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April 14, 1987 RECORDATION NO. 1 5209 Filed & Recorded

APR 15 1987 3-1 5 PM

(415) 772-6052

INTERSTATE COMMERCE COMMISSION

No. 7-105A077
Date APR 15 1987
Fee \$ 10.00

Ms. Noreta McGee
The Secretary
Interstate Commerce Commission
Washington, D.C. 20423

ICC Washington, D. C.

ICC OFFICE OF THE SECRETARY
APR 15 3 10 PM '87
MOTOR OPERATING UNIT

Documents for Recordation

Dear Ms. McGee:

Enclosed is an original and two counterparts of a Security Agreement dated as of April 14, 1987. This Security Agreement is a primary document and is submitted for recording pursuant to Section 11303 of Title 49 of the United States Code.

The names and addresses of the parties to this Security Agreement are as follows:

Secured Party: Vincent M. DeDomenico
c/o Golden Grain Macaroni Co.
1111-139th Avenue
San Leandro, California 94578-2671

Borrower: Napa Valley Wine Train, Inc.
1275 McKinstry Street
Napa, California 94559

Included in the property covered by the above Security Agreement are locomotives, railroad cars and other rolling stock intended for use related to interstate commerce, or interests therein, owned by Napa Valley Wine Train, Inc. at the date of said Security Agreement or thereafter acquired by it or its successors.

A fee of \$10 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Mr. Timothy G. Hoxie, Heller, Ehrman, White & McAuliffe, 333 Bush Street, San Francisco, California 94104-2878.

A short summary of the document to appear in the index follows:

"Security Agreement between Napa Valley Wine Train, Inc., 1275 McKinstry Street, Napa, California 94559, and Vincent M. DeDomenico, c/o Golden Grain Macaroni Co., 1111-139th Avenue, San Leandro, California 94578-2671, dated as of April 14, 1987, and covering locomotives, railroad cars and other rolling stock now owned or hereafter acquired by Napa Valley Wine Train, Inc."

Sincerely,



Timothy G. Hoxie
Attorney for Vincent M. DeDomenico

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

4/16/87

OFFICE OF THE SECRETARY

Timothy G. Hoxie
Heller, Ehrman, White & McAuliffe
333 Bush Street
San Francisco, California 94104-2878

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/15/87 at 3:15pm, and assigned re-
recording number(s). 15209

Sincerely yours,

Norita R. McGehee
Secretary

Enclosure(s)

SECURITY AGREEMENT APR 15 1987 3-1 5 PM

INTERSTATE COMMERCE COMMISSION

This Security Agreement (the "Agreement") dated as of April 14, 1987 is entered into by and between NAPA VALLEY WINE TRAIN, INC., a California corporation (the "Borrower") and VINCENT M. DeDOMENICO (the "Lender").

B A C K G R O U N D

A. Pursuant to a Loan Agreement dated March 18, 1987, (the "Loan Agreement") between the Lender and the Borrower, Lender has agreed to loan funds to the Borrower.

B. The execution, delivery and performance of this Security Agreement by the Borrower is a condition to the Lender's obligation to make the loan to the Borrower pursuant to the Loan Agreement.

THE BORROWER AND THE LENDER AGREE AS FOLLOWS:

ARTICLE 1

DEFINED TERMS

1.1 Definitions

As used in this Agreement, the following capitalized terms have the following meanings (such meanings to be equally applicable to both the singular and plural forms):

"Accounts" means all invoices, deposits, instruments, contracts, insurance policies, indemnities, guarantees, contract rights, claims, documents, leases, chattel paper, agreements and

"Accounts" means all invoices, deposits, instruments, contracts, insurance policies, indemnities, guarantees, contract rights, claims, documents, leases, chattel paper, agreements and accounts, and all other forms of obligations whether now existing or acquired in the future, evidencing or representing indebtedness due or to become due to the Borrower on account of goods or other properties or assets sold or to be sold by the Borrower, or services rendered or to be rendered by the Borrower, or otherwise.

"Collateral" means all assets of whatever type of the Borrower whether tangible or intangible, and whether now owned or hereafter acquired and wherever located, including without limitation, (i) Accounts, (ii) Fixed Assets, (iii), Intangibles, (iv) Rolling Stock, (v) Vehicles, (vi) cash and cash equivalents, (vii) Records, (viii) Track and (ix) Proceeds.

"Event of Default" means an event of default under the Loan Agreement or any other document or instrument evidencing the Obligations.

"Fixed Assets" means fixed assets of the Borrower, including all equipment, machinery, improvements, office furniture, office equipment, and fixtures, and any products thereof, improvements, additions or accessories thereto, or replacements therefor, but excluding any fixed assets constituting an interest in real property.

"Intangibles" means general intangibles as defined in Section 9-106 of the Uniform Commercial Code and includes, without limitation, choses or things in action, computer software, computer

programs, computer discs, computer tapes, drawings, blueprints, goodwill, patents, trade names, trademarks, copyrights, trade secrets, and registrations of any thereof of the Borrower and approvals, memberships, licenses, authorities, certificates, distributorships, franchises, permits and fictitious name rights.

"Obligations" means all indebtedness of the Borrower to the Lender including without limitation (i) indebtedness due or to become due under the Loan Agreement to the Lender, including, but not limited to, the punctual payment of principal of and interest on the Loan when due, whether at maturity or by acceleration, and other obligations under the Loan Agreement and Security Documents, (ii) all other obligations of the Borrower including interest, charges and expenses chargeable to the Borrower in connection with any indebtedness referred to in clause (i) above, and (iii) the due and prompt payment of any costs or expenses incurred in connection with the realization of the security for which this Security Agreement provides, including fees and expenses of Lender's attorneys and accountants and any costs or expenses of any proceedings to which this Security Agreement may give rise. The term "indebtedness" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and obligations, whether voluntary or involuntary, direct or indirect, due or to become due, absolute or contingent, liquidated or unliquidated, determined or undetermined, now existing or hereafter arising (inclusive of future advances), and whether recovery may be or hereafter becomes unenforceable.

"Proceeds" means whatever is received when any of the Collateral is sold, exchanged, leased, collected or otherwise disposed of, or money is received as a consequence of possession of the Collateral, including cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreements or other documents and insurance proceeds, and all proceeds of the foregoing.

"Records" means all of the Borrower's books, computer programs, ledger sheets, files, documents, records and other records relating to any Collateral, whether in printed or other form such as computer tape, disc, microfilm or microfiche, and includes equipment containing such information.

"Rolling Stock" means all railroad cars and locomotives of any type now owned or hereafter acquired by the Borrower.

"Track" means all of Borrower's track, track beds, ties, rails, switches, lights, crossing signals, bridges and trestles to the extent such constitute personal property or fixtures.

"Vehicles" means motor vehicles and other mobile assets of the Borrower.

1.2 Loan Agreement Definitions

Any other capitalized term used herein which is defined in the Loan Agreement has the same meaning herein as therein.

1.3 Other Definitions. Unless otherwise defined herein, terms used in Division 9 of the Uniform Commercial Code of the State of California are used herein as therein defined.

ARTICLE II

GRANT OF SECURITY INTEREST

As security for the payment of all Obligations to the Lender, the Borrower assigns, pledges, transfers, mortgages, sets over and delivers to the Lender, and grants the Lender a security interest in, all of its right, title and interest in all of the Collateral now owned or hereafter acquired by the Borrower. Until payment in full of all of the Obligations, the security interest of the Lender in all Collateral shall continue in full force and effect. The inclusion of Proceeds in the Collateral does not authorize the Borrower to sell, dispose of or otherwise use the Collateral in a manner that is not specifically authorized by this Security Agreement.

ARTICLE III

BORROWER'S REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that:

3.1 The Collateral includes all property and assets of the Grantor other than real property.

3.2 The Borrower owns the Collateral free and clear of any lien, security interest, charge or encumbrance, except for (i) the security interest created by this Agreement in favor of Lender, and (ii) other liens expressly permitted under the Loan Agreement. The Borrower has all necessary authority to encumber and grant a security interest in the Collateral.

3.3 Each item of Collateral the ownership of which, under applicable law, is or should be evidenced by a certificate of title, has been properly titled in the name of the Borrower.

3.4 There is no effective financing statement or other instrument similar in effect covering all or any part of the Collateral on file in any recording office, or any notation on any certificate of title covering any of the Collateral, except such as may have been filed or noted in favor of Lender.

3.5 All information furnished or to be furnished Lender by or on behalf of the Borrower in connection with the Collateral and the Obligations is or will be complete and accurate. The Borrower shall defend and hold harmless Lender against all persons whomsoever claiming the Collateral or any part thereof.

3.6 This Agreement creates a valid and perfected first priority security interest of Lender in the Collateral securing the payment of the Obligations, and all filings and other actions necessary to perfect and protect such security interest have been duly taken, including, without limitation, the proper notation on each certificate of title covering any item of the Collateral of the security interest of the Lender necessary to perfect the Lender's interest in that item of Collateral.

3.7 No consent, authorization, approval or other action by, and no notice to or filing with, any governmental authority, regulatory body, lessee or other person or entity is required either (i) for the grant by the Borrower of the security interest granted hereby or for the execution, delivery or performance of

this Agreement by the Borrower, or (ii) for the perfection or exercise by the Lender of its rights and remedies hereunder.

ARTICLE IV

COVENANTS OF THE BORROWER

4.1 Records and Inspection Rights

The Borrower shall at all times keep accurate and complete Records with respect to the Collateral, including, but not limited to, a record of all payments and proceeds received therefrom or as a result of the sale thereof and of all credits granted. The Lender or its representatives shall have the right at any time and from time to time to call at the Borrower's place or places of business and inspect the Collateral and to examine or cause to be examined all of the Records relating to the Collateral and to make extracts or copies thereof.

4.2 Maintenance

The Collateral will be used solely for business purposes, will remain in the possession or control of the Borrower, and will not be misused or abused, wasted or allowed to deteriorate, except for ordinary wear and tear in its intended primary uses.

4.3 No Transfers

The Borrower shall not make or permit to be made in the future any material assignment, pledge, hypothecation, transfer, sale or other disposition of the Collateral.

4.4 Liens

The Borrower shall keep the Collateral free from all levies, attachments, liens, encumbrances and charges of whatsoever kind, whether arising by judicial process or otherwise, and will pay promptly when due all taxes, fees, assessments and other charges now or hereafter imposed upon the Collateral.

4.5 Insurance

The Borrower will at all times until satisfaction in full of the Obligations insure the Collateral with loss payable to the Lender in form and amounts and under agreements and with insurance companies satisfactory to the Lender.

4.6 Schedule

The Borrower will from time to time, when requested by the Lender, prepare and deliver to the Lender a schedule of all the Collateral, including, without limitation, the location and condition thereof, and assign in writing and deliver to the Lender (appropriately endorsed to the Lender) all accounts, contracts, leases and other chattel paper, instruments, documents and other evidence thereof.

4.7 Notices of Loss

The Borrower will immediately notify the Lender of any event causing loss or depreciation in the value of the Collateral and the amount of such loss or depreciation.

4.8 Further Assurances

The Borrower shall do such further acts and things, and to execute and deliver such additional conveyances, assignments,

agreements and instruments, at its own expense, which the Lender may at any time reasonably request in connection with the administration and enforcement of this Security Agreement or relative to the Collateral or any part thereof or in order better to assure and confirm unto the Lender its rights and remedies hereunder. The Borrower shall, if the Lender so requests, execute and, at its own expense, file or record all instruments and documents, and take all action, that may be necessary or desirable, or that the Lender may request, in order to perfect and protect the first priority security interest in the Collateral granted or purported to be granted hereby or to enable the Lender to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, the Borrower shall: (i) duly note the security interest of the Lender on each certificate of title covering any of the Collateral and on any registration without certification of title covering any of the Collateral, (ii) file this Agreement with the Interstate Commerce Commission in order to perfect the Lender's lien on the Rolling Stock forming part of the Collateral under the provisions of 49 U.S.C.A. § 11303 (Supp. 1986) (formerly Section 20c of the Interstate Commerce Act), and (iii) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, and make such recordings, as may be necessary or desirable, or as the Lender may request, in order to perfect and preserve the security interests granted or purported to be granted hereby, including, without limitation, execution and

filing of such instruments and recordings as may be necessary under federal law relating to the creation and perfection of a security interest in any of the Rolling Stock. The Lender is authorized, as a secured party under the Uniform Commercial Code, to file financing statements or continuation statements signed only by the Lender, and the Borrower shall pay all expenses of the Lender in connection with any such filing.

4.9 Covenants Applicable to Rolling Stock. Without limiting the generality of the foregoing covenants of this Article as they apply to Rolling Stock, and specifically without limiting the Borrower's Obligations pursuant to Section 4.8, the following additional covenants are made by the Borrower to the Lender with respect to the Rolling Stock:

4.9.1 Location of Rolling Stock. Borrower shall cause the Rolling Stock to be kept in jurisdictions where all actions required to perfect Lender's security interest in such Rolling Stock have been taken.

4.9.2 Maintenance of Rolling Stock. Borrower shall cause the Rolling Stock to be maintained and preserved in the same condition, repair and working order as when newly refurbished, ordinary wear and tear excepted, and in accordance with any manufacturer's manual and shall forthwith, or in the case of any loss or damage to any of the Rolling Stock as quickly as practicable after the occurrence thereof, make or cause to be made all repairs, replacements and other improvements in connection therewith which are necessary or desirable to such end. The

Borrower shall promptly furnish to Lender a statement respecting any loss or damage to any of the Rolling Stock.

4.9.3 Marking of Rolling Stock. Borrower shall:

(a) mark each car of the Rolling Stock appropriately to show the Borrower's ownership and its assigned reporting mark and number in accordance with the rules and regulations of the American Association of Railroads or such other organization, including without limitation the National Railway Historical Society, as is appropriate for the type of Rolling Stock owned by Borrower, and maintain and cause such Rolling Stock to be always so marked while this Agreement remains in effect and not cause or allow such Rolling Stock to be marked so as to indicate ownership in any other party or to be renumbered without the prior written consent of the Lender, nor allow such Rolling Stock to be marked so as to indicate a lien thereon allegedly held by any party other than the Lender; and

(b) at its own cost and expense, as soon as practicable, cause each item of the Rolling Stock (if not prevented by applicable law or regulations or governmental authority, and if it will not adversely affect the proper use thereof) to be legibly marked in a reasonably prominent location with such a plate, disk or other marking of customary size, and bearing such a legend, as shall be appropriate or desirable to evidence the fact that it is subject to the lien and security interest of the Lender hereunder. The Borrower shall not remove or deface, or permit to be removed or defaced, any such plate, disk, or other marking or the identifying

manufacturer's serial number, and, in the event of such removal, defacement or other disappearance thereof, the Borrower shall promptly cause such plate, disk or other marking or serial number to be promptly replaced.

ARTICLE V

ACTIONS BY THE LENDER

5.1 General Authority of the Lender

The Lender shall have and be entitled to exercise all such powers hereunder as are specifically delegated to the Lender by the terms hereof, together with such powers as are reasonably incidental thereto. The Lender may execute any of its duties hereunder by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of such counsel concerning all matters pertaining to its duties hereunder.

5.2 Protection of Collateral

At its option, the Lender may discharge past due taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, unless the same shall be contested in good faith by the Borrower by appropriate proceedings (and the Borrower shall have set aside all required reserves in accordance with generally accepted accounting principles) as provided in the Loan Agreement, and the Lender may pay for the maintenance and preservation of the Collateral. The Borrower shall reimburse the Lender on demand for any payment made or any expense incurred by the Lender pursuant to the foregoing authorization;

provided, however, that nothing in this Section 5.2 or its exercise may be interpreted as excusing the Borrower from the performance of any covenants or other promises with respect to such past due taxes, liens, security interests or other encumbrances as set forth in this Agreement or the Loan Agreement. Nothing in this Section 5.2 shall impose upon the Lender any obligation to take any action with respect to the maintenance or preservation of any Collateral, which shall at all times be and remain the obligation solely of the Borrower.

ARTICLE VI

REMEDIES

If an Event of Default occurs and is continuing, the Lender shall have the following rights:

6.1 Collections

The Lender shall have the right to receive, endorse, assign and/or deliver in its own name or the name of the Borrower any and all checks, drafts and other instruments for the payment of money relating to the Accounts Receivable, the Intangibles and the Proceeds, and the Borrower hereby waives notice of presentment, protest and nonpayment of any instrument so endorsed.

6.2 Possession

The Lender shall have the right with or without legal process and with or without previous notice or demand for performance, to seize any of the Collateral, enter any premises where the Collateral is located and take possession of the same,

together with anything therein, and make disposition of, or proceed to enforce payment of, the Collateral subject to any and all applicable provisions of law.

6.3 Remedies at Law

In addition to rights granted hereunder, the Lender shall have the right to exercise any and all rights and remedies afforded to it under any and all applicable provisions of law. These rights and remedies shall include, without limitation, those granted pursuant to the Uniform Commercial Code, whether or not the Uniform Commercial Code would otherwise apply to the affected Collateral.

6.4 Sale of Collateral

The Lender shall have the right, with or without the giving of notice or demand for performance, to exercise a power of sale or commence judicial foreclosure proceedings with respect to any Collateral. If the Collateral is sold at one or more public or private sales, the Lender may purchase all or part of the Collateral at such sale or sales. The Lender shall apply the proceeds of any such sale or sales as follows: first, to the payment of all costs and expenses of the Lender incurred in connection with such sale or otherwise in connection with the Security Agreement or any of the Obligations, including, but not limited to, the reasonable fees and expenses of its agents and counsel to the Lender; second, to the payment or reduction of any principal of or interest on the Loan in such order as the Lender may determine in its discretion; and third, to the payment in full of all other Obligations. Any amounts remaining after such

applications shall be promptly remitted to the Borrower, its successors or assigns, or as a court of competent jurisdiction might otherwise direct. The Lender shall have absolute discretion as to the time of application of any proceeds in accordance with this Security Agreement.

6.5 Power of Attorney

In furtherance of this Article, the Borrower hereby irrevocably appoints the Lender its true and lawful agent, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Borrower, without notice to or assent of the Borrower, and in the name of the Borrower or in the name of the Lender or otherwise, for the use and benefit of the Lender: (a) to endorse the name of the Borrower upon any notes, acceptances, checks, drafts, money orders or other evidences of payment that may come into the possession of the Lender; (b) to demand, collect, receive payment of, receipt for, and give discharges and releases of, all or any of the Accounts and the Proceeds; (c) to sign the name of the Borrower on drafts against customer assignments and verifications of Accounts and notices to customers; (d) to send verifications of Accounts to any customer; (e) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction and to collect or otherwise realize on all or any of the Accounts or the Proceeds or to enforce any rights in respect thereof or in respect of any other Collateral; (f) to settle, compromise, compound, adjust or defend any actions, suits

or proceedings relating to or pertaining to all or any of the Collateral; and (g) generally to sell, assign, transfer, pledge, make any agreement with respect to, or otherwise deal with, all or any of the Collateral, and to do all other acts and things necessary to carry out this Security Agreement, as fully and completely as though the Lender were the absolute owner thereof for all purposes; provided, however, that, unless an Event of Default shall have occurred, the Borrower may otherwise deal with the Collateral (including the Proceeds) in any lawful manner in the ordinary course of its business not inconsistent with the provisions of this Security Agreement.

6.6 Indemnity

The reasonable costs of collection, notification and enforcement, including but not limited to counsel fees and out-of-pocket expenses, shall be borne solely by the Borrower, whether the same are incurred by the Lender or the Borrower. The Borrower agrees to indemnify and hold harmless the Lender from and against any and all claims, demands, losses, judgments and obligations (including obligations for penalties) of any nature, and to reimburse the Lender for all reasonable costs and expenses, including reasonable counsel fees, growing out of or resulting from this Security Agreement or the exercise of any right or remedy granted to the Lender hereunder. In no event shall the Lender be liable for any matter or thing in connection with this Security Agreement other than to account for monies actually received by it in accordance with the terms hereof.

6.7 Remedies Cumulative

All the rights and remedies of the Lender, whether evidenced hereby or by any other agreement, instrument or paper, shall be cumulative and may be exercised singly or concurrently.

ARTICLE VII

WAIVERS AND RELEASES

7.1 No Implied Waiver or Modification

No course of dealing between the Borrower and the Lender, no forbearance, failure to exercise, no delay in exercising, no single, partial or further exercise of, any right, power, remedy or privilege of the Lender hereunder or under the Loan Agreement, or the exercise of any other right, power, remedy or privilege, shall affect or operate as a waiver or modification thereof. No abandonment, interruption or discontinuance of steps to enforce any such right, power, privilege or remedy shall affect such right, power, privilege or remedy.

7.2 Waiver in Writing

All rights, powers, privileges and remedies of Lender pursuant to the Loan Documents shall continue in full force and effect until specifically waived by an instrument in writing executed by the Lender. Any waiver, consent or approval of any kind by the Lender of any Event of Default or any waiver of any provision or condition of this Security Agreement or any other Loan Document, must be in writing and shall be effective only to the extent it is set forth in writing.

7.3 Waiver of Rights by Borrower

To the extent such waiver is permitted by applicable law, the Borrower waives any right to require the Lender to:

- (i) proceed against any person;
 - (ii) proceed against or exhaust the Collateral or any other security for the Obligations granted by the Borrower or any other person or entity;
 - (iii) proceed against the Collateral in any order or comply with any law governing the marshalling of assets, the order of sale of Collateral, appraisalment, valuation, stay, extension or redemption, now or hereafter in force;
 - (iv) give notice to the Borrower of the terms, time and place of any public or private sale of the Collateral, or otherwise comply with Section 9-504 of the Uniform Commercial Code;
 - (v) pursue any other remedy in the Lender's power;
- or
- (vi) make or give any presentments, demand for performance, notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any obligations or evidences of obligations held by the Lender as Collateral, or in connection with any obligations or evidences of indebtedness which constitute in whole or in part the Obligations secured under this Security Agreement or in connection with the creation of new or additional Obligations.

7.4 Waiver of Defenses by Borrower

The Borrower waives any defense arising by reason of:

(i) any disability or other defense of the Borrower or any other entity;

(ii) the cessation from any cause whatsoever, other than payment in full, of the Obligations of the Borrower or any other entity;

(iii) any act or omission by the Lender which directly or indirectly results in or aids the discharge of the Borrower or any of the Obligations by operation of law or otherwise; or

(iv) any modification of the Obligations in any form whatsoever, including, but not limited to, any modification made by any revocation of this Agreement to any obligation incurred prior to such revocation, or the renewal, extension, acceleration or other change in the time for payment of the Obligations, including, but not limited to, any increase or decrease of the rate of interest on the Obligations.

7.5 Waiver of Subrogation Rights

Until all the Obligations shall have been paid in full, the Borrower waives any right to enforce any remedy which the Lender now has or may hereafter have against any person or entity guaranteeing or securing the Obligations, and waives any benefit of, or any right to participate in, any security whatsoever now or hereafter held by the Lender for the Obligations.

7.6 Liability of the Lender

The Lender shall not be responsible or liable for any shortage, discrepancy, damage, loss or destruction of any part of the Collateral wherever the same may be located regardless of the cause thereof unless the same shall happen through the gross negligence or wilful misconduct of the Lender. The Lender shall not, under any circumstances or any event whatsoever, have any liability for any error or omission or delivery of any kind incurred in the settlement, collection or payment of any of the Collateral or of any instrument received in payment therefor or for any damage resulting therefrom.

ARTICLE VIII

MISCELLANEOUS

8.1 Governing Law; Amendments

This Security Agreement shall be deemed to be a contract made under the laws of the State of California and shall be construed in accordance with and governed by the laws of said State, except to the extent that the validity or perfection of any security interest created hereunder or remedies hereunder in respect of any particular Collateral are governed by Federal law. This Security Agreement may not be amended or modified, nor may any of the Collateral be released, except by written instrument signed by the Lender and the Borrower.

8.2 Successors and Assigns

Whenever in this Security Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors, participants and assigns of such party and all covenants, promises and agreements by or on behalf of the Borrower in this Security Agreement shall bind and inure to the benefit of the successors, participants and assigns of the Lender;

8.3 Severability

If any part of this Security Agreement is contrary to, prohibited by or deemed invalid under applicable laws or regulations, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible. If any part of this Security Agreement is contrary to, prohibited by or deemed invalid under the applicable laws and regulations of one jurisdiction, such provision is not thereby rendered invalid in any other jurisdiction.

8.4 Place of Business; Location of Collateral

The Borrower hereby warrants that the principal place of business and chief executive office of the Borrower and the office where the Borrower keeps its Records is located at the address specified for the Borrower in Section 8.6. The Borrower agrees to notify the Lender promptly of the opening of any new places of business and of the change of location of any office at which any Records or Collateral are kept and, prior to the effectiveness thereof, any change in its corporate name.

8.5 Headings

Section headings have been inserted into this Security Agreement as a matter of convenience of reference only, and it is agreed that such Section headings are not a part of this Security Agreement and shall not be used in the interpretations of any provision of this Security Agreement.

8.6 Notices

All notices shall be conclusively deemed to have been and shall be effective on the day on which delivered, in the case of the Borrower, addressed to NAPA VALLEY WINE TRAIN, INC., 1275 McKinstry Street, Napa, California 94559, and in the case of the Lender, addressed to VINCENT M. DeDOMENICO, Golden Grain Macaroni Co., 1111-139th Avenue, San Leandro, California 94578-2671 (marked "Personal & Confidential"), with a copy to Heller, Ehrman, White & McAuliffe, 333 Bush Street, San Francisco, California 94104, Attention: Douglas P. Ley.

8.7 Survival of Representations and Warranties

The representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

IN WITNESS WHEREOF, the undersigned have caused this Security Agreement to be duly executed and delivered by their duly authorized officers on the day and year first above written.

Lender:

VINCENT M. DeDOMENICO

V. DeDomenico

Borrower:

NAPA VALLEY WINE TRAIN, INC.

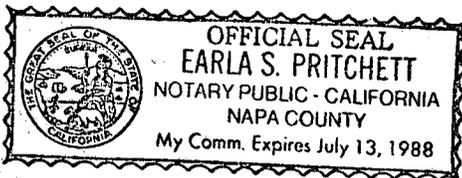
By

[Signature]

Title: President

STATE OF CALIFORNIA)
) ss:
COUNTY OF NAPA)

On this 14th day of April, in the year 1987,
before me, the undersigned, a Notary Public in and for said state,
personally appeared Jack McCormack, personally known to me
(or proved to me on the basis of satisfactory evidence) to be the
person who executed this instrument as President
of NAPA VALLEY WINE TRAIN, INC., the corporation therein named, and
acknowledged to me that said corporation executed it.



Signature: Earla S. Pritchett
My Commission Expires: 7/13/88

STATE OF CALIFORNIA)
) ss:
COUNTY OF San Francisco)

On this 27th day of March, in the year 1987,
before me, the undersigned, a Notary Public in and for said state,
personally appeared Vincent M. DeDomenico, personally known to me
(or proved to me on the basis of satisfactory evidence) to be the
person therein named who executed the within instrument and
acknowledged to me that he freely executed the same.

Signature: Ann L. Harker
My Commission Expires: 4/8/88

