 000 00193 000 00194 000 00195 000 00196 000	00178 00179 00180 00180 00181 00182 00182 00184 00185 00186	00163 000 00164 000 00165 000 00167 000 00168 000 00169 000 00170 000 00174 000 00175 000 00176 000	000151 000 Bldg 000152 000 Bldg 000153 000 Bldg 000154 000 Roads 000155 000 Water 000156 000 Water 000158 000 Prod 000160 000 Prod 000162 000 Bldg

TRADEMARK REEL: 002310 FRAME: 0329 Trefethen Winery (Continued)

Comp

Prod Prod Tank Bldg

Vines Vines Vines

Prod Prod Comp

Vines

Comp

Comp Comp

Comp Comp

Barre]

Barre Barre Barre

Barrel

Comp

TRADEMARK REEL: 002310 FRAME: 0330

Prod

Prod

Prod

Prod

Prod

Prod Prod Prod Prod

Prod

Barre.

Barre

Barre

Barre

Barre

Prod Barrel

		1	
00581 000	4 000	00486 000	00437 000
80 000	000533 000 prod	00485 000	00436 000
	000532 000 prod	000484 000 Prod	000435 000 Barrel
	1 000	000483 000 Prod	000434 000 Barrel
000577 000 vines	00530 000	000482 000 Prod	00433 000
000 Land	9 000	000481 000 Barrel	000432 000 Barrel
000 Barre	0	000 4 80 000 Barrel	000431 000 Barrel
000	Q,	9 000	000430 000 Barrel
573 000	000525 000 Tank	000478 000 Barrel	000429 000 Barrel
000		7 000	00428 000
1 000	w	6 000	000427 000 Barrel
000	22	_	000426 000 Barrel
000	00521	NO.	000425 000 Barrel
	00520 000	3 000	000424 000 Barrel
000	00519 000		000423 000 Auto
66 000	000518 000 Barrel	000471 000 Barrel	000422 000 Tank
65 000		000470 000 Barrel	000421 000 Tank
000	000	000469 000 Auto	000420 000 Prod
000	5 000	000468 000 Prod	000419 000 Prod
000	00514 000	000467 000 Prod	00418 000
1 000	00513 000	000466 000 Offc	000417 000 Prod
60 000	00512 000	5 000	00416 000
59 000	00511	4 000	000415 000 Comp
58 000	O	3 000	000414 000 Offc
7 000	000509 000 Comp	2 000	000413 000 Offc
6 000	00508 000	1 000	00412 000
555 000	00507 000	000460 000 Prod	000411 000 Comp
54	000	9	000
000553 000 Other	00505 000	000458 000 Prod	000409 000 Comp
52 000	00504 000	7 000	
000	00503	000456 000 Comp	
000		000455 000 Comp	000
000		000454 000 Offc	000405 000 Furn
000		3 000	000404 000 Bdg
000		2 000	000403 000 Vines
000	000498 000 Offc	1 000	000402 000 Vines
000	000497 000 Comp	000450 000 Comp	000401 000 Vines
000	000496 000 Comp	9 000	000400 000 Tank
000	000495 000 Prod	8 000	000399 000 Tank
000	000494 000 Prod	000447 000 Offc	000398 000 Barrel
41 000	000493 000 Water	6 000	000397 000 Barrel
0 000	000492 000 Prod		000396 000 Offc
9 000	000491 000 Tank	N	5 000
8,000	000490 000 Prod	000 441 000 Tank	000394 000 Comp
00537 000	000489 000 Prod	0440 000	00393 000 C
00536 000 0	00488 000	00439 000 Comp	00392 000 C
000535 000 actmo	000487 000 Prod	000438 000 Vines	39

TRADEMARK
RECORDED: 03/05/2001 REEL: 002310 FRAME: 0331