

03-23-2001



101646667

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)
Document ID #

Correction of PTO Error
Reel # Frame #

Corrective Document
Reel # Frame #

Conveyance Type

Assignment **License**

Security Agreement **Nunc Pro Tunc Assignment**

Merger **Change of Name**
Effective Date
Month Day Year

Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name (line 1)

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)
City State/Country Zip Code

Individual General Partnership Limited Partnership Association

Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment)

FOR OFFICE USE ONLY

03/23/2001 TDIAZ1 00000003 2001177

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and attaching the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20503 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

STLD01-853521-1

Expires 06/30/99
OMB 0651-0027

Domestic Representative Name and Address

Enter for the first Receiving party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area code and Telephone Number

(314) 345-6409

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document # including any attachments.

22

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

2,001,177

2,206,206

Number of Properties

Enter the total number of properties involved. #

2

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$65.00

Method of Payment:

Enclosed



Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

If insufficient, please debit Deposit Account Number: #

11-0160

Authorization to charge additional fees: Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

David A. Linenbroker
Name of Person Signing

Signature

Date

3/2/01

STLD01-853521-1

Recorded at request of:

When recorded mail to:
Lend Lease Agri-Business, Inc.
3203 West March Lane, Suite 110
Stockton CA 95219

Loan No. F-199721

LONG FORM DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND
FINANCING STATEMENT (CALIFORNIA)

THIS DEED OF TRUST is made as of the 1st day of FEBRUARY, 2001, by and among SUNRISE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY and SUNSTONE VINEYARDS AND WINERY, A CALIFORNIA CORPORATION and all other persons executing this Deed of Trust (collectively, "Trustor"), CHICAGO TITLE COMPANY ("Trustee"), a CALIFORNIA corporation whose mailing address is 2222 S. BROADWAY, SUITE G, SANTA MARIA, CALIFORNIA, 93454, and THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES ("Beneficiary"), a NEW YORK corporation whose mailing address is 1290 AVENUE OF THE AMERICAS, NEW YORK, NEW YORK, 10104 (Federal Employer Identification Number 13-5570651).

WITNESSETH:

FOR VALUABLE CONSIDERATION, receipt of which is acknowledged, Trustor irrevocably grants, transfers and assigns to Trustee, **IN TRUST, WITH POWER OF SALE**, all of the real property in SANTA BARBARA COUNTY, CALIFORNIA, described in Schedule A attached hereto and made a part hereof;

TOGETHER WITH (1) -0- shares of the capital stock of n/a, and the water rights represented thereby, (2) all easements, rights-of-way and rights appurtenant to said real property or used in connection therewith or as a means of access thereto, (3) all tenements, hereditaments and appurtenances thereto, including all water and water rights appertaining thereto, (4) Trustor's interest as lessor in all leases affecting said real property, (5) all buildings, structures, improvements, fixtures, attachments, appliances, equipment, machinery and other articles now or hereafter erected on, affixed or attached to, or located in or on said real property which are real property, and all substitutions, replacements, additions and accessions thereof or thereto, (6) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said real property (subject, however, to the assignment of rents and profits to Beneficiary herein), and (7) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said real property, which Trustor now has or may hereafter acquire in said real property, and all awards

Initials

STLD01-848070-2

1

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made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said real property.

FOR VALUABLE CONSIDERATION, receipt of which is acknowledged, Trustor, as debtor, irrevocably grants and assigns to Beneficiary, as secured party, a security interest in all personal property now or hereafter owned by Trustor or in which Trustor now or hereafter has any rights and which is now or hereafter located on or at, or affixed or attached to, or produced from, or used in connection with said real property, and all substitutions, replacements, additions, accessions, products and proceeds of or to said collateral, including but not limited to: All personal property described in Schedule "B" attached hereto and made a part hereof and all equipment, farm products, inventory, fixtures, crops growing or to be grown, timber standing or to be cut, and minerals or the like (including oil and gas), including, without limitation, all watering and irrigation apparatus, machinery, pumps, motors, generators, pipes and sprinklers and all proceeds from the sale or other disposal of the collateral. This is a security agreement pursuant to the Uniform Commercial Code and Beneficiary shall have all rights and remedies of a secured party with respect to said collateral under the Uniform Commercial Code, PROVIDED HOWEVER, that nothing in this LONG FORM DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT shall prevent Trustor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Trustor exercises its right to place a single crop lien on the crops grown or to be grown on the subject property hereunder, such crop lien shall automatically be a first superior lien to the lien on such crop created hereby without the need for any consent or subordination from Beneficiary.

Trustor warrants to Beneficiary that, except for the security interest created hereby, Trustor owns good title to said collateral and, as to said collateral hereafter acquired, Trustor will own good title to said collateral, free and clear of all liens, security interests, encumbrances and adverse claims of any kind whatsoever. Trustor agrees that all of said collateral which is erected on, affixed or attached to, or located in or on said real property shall be deemed to be real property and a part of said real property. No fixtures or equipment (including watering and irrigation apparatus) shall be removed from said real property without the prior written consent of Beneficiary, except that Trustor shall have the right, without such consent, to remove and dispose of free from the security interest hereof such fixtures and equipment as may from time to time become worn out or obsolete, provided that Trustor shall, simultaneously with or prior to such removal, replace such removed fixtures or equipment with replacement fixtures or equipment having a value, quality and utility at least equal to the removed fixtures or equipment. Trustor shall, at Trustor's expense, execute and deliver to Beneficiary such financing and continuation statements covering said collateral as Beneficiary may from time to time request. All agreements of Trustor herein, and all rights of Beneficiary herein, relating to said real property shall apply to said collateral whether or not expressly referred to herein. This Deed of Trust is a financing statement and covers goods included in said collateral which are or are to become fixtures and is to be recorded in the real estate records. Trustor is the record owner of said real property.

Initials  STLD01-848070-2

2

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REEL: 002256 FRAME: 0609

FOR THE PURPOSE OF SECURING: (1) Payment and performance of each agreement of Trustor in this Deed of Trust, (2) payment of the entire indebtedness evidenced by the Promissory Note of even date herewith in the principal sum of TWO MILLION NINE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,950,000.00), executed by Trustor to Beneficiary or order, and all modifications, amendments, replacements, substitutions, extensions and renewals thereof, and (3) payment of all sums advanced by Beneficiary to protect the security of this Deed of Trust, said real property or said collateral, with interest thereon at the rate per annum after default or maturity set forth in said Promissory Note.

A. To protect the security of this Deed of Trust, Trustor agrees:

1. To pay when due all indebtedness evidenced by said Promissory Note; to keep said real property in good condition and repair; not to remove or demolish any building, structure or improvement thereon; to complete or restore promptly and in good and workmanlike manner any building, structure or improvement which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to pay when due all debts that are now or may become liens against said real property, and not to suffer any lien of any kind to attach thereto which may take precedence over the lien of this Deed of Trust, and not to create any lien on said real property junior hereto unless the person entitled to the benefits thereof shall have agreed that the time for the payment of the indebtedness hereby secured and the manner of payment or amount thereof and the benefits of the security afforded hereby may, without consent of such person and without any obligation to give notice of any kind to such person, be modified, amended, replaced, substituted, extended, renewed, accelerated, suspended or refunded on any terms whatsoever without in any manner affecting the priority of the lien hereby created, as security for the payment of all indebtedness secured hereby; to comply with all laws affecting said real property or requiring any alterations or improvements to be made thereon; not to commit, suffer or permit any act upon said real property in violation of law or of any covenants, conditions or restrictions affecting said real property; not to commit or permit waste thereof, nor to do or suffer to be done any act whereby the value of any part of said real property may be lessened; to operate all lands, whether improved pastures, orchards, grazing, timber or crop lands, in a good and husbandmanlike manner in accordance with accepted principles of sound agricultural and forestry practices; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said real property may reasonably be necessary, and to take all reasonable precautions to control wind and water erosion; to fertilize improved pastures, if any, where necessary to maintain a good stand of desirable grasses; to protect orchards and timber, if any, by reasonable precautions against loss or damage by fire, including maintenance of appropriate fire breaks; and neither to remove nor permit the removal of any timber, oil, gas, mineral, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of Beneficiary. Beneficiary shall have the right to inspect said real property at such reasonable times and intervals as Beneficiary may desire to determine Trustor's compliance with the agreements in the Deed of Trust.

2. To provide, maintain and deliver to Beneficiary property insurance covering said real property and said collateral insuring against all risks of physical loss or damage, including war risks, if available, with loss payable to Beneficiary, in such amount for each risk and in such company and in such form as shall be satisfactory to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as

Initials  STLD01-848070-2

Beneficiary may determine, or, at the option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor, subject to such conditions and disbursement requirements as Beneficiary may impose. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

4. To pay when due all taxes and assessments affecting said real property, including assessments on appurtenant water stock, and all encumbrances, charges and liens, with interest, on said real property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of Trustee and this trust.

5. If Trustor fails to make any payment or to do any act in accordance with this Deed of Trust, then Beneficiary or Trustee, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder, shall have the right, but no duty, to make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, including specifically, without limiting their general powers, the right to enter upon and take possession of said real property, to make additions, alterations, repairs and improvements to said real property which either of them may consider necessary or proper to keep said real property in good condition and repair, to appear and participate in any action or proceeding affecting or which may affect said real property, the security hereof, or the rights or powers of Beneficiary or Trustee hereunder, to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of either of them may affect or appears to affect the security hereof or may be prior or superior hereto, and in exercising such powers, to pay necessary expenses, including employment of attorneys or other necessary or desirable consultants. Trustor shall, immediately upon demand therefor by Beneficiary, pay to Beneficiary all amounts expended by Beneficiary and all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing rights and powers, including, without limitation, costs of evidence of title, court costs, appraisals, surveys and reasonable attorney's fees, together with interest thereon from the date of expenditure at the rate per annum after default or maturity set forth in said Promissory Note.

6. If said Promissory Note and this Deed of Trust, or either of them, are placed in the hands of an attorney for collection or foreclosure or other legal proceedings, Trustor shall pay all reasonable attorneys' fees for any services rendered by such attorney to Beneficiary in connection therewith and all expenses incurred, including costs of suit and evidence of title, together with interest thereon from the date of expenditure at the rate per annum after default or maturity set forth in said Promissory Note. Trustor shall pay the maximum charge allowed by law for any statement regarding the obligations secured hereby required of Beneficiary.

B. It is mutually agreed that:

1. All awards of damages or compensation now or hereafter made in connection with any taking by eminent domain or condemnation for public use of or injury to said real property or any part thereof, are hereby assigned and shall be paid to Beneficiary, who may apply or release such awards or compensation received by Beneficiary in the same manner and with the same effect as above provided for

Initials  STLD01-848070-2

disposition of proceeds of fire or other insurance. Trustor agrees to execute such further assignments of any such awards or compensation as Beneficiary may require.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to prompt payment when due of all other sums so secured or to declare a default for failure so to pay.

3. Without affecting the liability of any person, including Trustor, for the payment of any indebtedness secured hereby or the lien of this Deed of Trust upon said real property for the full amount of the indebtedness then remaining unpaid, Beneficiary may from time to time and without notice do any one or more of the following: substitute or release any person now or hereafter liable for payment of such indebtedness or any part thereof; extend the time or otherwise alter the terms of payment of any such indebtedness; accept additional security therefor of any kind; or substitute or release any property or any portion thereof securing such indebtedness without, as to the remainder of the security, in any way impairing or affecting the liens and priority herein created.

4. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of the Deed of Trust and said Promissory Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said real property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

5. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Promissory Note to Trustee for cancellation, and upon payment of Trustee's fees, Trustee shall reconvey, without warranty, the real property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

6. Trustor absolutely and irrevocably assigns and transfers to Beneficiary all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said real property (all of the foregoing are herein the "rents and profits"). Trustor hereby gives to and confers upon Beneficiary the right, power and authority to collect said rents and profits. Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary at any time and from time to time, either with or without taking possession of said real property, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Trustor or Beneficiary, for all said rents and profits and apply the same to the indebtedness secured hereby. Trustor shall, nevertheless, have the right to collect and retain said rents and profits as the same become due and payable but only before the occurrence of a default under this Deed of Trust and as long as no such default exists. The assignment of said rents and profits is intended to be a present and absolute assignment from Trustor to Beneficiary and not merely the creation of a security interest. Beneficiary's right to collect said rents and profits is not contingent upon Beneficiary's taking possession of said real property. Upon the occurrence of a default under this Deed of Trust, and as long as any such default shall remain uncured, Beneficiary may, without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the value of said real property, or any part thereof, in its own name sue for or otherwise collect said rents and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and

Initials



STLD01-848070-2

5

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REEL: 002256 FRAME: 0612

collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The collection of said rents and profits, or the entering upon and taking possession of said real property, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

7. The occurrence of any of the following shall be a default under this Deed of Trust: failure to pay any indebtedness secured hereby when due; failure to perform any agreement of Trustor herein when due; Trustor commences a voluntary case under the federal Bankruptcy Code as now or hereafter in effect, or any successor thereto; an involuntary case under such Bankruptcy Code is commenced against Trustor and is not controverted or, if controverted, is not dismissed within sixty (60) days after the commencement of such case; a receiver, trustee, custodian or similar official is appointed for, or takes charge of, said real property, said collateral, or all or substantially all of the property of Trustor; Trustor commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, liquidation or similar law of any jurisdiction now or hereafter in effect relating to Trustor; any such proceeding is commenced against Trustor and is not controverted or, if controverted, is not dismissed within sixty (60) days after commencement; Trustor is adjudicated insolvent or bankrupt; any order of relief or other order approving any such case or proceeding is entered; Trustor makes a general assignment for the benefit of creditors; or there has occurred a breach of, or a default under, said Promissory Note or any other provision of this Deed of Trust. Upon the occurrence of a default under this Deed of Trust, and as long as any such default exists, Beneficiary shall have the right to declare all indebtedness secured hereby to be immediately due and payable, and such indebtedness shall thereupon become immediately due and payable, without any presentment, demand, protest or notice of any kind, all of which are expressly waived by Trustor. **Any prepayment penalty that exists, as set forth in the Promissory Note, shall be applicable upon default under this Deed of Trust.**

8. Upon the occurrence of a default under this Deed of Trust, and as long as any such default exists, Beneficiary shall have the right to commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof; exercise and enforce any or all of the rights and remedies available to a secured party under the Uniform Commercial Code; or deliver to Trustee a written declaration of default and demand for sale pursuant to the power of sale herein. If Beneficiary elects to foreclose this Deed of Trust by such power of sale, Beneficiary shall deposit with Trustee this Deed of Trust, said Promissory Note and evidence of expenditures secured hereby and a written notice of default and election to sell, which notice Trustee shall cause to be recorded as may then be required by law. Trustee shall, without demand on Trustor, after recordation of such notice of default and election to sell and after lapse of such time as may then be required by law, and after notice of sale has been given as may then be required by law, sell said real property (and said collateral, if requested by Beneficiary, as agent for Beneficiary) at the time and place of sale fixed by Trustee in said notice of sale, either as a whole or in separate parcels or items as determined solely by Beneficiary 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 time of sale. Trustee may postpone sale of all or any portion of said real property (or said collateral) 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 and place fixed by the preceding postponement. Trustor waives, and relinquishes to Beneficiary, all rights to direct the order in which said real property and said collateral shall be sold or to require that said real property or said collateral be sold in separate parcels or items. Trustee shall deliver to such purchaser Trustee's deed and, if applicable, bill of sale conveying the property so sold, but without any covenant or warranty, express or implied. The

Initials  STLD01-848070-2

recitals in such deed or bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at such sale. After deducting all costs, fees and expenses of Trustee and this Trust, including cost of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under this Deed of Trust, not then repaid, with accrued interest at the rate per annum after default or maturity set forth in said Promissory Note; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

9. Upon the occurrence of a default under this Deed of Trust, and as long as any such default exists, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under Trustor, and without regard to the adequacy of the security or the then value of said real property or the interest of Trustor therein, shall have the right to have a receiver of said real property appointed by any court having jurisdiction, and Trustor hereby irrevocably consents to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases. Every right, power and remedy granted to Trustee or Beneficiary shall be cumulative and not exclusive, and each such right, power and remedy may be exercised from time to time and as often and in such order as may be deemed expedient by Trustee or Beneficiary, and the exercise of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy.

10. Beneficiary may from time to time substitute in such manner as may be provided by law a successor or successors to any Trustee named herein or acting hereunder, which successor Trustee shall thereupon succeed, without conveyance from the predecessor, to all of Trustee's powers, duties, authority and title; or, in the absence of any such law providing for the substitution of trustees in deeds of trust, Beneficiary may, with like effect, make such substitution from time to time by instrument in writing executed and acknowledged by Beneficiary and recorded in the county or counties in which said real property is situated. Said instrument shall contain the name of the original Trustor, Trustee and Beneficiary, the book and page where this Deed of Trust is recorded, and the name of the new Trustee.

11. Trustor hereby waives the right to assert any statute of limitations as a bar to the enforcement of this Deed of Trust or to any action brought to enforce said Promissory Note or any obligation secured by this Deed of Trust. Notwithstanding the existence of any other liens in said real property or security interests in said collateral held by Beneficiary or by any other party, Beneficiary shall have the right to determine the order in which any or all of the said real property or said collateral shall be subjected to the remedies provided herein. Beneficiary shall have the right to determine the order in which the indebtedness secured hereby is satisfied from the proceeds realized upon the exercise of the remedies provided herein. Trustor, any party who consents to this Deed of Trust, and any party who now or hereafter acquires a lien or security interest in said real property or said collateral and who has actual or constructive notice of this Deed of Trust hereby expressly waives and relinquishes any and all rights to demand or require the marshaling of liens or the marshaling of assets by Beneficiary in connection with the exercise of any of the remedies provided herein or permitted by applicable law. Trustor expressly waives and relinquishes any and all rights and remedies Trustor may have or be able to assert by reason of laws relating to the rights and remedies of sureties or guarantors.

12. The invalidity of any provision of this Deed of Trust shall not affect the remaining provisions of this Deed of Trust or any part thereof and this Deed of Trust shall be construed as if such invalid provision, if any, had not been inserted herein.

Initials

 STLD01-848070-2

7

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13. The trust hereby created shall be irrevocable by Trustor.

14. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their respective heirs, personal representatives, successors and assigns. The term Beneficiary means the original Beneficiary hereunder or any future owner and holder, including pledgees, of said Promissory Note. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine or the neuter and the singular number includes the plural. All obligations of each Trustor hereunder are joint and several.

15. If Trustor, or any successor or assign, sells, conveys, alienates, leases (other than to tenants in the ordinary course of business with no option to purchase), assigns, transfers or encumbers, or contracts to sell, convey, alienate, lease (other than to tenants in the ordinary course of business with no option to purchase), assign, transfer or encumber, all or any part of said real property or any interest in said real property, or if more than forty-nine percent (49%) of the capital or voting stock or partnership or other beneficial interest of Trustor is sold, conveyed, alienated, assigned, transferred, or encumbered, whether any of the foregoing events occurs in any manner, directly or indirectly, whether voluntary, involuntary or by operation of law, without the prior written consent of Beneficiary, then, and in any such event, all indebtedness secured by this Deed of Trust shall become immediately due and payable at the election of Beneficiary, without notice. Trustor shall give reasonable written notice to Beneficiary of any transfer of said real property or other event described in this paragraph prior to any such transfer or event. Trustor shall furnish in writing to Beneficiary all reasonable information concerning any transfer of said real property or other such event that is requested by Beneficiary, including, without limitation, the name and address of the transferee, financial statements of the transferee, a full description of the business of the transferee, and the complete terms of the transfer.

16. (a) As used in this Deed of Trust, the following definitions shall apply:

(1) "Environmental Laws" shall mean all federal, state and local laws, ordinances, rules and regulations now or hereafter in force, as amended from time to time, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, and includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. section 6901, et seq., the Clean Water Act, 33 U.S.C. section 1251, et seq., the Hazardous Substance Account Act, California Health and Safety Code section 25100, et seq., the Medical Waste Management Act, California Health and Safety Code section 25015, et seq., and the Porter-Cologne Water Quality Control Act, California Water Code section 13000, et seq.


(2) "Hazardous Substances" shall mean any substance or material described as a toxic or hazardous substance, waste or material or a pollutant or contaminant, or words of similar import, in any of the Environmental Laws, and includes asbestos, petroleum (including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), petroleum products, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive matter, medical waste, and chemicals which may cause cancer or reproductive toxicity.

(3) "Person" shall mean any natural person, any organization or legal entity of any kind, and any government or governmental agency or authority of any kind, including the U.S.

Initials  STLD01-848070-2

(4) "Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including continuing migration, of Hazardous Substances into or through soil, surface water or groundwater.

(b) Trustor shall not use, produce, process, manufacture, generate, treat, handle, store, or dispose of any Hazardous Substances in, on or under said real property, or use said real property for any such purposes, or Release any Hazardous Substances into any air, soil, surface water or groundwater comprising said real property, or permit any Person using or occupying said real property or any part thereof to do any of the foregoing. The preceding sentence shall not prohibit the ordinary use of Hazardous Substances normally used in the operation or maintenance of properties similar to said real property, provided the amount of such Hazardous Substances does not exceed the quantity necessary for the normal operation and maintenance of said real property in the ordinary course of business and the use, storage and disposal of such Hazardous Substances strictly comply with all applicable Environmental Laws. Trustor shall comply, and shall cause all persons using or occupying said real property or any part thereof to comply, with all Environmental Laws applicable to said real property, or the use or occupancy thereof, or any operations or activities therein or thereon. Trustor shall obtain all permits, licenses and approvals required by all applicable Environmental Laws for the use and occupancy of, and all operations and activities in, said real property, comply fully with all such permits, licenses and approvals, and keep all such permits, licenses and approvals in full force and effect. Immediately after Trustor obtains any information indicating that any Hazardous Substances may be present or any Release or threatened Release of any Hazardous Substances may have occurred in, on or under said real property (or any nearby real property which could migrate to said real property) or that any violation of any Environmental Laws may have occurred at said real property, Trustor shall give written notice thereof to Beneficiary with a reasonably detailed description of the event, occurrence or condition in question. Trustor shall immediately furnish to Beneficiary copies of all written communications received by Trustor from any Person (including notices, claims or citations that any Release or threatened Release of any Hazardous Substances or violation of any Environmental Laws has actually or allegedly occurred) or given by Trustor to any Person concerning any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property (or any nearby real property which could migrate to the said real property) or any past or present violation of any Environmental Laws at said real property. If Beneficiary obtains any information that Beneficiary believes in good faith indicates a reasonable possibility that any Hazardous Substances may be present or any Release or threatened Release of any Hazardous Substances may have occurred in, on or under said real property (or any nearby real property which could migrate to said real property) or any violation of any Environmental Laws may have occurred at said real property, then Trustor shall, at the expense of Trustor, promptly after a request by Beneficiary, have a qualified environmental engineer investigate the presence, Release or threatened Release of such Hazardous Substances and the existence of such violation of Environmental Laws and prepare and submit to Beneficiary a written report containing the findings and conclusions resulting from such investigation. The environmental engineer who will prepare the report, the scope of the investigation to be undertaken (which may include soil and groundwater sampling) and the methodology to be used shall be subject to the prior written approval of Beneficiary. Beneficiary (and its representatives) shall have the right, at all reasonable times and after reasonable prior notice (except no such notice shall be required in an emergency) to inspect said real property and every part thereof and to review all books,

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records and files of Trustor relating to any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property or any past or present violation of any Environmental Laws at said real property, and Trustor shall give Beneficiary access to said real property for such purposes. Trustor shall promptly furnish in writing to Beneficiary all information concerning any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property or any past or present violation of any Environmental Laws at said real property that is requested from time to time by Beneficiary. Trustor acknowledges that all inspections and reviews undertaken by Beneficiary are solely for the benefit and protection of Beneficiary and agrees that Beneficiary shall have no duty to Trustor with respect to Hazardous Substances or Environmental Laws as a result of any such inspections or reviews.

(c) If any Release or threatened Release of any Hazardous Substances in, on or under said real property exists or occurs, Trustor shall immediately give written notice of the condition to Beneficiary, and Trustor shall promptly clean up and remove all Hazardous Substances and restore said real property (the "Remediation Work"). Trustor shall comply with the orders and directives of all Persons having jurisdiction over said real property or the Remediation Work. Trustor shall submit to Beneficiary, for Beneficiary's prior written approval, complete plans and specifications for all Remediation Work to be done by Trustor before any Remediation Work is performed, except in an emergency. Such plans and specifications shall be prepared by a qualified environmental engineer approved in writing by Beneficiary, and in compliance with all applicable Environmental Laws and other applicable laws, ordinances, rules and regulations. Trustor shall obtain all required permits, licenses and approvals for the Remediation Work, prosecute the Remediation Work diligently, and complete the Remediation Work in a timely manner. Trustor shall pay for all Remediation Work, including the cost of plans and specifications, utilities, permits, fees, taxes and insurance premiums in connection therewith. Trustor shall, on demand, pay to Beneficiary all direct costs and reimburse Beneficiary for all expenses incurred by Beneficiary in connection with any review, approval or inspection by Beneficiary relating to the Remediation Work, together with interest thereon from the date of expenditure until paid at the annual interest rate after maturity set forth in said Promissory Note. Under no circumstances shall Beneficiary be liable to Trustor for any damage, loss, cost or expense incurred by Trustor on account of any plans and specifications for the Remediation Work, the performance of any Remediation Work or any delay in completion of any Remediation Work. Trustor shall furnish to Beneficiary, promptly upon receipt or preparation, copies of all reports, studies, analyses, investigations, contracts, correspondence, claims, complaints, pleadings and other information and communications received or prepared by Trustor at any time in connection with any Remediation Work, or any past or present Release or threatened Release of any Hazardous Substances in, on or under said real property (or any nearby real property which could migrate to said real property), or any past or present violation of any Environmental Laws at said real property, or the necessity for or adequacy of any Remediation Work.

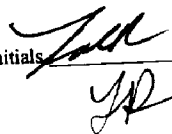
(d) Trustor shall indemnify and defend Beneficiary (and its directors, officers, employees, agents and representatives) against and hold Beneficiary (and its directors, officers, employees, agents and representatives) harmless from all claims, demands, liabilities, losses, damages, costs and expenses in any way arising from, relating to or connected with the existence, location, nature, use, generation, manufacture, storage, disposal, handling, or past, present or future Release or threatened Release of any Hazardous Substances in, on or under said real property, or any past, present or future violation of any Environmental Laws at said real property, or any breach of any representation or warranty made by Trustor in this Deed of Trust, or any failure to perform any obligation of Trustor in accordance with this Deed of Trust. The foregoing indemnification shall include all expenses of

Initials  STLD01-848070-2

investigation and monitoring, costs of containment, abatement, removal, disposal, repair, cleanup, restoration and remedial work, penalties, fines, attorneys' fees and disbursements, and other response costs. If Trustor fails to perform any obligation of Trustor in accordance with this Deed of Trust, Beneficiary shall have the right, but no obligation, to perform such obligation on behalf of Trustor. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in the performance of any such obligations of Trustor, together with interest thereon from the date of expenditure until paid at the annual interest rate after maturity set forth in said Promissory Note. If any event of default occurs under this Deed of Trust, Beneficiary shall have the right, but no obligation, at the expense of Trustor, to have a comprehensive environmental assessment of said real property, including soil and groundwater sampling and in scope satisfactory to Beneficiary, prepared by an engineer selected by Beneficiary, in order to ascertain whether any Hazardous Substances are present or any Release or threatened Release of Hazardous Substances has occurred in, on or under said real property (or any nearby real property which could migrate to said real property) or any violation of any Environmental Laws exists at said real property. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in connection with any such comprehensive environmental assessment, together with interest thereon from the date of expenditure until paid at the annual interest rate after maturity set forth in said Promissory Note.

(e) The obligations of Trustor under this paragraph 16 are separate from and in addition to the obligations to pay the indebtedness evidenced by said Promissory Note and to perform the other obligations under this Deed of Trust. The liability of Trustor under this paragraph 16 shall not be limited to or measured by the amount of the indebtedness owed under said Promissory Note or this Deed of Trust or the value of said real property. Trustor shall be fully and personally liable for all obligations of Trustor under this paragraph 16 and a separate action may be brought and prosecuted against Trustor under this paragraph 16. The liability of Trustor under this paragraph 16 shall not be subject to any limitations set forth in said Promissory Note or elsewhere in this Deed of Trust on personal liability for the payment of the indebtedness evidenced by said Promissory Note, or the remedies of Beneficiary for enforcement of the obligations under said Promissory Note or this Deed of Trust, or the recourse of Beneficiary for satisfaction of such obligations. Trustor agrees that no action for the enforcement of or recovery of damages under this paragraph 16 shall constitute an action within the meaning of California Code of Civil Procedure section 726, which shall not apply to this paragraph 16, and no judgment against Trustor in any action pursuant to this paragraph 16 shall constitute a money judgment or a deficiency judgment within the meaning of California Code of Civil Procedure sections 580a, 580b, 580d or 726. This paragraph 16 and the obligations of Trustor hereunder shall survive, and remain in full force and effect after, any reconveyance of this Deed of Trust or any foreclosure of this Deed of Trust (whether by judicial action, exercise of the power of sale, deed in lieu of foreclosure, or otherwise) with respect to any past, present or future Release or threatened Release of any Hazardous Substances in, on or under said real property, or any past, present or future violation of any Environmental Laws at said real property which occurred, or the onset of which occurred, before such reconveyance or foreclosure, and Beneficiary shall have the right to enforce this paragraph 16 after any such reconveyance or foreclosure. This paragraph 16 shall not affect, impair or waive any rights or remedies of Beneficiary or any obligations of Trustor with respect to Hazardous Substances created or imposed by Environmental Laws (including Beneficiary's rights of reimbursement or contribution under Environmental Laws). The remedies in this paragraph 16 are cumulative and in addition to all remedies provided by law.

17. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending

Initials  STLD01-848070-2

sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party unless brought by Trustee.

18. Trustor hereby expressly, irrevocably, fully and forever releases, waives, and relinquishes any and all right to trial by jury and to receive punitive or exemplary damages from Beneficiary (or shareholder, director, officer, employee, agent, representative, partner or participant or subsidiary of Beneficiary) in any claim, demand, action, suit, proceeding, or cause of action in which Trustor and Beneficiary are parties, which in any way (directly or indirectly) arises out of, results from or relates to any of the following, in each case whether now existing or hereafter arising and whether based upon contract or tort or any other legal basis: This Deed of Trust and said Promissory Note, or either of them; any past, present or future act, omission, conduct or activity with respect to this Deed of Trust and said Promissory Note, or either of them; any transaction, event or occurrence contemplated by this Deed of Trust and said Promissory Note, or either of them; the performance of any obligation or the exercise of any right under this Deed of Trust and said Promissory Note, or either of them; or the enforcement of this Deed of Trust and said Promissory Note, or either of them. Trustor agrees that this Deed of Trust constitutes written consent that trial by jury shall be waived in any such claim, demand, action, suit, proceeding or other cause of action pursuant to California Code of Civil Procedure

section 631 and agrees that Beneficiary shall have the right at any time to file this Deed of Trust with the clerk or judge of any court in which any such claim, demand, action, suit, proceeding or other cause of action may be pending as statutory written consent to waiver of trial by jury in accordance with California Code of Civil Procedure Section 631.

19. Trustor shall provide annual financial reports and statements, acceptable to Beneficiary, in its sole discretion, within 120 days of the fiscal year end of Trustor.

C. The following schedules are annexed hereto and made a part hereof: "Schedule A," Legal Description; "Schedule B," Equipment List; and "Schedule C", Equipment and Personal Property List.

D. Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the following address as provided by law.

20. This Deed of Trust is given to secure an indebtedness of \$2,950,000.00 of which \$600,000 has been withheld by the mortgagee at the time of closing for future disbursement (hereinafter called "Future Advance"). The Future Advance shall be made only upon compliance with the following conditions at the time of each Future Advance:

- (a) There shall have been completed, to the satisfaction of the Beneficiary:
 - (i) Satisfactory completion, as determined by Beneficiary in its sole discretion, of the single-family residence on said real property in accordance with plans prepared by Robert Mehl, Architect and dated November 26, 1997 (updated as of January ____, 2001), as approved by Beneficiary.

- (ii) All amendments to the above-described plans or any other plans and specifications for the construction of the single-family residence, are required to be submitted to Beneficiary to be approved by Beneficiary; such approval to be granted or withheld in Beneficiary's sole discretion.
 - (iii) Certificate of Occupancy and Notice of Completion from the appropriate governmental agencies will be required prior to the disbursement of the Future Advance.
 - (iv) Inspection and approval by the Beneficiary (in Beneficiary's sole discretion) that construction is in compliance with that contemplated in Beneficiary's appraisal on an "as will be" basis.
- (b) Either the Maker of the Promissory Note (as defined in the Promissory Note) or the Trustor shall be the Owner of the premises described in this Deed of Trust;
 - (c) On the date of the disbursement of the Future Advance, no default or event of default shall exist under the Promissory Note, this Deed of Trust, or any other document evidencing or securing the Promissory Note, without regard to any grace or cure period for such default or event of default set forth in the Promissory Note, this Deed of Trust, or any such other document;
 - (d) The Future Advance shall be secured by this Deed of Trust and shall constitute a valid first lien on the mortgaged premises, as evidenced by the title company that issued the title insurance policy insuring this Deed of Trust shall issue to Beneficiary a California Land Title Association form 122 endorsement to be attached to such title insurance policy, referring to the Future Advance and without additional exceptions, together with such other endorsements as Beneficiary may require;
 - (e) The Maker and/or Trustor shall pay all costs and expenses incurred in making the Final Advance, including, without limitation, escrow fees, title insurance premiums, costs of endorsements and reasonable attorneys' fees and expenses;
 - (f) The Trustor shall not be affected by any insolvency proceedings nor shall the Trustor have made an assignment for the benefit of creditors;
 - (g) The Beneficiary shall not be obliged to make more than One Future Advance nor shall the mortgagee be obliged to make any Future Advance subsequent to the 31st day of December, 2001, after which date, Beneficiary shall be under no obligation to make any Future Advance hereunder; and

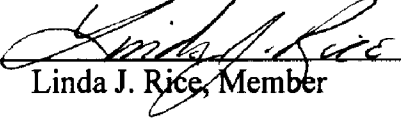
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(h) Not less than thirty days' written notice shall have been given to the Beneficiary prior to the intended date of the Future Advance.

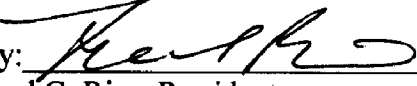
Signature of Trustor:

**Sunrise, LLC, a California
limited liability company**

By: 
Fred G. Rice, Member

By: 
Linda J. Rice, Member


**Sunstone Vineyards and Winery, a
California corporation**

By: 
Fred G. Rice, President

By: 
Linda J. Rice, Vice President

Street Address of Trustor:
P.O. Box 1749
Santa Ynez, CA 93460

TIN: (Sunrise) 77-0508783
TIN: (Sunstone) 33-0399419

Initials  STLD01-848070-2

STATE OF CALIFORNIA)
Santa) SS:
COUNTY OF *Barbara*)

On *Feb. 16, 2001*, before me, *the undersigned* a Notary Public in and for the State of California, personally appeared *Fred G. Rice & Linda J. Rice* personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he ^{and} or she executed the within instrument in his ^{and} or her authorized capacity and that, by his ^{and} or her signature on the within instrument, the person or entity upon behalf of which he or she acted executed the within instrument.

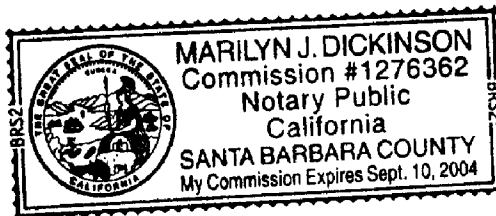
WITNESS my hand and official seal.



Marilyn J. Dickinson
Notary Public

My commission expires: *Sept. 10, 2004*

W1005Q RVSD 08-24-98
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Schedule "A" Legal Description
Sunrise, LLC, et al
F-199721

Those portions of Lot 1, Tract 1 of the Subdivision of the Rancho Canada De Los Pinos or College Ranch, together with that portion of Rancho Lomas De La Purificacion, in the County of Santa Barbara, State of California, described as a whole as follows:

Beginning at a point on the Westerly line of said Lot 1 distant thereon South 2°23' West 137.87 feet from the Northwest corner thereof:

Thence parallel with the Northerly line of said Lot 1; South 89°43'00" East 2086.84 feet to the Easterly line of said Lot 1;

Thence along said Easterly line South 0°17'00" West 937.50 feet to the intersection with the Northerly line of the Mahoney Ranch being a portion of the Rancho Lomas De La Purificacion as shown on map filed in Book 8, Page 15 of Maps and Surveys;

Thence along the Southerly line of said Lot 1, North 69°31' West 570.57 feet to the most Easterly corner of the land described in the deed to Mildred T. Rains, recorded July 1, 1965 as Instrument No. 23006 in Book 2111, Page 74 of Official Records, Records of said County;

Thence along the Southeasterly line of said land of rains South 56°08'50" West 1013.92 feet to the most Southerly corner thereof;

Thence to and along the Northwesterly line of the land described in the deed to James Stewart et ux., recorded July 1, 1965 as Instrument No. 23009 in Book 2111, Page 79 of Official Records, Records of said County, South 56°08'50" West 830.99 feet to the intersection with a line that is parallel with and distant Easterly 75.00 feet from the Easterly line of El Alisal Ranch, measured along the Easterly prolongation of the Northerly line of said Rancho;

Thence along said parallel line North 2°18' East to the intersection with said Easterly prolongation of the Northerly line of said Rancho;

Thence Northwesterly in a direct line to a point on the Westerly line of said Lot 1 distant Northerly thereon 100.00 feet from the Northeast corner of El Alisal Ranch;

Thence Northerly along the Westerly line of said Lot 1 to the point of beginning.

EXCEPTING therefrom an undivided 50% interest in and to all minerals, including, but not limiting to the foregoing all oil, gas, fissionable substances and other hydrocarbon substances in, on and under a portion of said land, or which may be produced therefrom, without, however, any right to use the surface of said land or that portion of the subsurface of said land lying above a depth of 500 feet below the surface of said land, as reserved by John J. Mitchell, et ux., by deed recorded March 2, 1965 as Instrument No. 7358 in Book 2093, Page 1098 Official Records.

ALSO EXCEPTING therefrom that portion conveyed to the County of Santa Barbara, by

Initials: *JM*
JK

deed recorded May 28, 1982 as Instrument No. 82-22215 Official Records, and more particularly described as follows:

Beginning at the Southeasterly corner of Parcel "B" shown on map filed in Book 7, Page 44 of Parcel Map, in the Santa Barbara County Recorder's Office;

Thence (1) along the Easterly boundary of said Parcel B, North 0°13'40" East 937.50 feet to the Northeasterly corner thereof;

Thence (2) along the Northerly boundary of said Parcel "B" North 89°46'20" West, 40.00 feet to a point on the Westerly boundary of Refugio Road;

Thence (3) along said Westerly boundary of Refugio Road, shown as Grand Avenue on map of the College Rancho filed as Map No. 4 on Rack No. 3 in said County Recorder's Office, South 0°13'40" West, 264.35 feet;

Thence (4) leaving said Westerly boundary of Refugio Road, South 9°53'17" West, 89.79 feet;

Thence (5) South 29°51'09" West, 43.99 feet;

Thence (6) South 72°34'39" West, 62.34 feet;

Thence (7) South 48°13'45" West, 88.87 feet;

Thence (8) South 39°47'13" West, 130.81 feet;

Thence (9) South 14°32'25" West, 246.83 feet to a point on the Southerly boundary of said first mentioned Parcel "B";

Thence (10) along said Southerly boundary, South 69°30' East, 369.47 feet to the point of beginning.

Said land is shown with other lands on Parcel Map 11,269, in the County of Santa Barbara, State of California, as filed in Book 7, Page 44 of Parcel Map, in the Office of the County Recorder of said County.

APN #141-220-67

**SCHEDULE "B"
EQUIPMENT LIST
Loan No. F-199721
SUNRISE LLC and SUNSTONE VINEYARDS AND WINERY**

<u>MAKE</u> <u>PUMP</u>	<u>SERIAL</u> <u>NUMBER</u>	<u>COLUMN</u> <u>SIZE</u>	<u>TYPE</u>	<u>MAKE</u> <u>MOTOR</u>	<u>SERIAL</u> <u>NUMBER</u>	<u>RATED</u> <u>H.P.</u>	<u>TYPE</u>
Peerless	85990	8"	Turbine	G.E.	Unknown	20	Elec.
Submersible	unknown	unknown	submers.	Unknown	unknown	7.5	Elec.

Together with the 28.5 acres drip system and water filters and domestic water supply equipment.

Also including the following items:

1. All trademarks, trademark registrations and applications, copyrights, copyright registrations and applications, trade names, trade styles, service marks, logos, designs, labels, signs, symbols, business names and identifiers and similar general intangibles, and the goodwill associated with the foregoing, whether common law or registered, and whether registered with the State of California or any other state or the federal government or any other government, relating in any way, directly or indirectly, to the production, bottling, labeling, marketing, advertising or sale of wine, grapes, grape juice or related products, including, without limitation, the words, labels and designs set forth in the list of U. S. Domestic Trademarks for Sunstone Vineyards and Winery, specifically including, but not limited to Sunstone.
2. All wine making equipment and wine tanks now or hereafter acquired, whether or not affixed to the security, more particularly described in Schedule "C" but not limited to those items listed. Trustor hereby agrees that all such equipment is and shall constitute fixtures and is part of the real property security.
3. All irrigation and frost protection equipment. Trustor hereby agrees that all such equipment is and shall constitute fixtures and is part of the real property security.
4. All computers, laboratory equipment, office equipment and furniture, all other miscellaneous winery tools and equipment, and all water pumps and storage tanks. Trustor hereby agrees that all such equipment is and shall constitute fixtures and is part of the real property security.

A Security Interest in all intellectual property, specifically including but not limited to all labels, trademarks, copyrights and tradestyles, actually used in marketing of wine and grape products, including, but not limited to the following trademarks:

<u>Trademark</u>	<u>Serial No.</u>	<u>Date of Filing</u>	<u>Reg. No.</u>	<u>Date of Reg.</u>
Eros	75-279,175	April 22, 1997	2,206,206	November 24, 1998
Sunstone	74-717,738	August 18, 1995	2,001,177	September 17, 1996

Initials: *AS*

AS

**EQUIPMENT AND PERSONAL PROPERTY LIST
SUNRISE, LLC
SUNSTONE VINEYARD AND WINERY**

COOPERAGE

Stainless Steel

<u>Tank No.</u>	<u>Make</u>	<u>Size (gals.)</u>
1	Modern Brewing & Design	1,366
2	Modern Brewing & Design	1,366
3	Modern Brewing & Design	2,089
4	Modern Brewing & Design	6,567
5	Modern Brewing & Design	4,660
6	Modern Brewing & Design	4,660
7	Mueller	2,998
8	Mueller	3,784
9	Modern Brewing & Design	6,567
10	Modern Brewing & Design	12,707
11	Modern Brewing & Design	1,242
12	Modern Brewing & Design	1,242
13	Modern Brewing & Design	1,242
14	Modern Brewing & Design	1,242
16	Modern Stainless & Design	1,095
17	Modern Stainless & Design	1,095
P1(portable)	Bulk Container Systems	550
P2(portable)	Bulk Container Systems	550
P3(portable)	Bulk Container Systems	350
P4(portable)	Bulk Container Systems	<u>350</u>
Total Gallons		55,720

Plastic

<u>Tank No.</u>	<u>Description</u>	<u>Size (gals.)</u>
1	Transfer tank	2,000
2	Transfer tank	1,000
3	Transport tank	<u>1,700</u>
Total Gallons		4,700

Together with all compressed gas tanks, water systems with tanks and lines, all wine filtering systems, transfer pipes, hoses, valves, fittings, catwalks, electrical panels, and control systems.

Initials: 

PORTABLE CRUSHING AND FERMENTATION EQUIPMENT

- 1 - Scharffenberger Europress. Model EHP 3000. Serial # 94973.
 - 1 - Rauch Crusher-Destemmer. Model A12. Serial # 145.
 - 1 - Carlson Associates Pump. Waukesha Pump Model 130. Serial # 131052. Sterling 7.5hp motor. Model JBY754FCA. Serial #U3407721.
 - 1 - Karcher steam cleaner. Model HDS895. Serial #037797.
 - 1 - Campbell Hausfeld Air Compressor. Model VT619500AJ. Serial # 051293L-974038.
 - 1 - Della Toffola Plate Filter. No make or serial #.
- 100- Macrobin 1-ton plastic fermenting bins.

Bottling Line

GAI/1511 Sparger, Filler, Corker, Membrane filtration kit, monobloc sterilization kit with OMB/1500 Pressure Sensitive Labeler with Dump Table. Serial #1517-VT.

WIL/M-1 Pump, Serial #243822-99. Baldor motor, Serial #F799. Waukesha 130 Pump System and Pressure Transducer.

Carlson & Associates Ozone System – Model SGA21, Serial # 1565-8-9.

Initials:

dec
LR