

1
2 IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
3
4 BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

5
6 ROUND HILL CELLARS)

76/469,121

7)
8 v.)

) Cancellation No. 92054462

9) REQUEST TO SET ASIDE NOTICE
10 LOLONIS WINERY) OF

) DEFAULT JUDGMENT

11)
12 _____)
13 Lolonis Vineyards, Inc., by and through undersigned counsel, for the several just
14 reasons stated below, hereby requests that the default judgment in the above matter
15 be set aside and that Lolonis Vineyards, Inc. be substituted for Lolonis Winery, Inc.
16 as party to the proceeding.

17
18 In 2011, Petitioner Round Hill Cellars commenced these proceedings for
19 cancellation of registration of certain marks to Lolonis Winery, Inc. At the time of
20 its first filing of papers before the Board, Petitioner was aware that Lolonis Winery,
21 Inc., had filed for bankruptcy. A copy of the first pages of that bankruptcy petition
22 dated 25 March 2011 and the matrix page 68 stating service upon Petitioner appears
23 as Exhibit "D" attached and is incorporated by this reference. The existence of the
24 receivership was disclosed in many papers filed in course of the proceeding in
25 bankruptcy. The debtor Lolonis Winery, Inc. was denied custody of the bankruptcy
26 estate, which custody was confirmed in the receiver James Baron on 17 May 2011 by
27 order of the US Bankruptcy Court, seen at Exhibit "E" attached and incorporated by
28 this reference. Petitioner was conclusively on notice that the receiver was the proper



01-03-2012

1 party to a cancellation proceeding, to act on behalf of Lolonis Winery's secured
2 creditor, First National Bank of Northern California

3
4 Petitioner makes use of several names in connection with its wine business.
5 Rutherford, Rutherford Ranch and Round Hill are all used by Petitioner, see
6 Rutherford Wine Co. website home page at Exhibit "F". First National Bank's
7 counsel Dennis D. Miller received two telephonic offers for purchase of the mark
8 registrations from Iain MacDonald Esq., counsel who identified himself as acting for
9 client Rutherford (Declaration of Dennis D. Miller). Rutherford is the same entity as
10 Petitioner. By these phone calls, MacDonald acknowledged First National Bank's
11 exclusive interest in the registrations, as he would not have initiated such telephone
12 calls unless he had actual knowledge of First National's sole power over the
13 registrations. Yet Petitioner did not name First National as respondent, or at the
14 very least precaution, co-respondent in this proceeding, and did not inform the Board
15 of First National's status. As a result, the notices of this proceeding continued to be
16 sent to the defunct address of Lolonis Winery, Inc. (Exhibit "G").

17
18 On 21 October 2011, Petitioner further filed with the Board a motion for default.
19 Three weeks earlier, Petitioner had received a Notification of Disposition of
20 Collateral from First National Bank, once again informing Petitioner that the proper
21 party to this proceeding was First National Bank and not Lolonis Winery
22 (Declaration of Dennis Miller). At the time of filing the motion for default,
23 Petitioner had known for months and been lately reminded that the improperly
24 named Respondent Lolonis Winery had no interest in the registrations to defend.
25 Petitioner did not notice First National Bank, its counsel, or the court-appointed
26 receiver of the pendency of this cancellation proceeding (Declaration of Dennis
27 Miller), though Petitioner knew of their identity and addresses.

28

1 In the past, the Board has been reluctant to enter a judgment by default and the Board
2 has a general tendency to entertain a motion to set aside a notice of default when the
3 reason for delay in answering the petition for cancellation rises to the level of “good
4 cause.” In the present case, default occurred without neglect of the proper party, but
5 at least from culpable neglect or opportunism of Petitioner who sought to obtain a
6 judgment during the hiatus period that the court-appointed receiver was soliciting
7 offers for the business assets of the holder of the registrations. Petitioner has
8 withheld from the Board its knowledge of the true state of title to the registrations.
9

10 The mark registrations of Lolonis Winery, Inc. are among the general intangibles
11 transferred by receiver to Lolonis Vineyards, Inc. (Exhibit “A”) and Lolonis
12 Vineyards, Inc. has not had opportunity to record assignment of the marks because of
13 pendency of this proceeding.
14

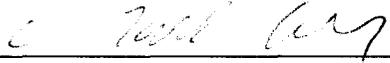
15 The mailing date of the Notice of Default Judgment was 30 November 2011 (meter
16 stamp, Exhibit “G”) and not 28 November as marked on the Notice itself.
17

18 Lolonis Vineyards, Inc., therefore respectfully requests:
19

- 20 1. That the notice of default judgment be set aside, and a rehearing be granted;
- 21 2. That Lolonis Vineyards, Inc., through its counsel identified below, receive
22 from Petitioner a complete set of Petitioner’s filings to date before the Board
23 in these proceedings, and of the Board’s filings also;
- 24 3. That the trial calendar be reset to allow a closing date of discovery at least 90
25 days beyond the date of the Board’s order herein;
- 26 4. That Lolonis Vineyards, Inc. have leave to record its Assignment of
27 Registration and be substituted as proper Respondent herein.
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Respectfully submitted,
Lolonis Vineyards, Inc.

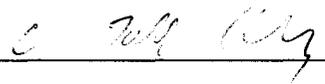
By: 

C. Todd Kennedy
Attorney at Law
1315 33rd Avenue
San Francisco CA 94122

CERTIFICATE OF MAILING

I hereby certify that on this 28th day of December, 2011, the enclosed REQUEST TO SET ASIDE DEFAULT JUDGMENT, together with DECLARATION OF DENNIS MILLER, ESQ. is being deposited with United States Postal Service as first-class mail, postage prepaid, in an envelope addressed to the following:

Attn: Trademark Trial and Appeal Board
Commissioner for Trademarks
P.O. Box 1451
Alexandria VA 22313-1451



C. Todd Kennedy

Certificate of Service

The undersigned hereby certifies that on 28 December 2011, he served a copy of the foregoing Request on opposing counsel by depositing it, postage prepaid, with the United States Postal Service addressed as follows:

Paul W. Reidl
Law Office of Paul Reidl
3300 Wycliffe Drive
Modesto CA 95355



C. Todd Kennedy

1
2 IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
3 BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD
4

5
6 ROUND HILL CELLARS)
7)
8 v.) Cancellation No. 92054462
9) DECLARATION OF
10 LOLONIS WINERY) DENNIS D. MILLER, ESQ.
11)
12 _____)

13
14 I, Dennis D. Miller, Esq., am licensed to practice law in the State of California
15 and at all times relevant herein, was and am a member of Stein and Lubin LLP,
16 counsel to First National Bank of Northern California (“FNB”). In December 2010
17 and on behalf of FNB, I caused to be filed in the Superior Court of California for the
18 County of Mendocino, an application for appointment of receiver to take custody of
19 substantially all assets of FNB’s debtor, Lolonis Winery, Inc. That application was
20 granted in the court’s order dated 17 December 2010, which order is incorporated by
21 reference and attached hereto as Exhibit “A”.

22
23 On 20 April 2011 and again on 24 May 2011, I was contacted by telephone by Iain
24 MacDonald, Esq., who identified himself as bankruptcy counsel for Rutherford,
25 whereby he expressed Rutherford’s interest in purchasing the Ladybug trademark
26 which he believed was an asset of Lolonis Winery, Inc. and subject to FNB’s
27 blanket security interest. I informed Mr. MacDonald that the Ladybug trademark
28

1 was subject to the automatic stay of the bankruptcy case of Lolonis Winery, Inc. and
2 FNB could not sell it.

3
4 On 29 September 2011 I caused to be mailed the Notification of Disposition of
5 Collateral to, inter alia, Round Hill Cellars at the address of their counsel, Paul
6 Reidl, Esq., which document is by incorporated by reference and attached hereto as
7 Exhibit "B". Service of this Notification upon Round Hill Cellars is recorded on the
8 last page of the document.

9
10 On 18 November 2011, Lolonis Vineyards, Inc. purchased from FNB all assets of
11 Lolonis Winery, Inc. through a sale where I was counsel for FNB. By its terms, that
12 sale included the general intangibles, including intellectual property rights, of
13 Lolonis Winery, Inc. A Secured Party Bill of Sale and Transfer Statement was
14 executed by the parties to the transaction, which is incorporated by reference and is
15 attached hereto as Exhibit "C".

16
17 At no time during my representation of FNB in the matters addressed herein, have I,
18 as FNB's counsel, received notice of the pendency of the action for cancellation no.
19 92054462 before the Trademark Trial and Appeals Board. I attended the Meeting of
20 Creditors in the Lolonis Winery Chapter 11 held on April 25, 2011. I recall that
21 Petros Lolonis' wife, one of the owners of Lolonis Winery, Inc. testified at the
22 Meeting of Creditors that Lolonis Winery Inc.'s dispute with Rutherford had been
23 settled.

24
25 The undersigned Dennis D. Miller, Esq., being hereby warned that willful false
26 statements and the like so made are punishable by fine or imprisonment, or both,
27 under Section 1001 of Title 18 of the United States Code and that such willful false
28 statements may jeopardize the validity of the registration or any registration

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resulting therefrom, declare all statements made herein are of his own knowledge and are true.

Date: 28 December 2011

A handwritten signature in black ink, consisting of several loops and curves, positioned above a horizontal line.

Dennis D. Miller, Esq.

1 Dennis D. Miller (SBN 138669)
Eugene K. Chang (SBN 209568)
2 STEIN & LUBIN LLP
600 Montgomery Street, 14th Floor
3 San Francisco, California 94111
Telephone: (415) 981-0550
4 Facsimile: (415) 981-4343
dmiller@steinlubin.com
5 echang@steinlubin.com

6 Attorneys for Plaintiff
FIRST NATIONAL BANK OF NORTHERN
7 CALIFORNIA

8 SUPERIOR COURT OF CALIFORNIA

9 COUNTY OF MENDOCINO

10 UNLIMITED JURISDICTION

11
12 FIRST NATIONAL BANK OF
NORTHERN CALIFORNIA,

13 Plaintiff,

14 v.

15 LOLONIS WINERY, a California
16 corporation; PETROS LOLONIS, an
individual; LOLONIS VINEYARDS,
17 INC., a California corporation; and DOES
1 through 50, inclusive,

18 Defendants.

Case No. SCUK-CVG-1057244

**[PROPOSED] ORDER GRANTING FIRST
NATIONAL BANK OF NORTHERN
CALIFORNIA'S MOTION FOR ORDER
APPOINTING RECEIVER AND
PRELIMINARY INJUNCTION**

Date: December 17, 2010
Time: 9:30 a.m.
Dept: E
Judge: Hon. John A. Behnke

Action Filed: November 8, 2010
Trial Date: Not Set

19
20
21 The motion of Plaintiff First National Bank of Northern California ("FNB") for the
22 appointment of a receiver and preliminary injunction (the "Motion") came on for hearing on
23 December 17, 2010 at 9:30 a.m. in Department E of the above reference Court, the Honorable
24 John A. Behnke, presiding. FNB appeared by its counsel Dennis D. Miller of Stein & Lubin LLP
25 and all other appearances were as noted on the record.

26 The Court having reviewed FNB's Motion and the arguments therein, having
27 considered the evidence in support of the Motion, and the opposition and evidence thereto,
28 including argument of counsel at the hearing, and good cause appearing:

19120053/424396v1

1

Case No. SCUK-CVG-1057244

**[PROPOSED] ORDER GRANTING FIRST NATIONAL BANK OF NORTHERN CALIFORNIA'S
MOTION FOR ORDER APPOINTING RECEIVER AND PRELIMINARY INJUNCTION**

EXHIBIT "A"

ENDORSED-FILED

DEC 17 2010

CLERK OF MENDOCINO COUNTY
SUPERIOR COURT OF CALIFORNIA
K. Onat

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IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. James Baron, whose address is 718 University Avenue, Suite 213, Los Gatos, California is hereby appointed receiver.
3. Before entering his duties as receiver, James Baron shall undertake an oath to perform the duties receiver faithfully, that he will execute an undertaking or secure a bond in the amount of \$ _____ payable to the State of California for the faithful performance of those duties subject to the orders of this Court and that the oath and undertaking, or bond, be filed with the Clerk of the above Court.
4. On the filing of the executed oath and undertaking, or bond, James Baron, as receiver, shall take possession of the following described property (hereafter the "Property"):

All Inventory, Chattel Paper, Accounts, Equipment, General Intangibles, Certificates Of Title, Instruments, Promissory Notes, Deposit Accounts, Letter-Of-Credit Rights, Supporting Obligations, Investment Property, Goods, Commodity Accounts, And Commodity Contracts, Including But Not Limited To ALL RELATED ITEMS NECESSARY TO OPERATE AND MAINTAIN THE ABOVE-LISTED ITEMS.

The Property shall also include the following:

- (A) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the collateral described herein, whether added now or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all Grantor's, [Lolonis Winery] right, title, and interest in and to all computer software required to utilize, create, maintain, and

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process any such records or data on electric media.

The Property shall also include the following as described in the Agricultural Security Agreement:

ALL CROPS AND FARM PRODUCTS

5. The receiver shall: (1) manage, receive and collect the Property in which FNB holds a security interest to the extent that the same is not in FNB's possession, including, without limitation, the proceeds therefrom; (2) apply the same to the payment of principal and interest owing from defendants to FNB in accordance with orders of this Court and the parties' agreements; and (3) to uphold and carry into effect the terms of FNB's security interest.

6. The receiver shall take possession of all the books and records pertaining to the Property of the defendant, wherever located, as the receiver deems necessary for the proper administration, management and/or control of the estate, but the books and records shall be made available to defendant as is reasonably necessary.

7. To execute and prepare all documents and to perform all acts, either in the name of the defendant or in the receiver's own name, which are necessary or incidental to preserving, protecting, managing an/or controlling the Property of the receivership estate.

8. To employ agents, servants, employees, guards, clerks, accountants, on-site managers and management consultants to administer the receivership estate, manage the Property and keep the same insured and in good repair, if the receiver shall deem the same necessary, and to pay the reasonable value of those services out of the proceeds received.

9. The defendant shall notify the receiver upon the receiver's taking possession of the Property whether or not there is sufficient insurance coverage on the Property. If sufficient insurance coverage does exist, the defendant shall be responsible for naming, and is hereby ordered to name, the receiver as an additional insured on the insurance policy or policies for the period that the receiver shall be in possession of the Property. If there is insufficient insurance coverage, it is hereby ordered that the receiver shall have thirty (30) working days to procure insurance on the Property, providing that the receiver has funds available to do so, and during that period the receiver shall not be personally responsible for claims arising or for the

1 procurement of insurance.

2 10. To establish bank accounts for the deposit of monies and funds collected
3 and received in connection with his or her administration of the receivership estate, at any
4 financial institution the receiver deems appropriate, provided that any funds on deposit at the
5 financial institution are fully insured by an agency of the United States government.

6 11. To institute ancillary proceedings in this state or other states and countries
7 as are necessary to preserve and protect the receivership estate, and the receiver may engage the
8 services of legal counsel, if necessary, upon further application to the Court. The receiver may
9 pay for such services from the funds of the receivership estate.

10 12. To the extent feasible; the receiver shall, within thirty (30) days of his
11 qualification hereunder, file in this action an inventory of all Property of which he shall have
12 taken possession pursuant to this order and shall conduct periodic accountings thereafter.

13 13. To prepare periodic interim statements reflecting the receiver's fees and
14 administrative costs and expenses incurred for that interim period in the operation and
15 administration of the receivership estate. Upon completion of an interim statement, and the
16 mailing of the statement to the parties' respective attorneys of record, or any other designated
17 person or agent, the receiver shall pay from the estate funds, if any, the amount of that statement,
18 based upon the fee schedule set forth in the declaration of the receiver filed in support of FNB's
19 motion for appointment of a receiver. Despite the periodic statement of receiver's fees and
20 administrative expenses, such fees and expenses shall be submitted to the Court for its approval
21 and confirmation, in the form of a notice of an interim request for fees, an agreement among the
22 parties, or the receiver's final accounting and report.

23 14. The receiver shall take possession of all the books and records of defendant
24 wherever located, as the receiver deems necessary for the proper administration, management,
25 and/or control of the Property.

26 15. The receiver, or any party to this action, may, from time to time and on due
27 notice to all parties, make application to this Court for further orders instructing the receiver.

28 **IT IS FURTHER ORDERED THAT** Lolonis Winery is hereby enjoined and

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restrained from engaging in, or performing directly or indirectly, any or all of the following acts:

16. Demanding, collecting, receiving, spending or any other way converting or using any of the Property;

17. Transferring, selling, pledging, granting a security interest in or in any other manner disposing or hypothecating any of the Property;

18. Transferring concealing destroying defacing or altering any of the instruments, documents, ledger cards, books, records, printouts or any other writings relating to the business of Lolonis Winery; and

19. Transferring directly or indirectly any interest by sale, shipment of goods, pledge or grant of security interest, assignment, invoice or encumbering in any manner the Property in which FNB holds a security interest specifically described in the documents subject to the Motion and incorporated herein by this reference, and any all proceeds or products thereof.

DATED: 12-17-10

S/ Leonard LaPasse
JUDGE OF THE SUPERIOR COURT

**NOTIFICATION OF DISPOSITION OF
COLLATERAL**

TO: Borrower
Lolonis Winery

Guarantors
Petros Lolonis
Lolonis Vineyards, Inc.

FROM: First National Bank of Northern California
c/o Dennis D. Miller
Eugene Chang
Stein & Lubin LLP
600 Montgomery St., 14th Floor, San Francisco, CA 94111
Telephone: 415/981-0550; Facsimile: 415/981-4343
E-Mail: dmiller@steinlubin.com, echang@steinlubin.com

We will sell the following property:

1. All of the following property of Lolonis Winery, consisting of:

All inventory, Chattel Paper, Accounts, Equipment, General Intangibles, Certificates of Title, Instruments, Promissory Notes, Deposit Accounts, Letter-of Credit Rights, Supporting Obligations, Investment Property, Goods, Commodity Accounts and Commodity Contracts, including but not limited to ALL RELATED ITEMS NECESSARY TO OPERATE AND MAINTAIN THE ABOVE LISTED ITEMS

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

- (A) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the collateral described herein, whether added nor or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.

(D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.

(E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

2. All Crops and Farm Products, and as described on Exhibit 1, attached hereto (collectively the "Property") to Lolonis Vineyards, Inc.

privately sometime after Monday, October 10, 2011.

You are entitled to an accounting of the unpaid indebtedness secured by the Property that we intend to sell. You may request an accounting by contacting the undersigned at the address set forth below or by calling the undersigned at 415-981-0550. This notice is being given to comply with the California Commercial Code.

Dated: September 29, 2011

STEIN & LUBIN LLP,

By: _____

Dennis D. Miller
Attorneys for FIRST NATIONAL BANK OF
NORTHERN CALIFORNIA
Stein & Lubin LLP
600 Montgomery St., 14th Floor
San Francisco, CA 94111
Telephone: 415/981-0550;
Facsimile: 415/981-4343
E-Mail: dmiller@steinlubin.com,
echang@steinlubin.com

CLAIMED SECURED CREDITORS

Balboa Capital
c/o Michelle A. Chiongson
2010 Main Street, 11th Fl.
Irvine, CA 92614

Leaf Financial
P.O. Box 644006
Cincinnati, OH 44264-4006

Marlin Leasing Corp
P.O. Box 13604
Philadelphia, PA 19101-3604

Carbaldva
2010 Main Street, Suite 1150
Irvine, CA 92614

Exchange Bank
P.O. Box 760
Santa Rosa, CA 95402

Santa Barbara Bank & Trust
1 South Los Carneros Rd.
Goleta, CA 93117

Phillip H. Lolonis
1808 Cole Venue, #2A
Walnut Creek, CA 94596

Dillwood, Burke & Sully LLP
175 Concourse Blvd.
Santa Rosa, CA 95403

Douglas B. Provencher
Law Offices of Provencher and Flatt
823 Sonoma Avenue
Santa Rosa, CA 95404

Attorneys for Creditors
Leroy Chase;
Golden Vineyards;
Steve Ricetti;
Rosewood Vineyards;
Jack Spilman

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444 Aviator Blvd.
Santa Rosa, CA 95403

Manifest Funding Services
P.O. Box 790448
St. Louis, MO 63170-0448

Tommerie Berthomieu
Coface Collections North America
P.O. Box 8471
Metairie, LA 70011

Auto Capital Group
2010 Main Street, Suite 1150
Irvine, CA 92614

US Bancorp
P.O. Box 580337
Minneapolis, MN 55458

LEAF Funding, Inc.
2005 Market Street, 15th Fl.
Philadelphia, PA 19103

Jack Spillman
12400 Tomki Road
Redwood Valley, CA 95470

State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0055

Dillwood, Burkel & Sully
c/o Dwayne N. Hem, III
1400 N. Dutton Avenue, Suite 21
Santa Rosa, CA 95401-4463

Nunez Vineyards
1000 E. Gobbi St.
Ukiah, CA 95482

Oakie Slopes Vineyard
10095 Kelsey Creek Drive
Kelseyville, CA 95451

Parerim Wines & Spirits
c/o Wendy Stout
4601 Moss Road
Ukiah, CA 95482

Pillsbury Winthrop Shaw Pittman, LLP
50 Fremont Street
San Francisco, CA 94105-2228

Poma Vineyard/Sharon Poma
P. O. Box 113
Redwood Valley, CA 95470

Steve Ricetti
P. O. Box 69
Redwood Valley, CA 95470

Roger Webb
2665 Webb Ranch Road
Redwood Valley, CA 95470

Rosewood Vineyards
Troy Satter White
633 School Way
Redwood Valley, CA 95470

Umpqua Bank
607 South State St.
Ukiah, CA 95482

Roger & Vickie Webb
Webb Vineyards
26665 Webb Ranch Road
Redwood Valley, CA 95470

Agatha P. Esterhazy
Branch Chief
CDFA
1220 N Street
Sacramento, CA 95814

R.F. Rossmoor, Inc.
4678 Work Parkway Circle
St. Louis, MO 63134

R.F. Rossmoor, Inc.
c/o Management Svcs. No. California
201 California Street
San Francisco, CA 94111

Round Hill Cellars
c/o Paul Reidl, Esq.
3300 Wycliffe Drive
Modesto, CA 95355

Sara Dorn Vineyards
5645 Sode Bay Rd.
Kelseyville, CA 95451

Sea Biscuit Vineyard
1380 Yount Mill Road
Napa, CA 94558

Sea Biscuit Ranch Vineyards
490 S. Highland Avenue
Ukiah, CA 95482

Shamrock Ranch
P.O. Box 356
Laytonville, CA 95454

Stephen F. Johnson
Mannon, King, & Johnson
200 N. School Street, Suite 304
P.O. Box 419
Ukiah, CA 95482

Alvin Tollini
4600 Eastside Calpella Rd.
Ukiah, CA 95482

John Upton
Upton Vineyards
9800 Laughlin Way
Redwood Valley, Ca 95470

Stella Stanouis
c/o Kay Karatioukas
990 Herdsman Way
Templeton, CA 93465

SECURED PARTY BILL OF SALE AND TRANSFER STATEMENT

First National Bank of Northern California, a national banking association, (the "Lender"), for good and sufficient consideration paid by Lolonis Vineyards, Inc., a California corporation (the "Buyer"), receipt of which is hereby acknowledged, does sell, assign and convey to the Buyer and its successors and assigns, pursuant to Section 9610, 9617 and other applicable sections of the Uniform Commercial Code as presently enacted in the State of California (the "Code") all right, title and interest of the Lender and of Lolonis Winery, a California corporation (the "Debtor"), in and to the following property of Debtor (the "Purchased Assets"):

All inventory, chattel paper, accounts, equipment, general intangibles, certificates of title, instruments, promissory notes, deposit accounts, letter-of-credit rights, supporting obligations, investment property, goods, commodity accounts, and commodity contracts, including but not limited to all related items necessary to operate and maintain the above-listed items.

The Purchased Assets shall also include the following:

(A) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the above.

(B) All products and produce of any of the above.

(C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights arising out of a sale, lease, consignment or other disposition of any of the above.

(D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the above, and sums due from a third party who has damaged or destroyed any of the above or from that party's insurer, whether due to judgment, settlement or other process.

(E) All records and data relating to any of the above whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all Debtor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electric media.

including, without limitation the items which are described in the attached Schedule A and Schedule B (collectively, the "Purchased Assets").

And, the Purchased Assets shall also include all crops and farm products of Debtor.

Certain specific examples of the Purchased Assets are described in Schedules A and B attached hereto. Neither Schedule A nor Schedule B is intended to be a complete list of Purchased Assets.

This document shall constitute a "transfer statement," as such term is defined and used in Section 9619 of the Code. Solely for purpose of any official filing, recording, registration, or certificate-of-title system covering the Purchased Assets, the Lender states as follows: (a) the Debtor has defaulted in connection with an obligation to the Lender secured by the Purchased Assets, (b) the Lender has exercised its postdefault remedies with respect to the Purchased Assets, (c) by reason of such exercise, the Buyer has acquired the rights of the Debtor in the Purchased Assets, and (d) the legal name and mailing address of the Lenders, as secured party, the Debtor, as the obligor under the secured obligations, and the Buyer as transferee of the Purchased Asset, are as follows:

Lender: First National Bank of Northern California
Loan Administration
65 Post Street
San Francisco, California 94104

Debtor: Lolonis Winery
1930 Tice Valley Blvd.
Walnut Creek, California 94595

Buyer: Lolonis Vineyards, Inc.
2038 Alameda de las Pulgas
San Mateo, California 94403

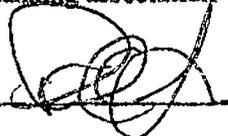
Buyer acknowledges and agrees that: (a) the Purchased Assets are being sold "as is and where is" and the Lender makes no, and hereby disclaims any, representation or warranty to the Buyer with respect to the Purchased Assets or the transactions contemplated hereby, including without limitation any warranty of merchantability or fitness for a particular purpose; and (b) there is no warranty relating to title, possession, quiet enjoyment, or the like in this disposition. Without limiting the generality of the foregoing, the Lender makes no representation or warranty, express or implied, as to the validity or utility of the Purchased Assets, or as to the status of any trademarks including whether any use thereof infringes on the rights of others.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this document by their duly authorized officers on the date set forth below.

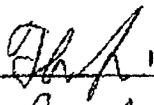
Dated: October 9, 2011

LENDER: FIRST NATIONAL BANK OF NORTHERN CALIFORNIA,
a national banking association

By: 

Title: VP

BUYER: LOLONIS VINEYARDS, INC.,
a California corporation

By: 

Title: President

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

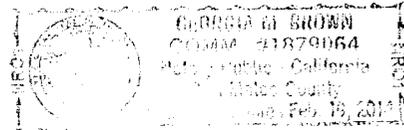
On November 8, 2011 before me, Georgia M. Brown
Notary Public, personally appeared Frank Salinas, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~is~~
subscribed to the within instrument and acknowledged to me that ~~he~~/~~she~~/~~they~~ executed the same
in ~~his~~/~~her~~/~~their~~ authorized capacity(ies), and that by ~~his~~/~~her~~/~~their~~ signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: *Georgia M. Brown*

(seal)



SCHEDULE B

All of the following general intangibles to the extent owned by the Debtor: (i) goodwill related to the Lolonis Winery, (ii) all copyrights, (iii) the domain name Lolonis.com, (iv) all trademarks and trade dress used to identify the goods and services of the Lolonis Winery, including the following to the extent rights in trademark have arisen, whether or not registered with the US Patent and Trademark office, any other government agency, or arising out of common law: Lolonis, Ladybug Red, Ladybugs Love Lolonis, Ladybug, Ladybug White, Old Vines, Heritage Vineyards, Winegrower Selection, Tryfon, Eugenia, Orpheus, Cuvee; and (v) all business licenses and permits.

United States Bankruptcy Court Northern District of California		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): Lolonis Winery		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 5 years (include married, maiden, and trade names): DBA Lolonis Winery And Wine Sellers		All Other Names used by the Joint Debtor in the last 5 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer ID (ITIN), Complete EIN (if more than one, state all): 94-2869802		Last four digits of Soc. Sec. or Individual-Taxpayer ID (ITIN), Complete EIN (if more than one, state all):
Street Address of Debtor (No. & Street, City, and State): 1930 Tice Valley Blvd. Walnut Creek, CA 94595		Street Address of Joint Debtor (No. & Street, City, and State):
ZIP CODE 94595-0000		ZIP CODE
County of Residence or of the Principal Place of Business: Contra Costa		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):
ZIP CODE		ZIP CODE
Location of Principal Assets of Business Debtor (if different from street address above):		
Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 1 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If Debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single-Asset Real Estate (as defined in 11 U.S.C. § 101(51B)) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other <hr/> Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(5) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments. (Applicable to individuals only. Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.) <input type="checkbox"/> Filing Fee waiver requested. (Applicable to chapter 7 individuals only. Must attach signed application for the court's consideration. See Official Form 3B.)		Check one box: Chapter 11 Debtors <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,843,300 (amount in effect to adjustment on 4-9-13 and over three years thereafter). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors in accordance with 11 U.S.C. § 1126(b).
Statistical Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors. Estimated Number of Creditors: <input type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input checked="" type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER Estimated Assets: <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input checked="" type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$5 million <input type="checkbox"/> \$5,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion. Estimated Debts: <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$5 million <input type="checkbox"/> \$5,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion.		THIS SPACE IS FOR COURT USE ONLY

EXHIBIT "D"

<p>Voluntary Petition <i>(This page must be completed and filed in every case.)</i></p>	<p>Name of Debtor(s): Lolonis Winery</p>
Signatures	
<p>Signature(s) of Debtor(s) (Individual Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p>If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7, I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.</p> <p>If no attorney represents me and no bankruptcy petition preparer signs this petition, I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><input checked="" type="checkbox"/> Signature of Debtor Petros Lolonis</p> <p><input type="checkbox"/> Signature of Joint Debtor</p> <p>Telephone Number (if not represented by attorney):</p> <p>Date:</p>	<p>Signature of a Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1517 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p><input checked="" type="checkbox"/> (Signature of Foreign Representative):</p> <p>(Printed Name of Foreign Representative):</p> <p>Date:</p>
<p>Signature of Attorney</p> <p><input checked="" type="checkbox"/> /s/ MARK A. McLAUGHLIN, ESQ.</p> <p>Signature of Attorney for Debtor(s) MARK A. McLAUGHLIN, ESQ. 096575</p> <p>Printed Name of Attorney for Debtor(s) Law Offices of Mark A. McLaughlin</p> <p>Firm Name 3012 Lone Tree Way, Suite 300</p> <p>Antioch, CA 94509</p> <p>Address</p> <p>(925) 754-2622 Fax:(925) 754-1104</p> <p>Telephone Number March 25, 2011</p> <p>Date</p> <p>In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</p>	<p>Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>I declare under penalty of perjury that: 1. I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; 2. I prepared this document for compensation and have provided the debtor with a copy of this document; and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, § 112; rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(k) setting a maximum fee for services chargeable by bankruptcy petition preparers. I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official form 19 is attached.</p> <p>Printed Name and title, if any, of Bankruptcy Petition Preparer:</p> <p>Social Security number (if the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer. (Required by 11 U.S.C. § 110.)</p> <p>Address:</p> <p><input checked="" type="checkbox"/></p> <p>Date:</p> <p>Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above:</p> <p>Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document, unless the bankruptcy petition preparer is not an individual:</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><small>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 1570.</small></p>
<p>Signature of Debtor (Corporation Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><input checked="" type="checkbox"/> /s/ Petros Lolonis</p> <p>Signature of Authorized Individual Petros Lolonis</p> <p>Printed Name of Authorized Individual President</p> <p>Title of Authorized Individual March 25, 2011</p> <p>Date</p>	

**United States Bankruptcy Court
Northern District of California**

In re Lolonis Winery

Debtor(s)

Case No. _____

Chapter 11

STATEMENT REGARDING AUTHORITY TO SIGN AND FILE PETITION

I, **Petros Lolonis**, declare under penalty of perjury that I am the **President** of **Lolonis Winery**, and that the following is a true and correct copy of the resolutions adopted by the Board of Directors of said corporation at a special meeting duly called and held on the 9th day of March, 2011.

"Whereas, it is in the best interest of this corporation to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

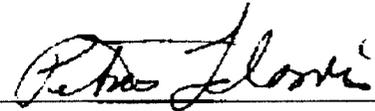
Be It Therefore Resolved, that **Petros Lolonis**, **President** of this Corporation, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a chapter 11 voluntary bankruptcy case on behalf of the corporation; and

Be It Further Resolved, that **Petros Lolonis**, **President** of this Corporation is authorized and directed to appear in all bankruptcy proceedings on behalf of the corporation, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the corporation in connection with such bankruptcy case, and

Be It Further Resolved, that **Petros Lolonis**, **President** of this Corporation is authorized and directed to employ **MARK A. McLAUGHLIN, ESQ. 096575**, attorney and the law firm of **Law Offices of Mark A. McLaughlin** to represent the corporation in such bankruptcy case."

Date March 25, 2011

Signed /s/ Petros Lolonis
Petros Lolonis



Ricetti, Steve
P. O. Box 69
Redwood Valley, CA 95470

Rose Park Business
Lenette Rose
11201 Burris Ln.
Potter Valley, CA 95469

Rosewood Vineyards
Troy Satter White
758 School Way
Redwood Valley, CA 95470

Round Hill Cellars
c o Paul Reidl, Esq.
3300 Wycliffe Dr.
Modesto, CA 95355

Sara Donn Vineyards
5645 Sode Bay Rd.
Kelseyville, CA 95451

Sea Biscuit Ranch Vineyards
490 S. Highland Ave.
Ukiah, CA 95482

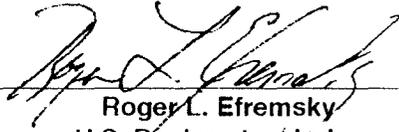
Security Etc.
1136 Saranap Ave., Ste. N
Walnut Creek, CA 94595

Shamrock Ranch
P. O. Box 356
Laytonville, CA 95454



1 Dennis D. Miller (SBN 138669)
2 STEIN & LUBIN LLP
3 Transamerica Pyramid
4 600 Montgomery Street, 14th Floor
5 San Francisco, CA 94111
6 Telephone: (415) 981-0550
7 Facsimile: (415) 981-4343
8 dmiller@steinlubin.com

The following constitutes
the order of the court. Signed May 17, 2011


Roger L. Efremsky
U.S. Bankruptcy Judge

Attorneys for Secured Creditor
FIRST NATIONAL BANK OF NORTHERN
CALIFORNIA

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

12 In re
13 LOLONIS WINERY, dba Lolonis Winery
14 and Wine Sellers.
15 Debtor.

Case No. 11-43235 RLE
Chapter 11

**ORDER GRANTING FIRST NATIONAL
BANK OF NORTHERN CALIFORNIA'S
MOTION TO EXCUSE COMPLIANCE
WITH TURNOVER REQUIREMENTS OF
11 U.S.C. § 543 AND TO GRANT
RELATED RELIEF**

Date: May 4, 2011
Time: 2:00 p.m.
Dept: 1300 Clay Street, Courtroom 201
Judge: Honorable Roger L. Efremsky

21 The Motion to Excuse Compliance with Turnover Requirements of 11 U.S.C. §
22 543 and to Grant Related Relief (the "Motion") of First National Bank of Northern California
23 ("FNB") came on for hearing on May 4, 2011 at 2:00 p.m. in the above referenced Court, the
24 Honorable Roger L. Efremsky, presiding. The Debtor was represented by Mark McLaughlin of
25 the Law Offices of Mark McLaughlin. Dennis D. Miller of Stein & Lubin LLP appeared on
26 behalf of secured creditor First National Bank of Northern California ("FNB") and Alan Ramos
27 of Nevin, Ramos & Steele appeared on behalf of creditor Lolonis Vineyards. The President of the
28

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COURT SERVICE LIST

Mark A. McLaughlin
Law Offices of Mark A. McLaughlin
3012 Lone Tree Way, Suite 300
Antioch, CA 94509
Tel: (925) 754-1104
Fax: (925) 754-1104
E-mail: mmclaug226@sbcglobal.net

Attorney for Debtor
Lolonis Winery

Alan E. Ramos
Nevin Ramos & Steele
700 Ignacio Valley Rd., Suite 300
Walnut Creek, CA 94596
Ph.: (925) 952-4055
Fax: (925)935-1642

Attorneys for Defendant
Lolonis Vineyard, Inc.

U.S. Trustee
Office of the U.S. Trustee
1301 Clay Street, Suite 690N
Oakland, CA 94612

Subject: Today, Rutherford Wine Co. includes Rutherford Ranch Winery(Napa Valley) , Round Hill,
From: lolonis frank (flolonis@yahoo.com)
To: ctoddkenedy@yahoo.com;
Date: Wednesday, December 28, 2011 9:30 AM

About Us

RUTHERFORD WINE COMPANY

Three generations committed to 100% sustainable viticulture and the crafting of fine wines.

The Rutherford Ranch Winery is on the site of the original Round Hill Winery started in the 1970's by Ernie and Virginia Van Asperen. When the Van Asperen's retired in 2000, Marko and Theo Zaninovich, long-time share holders with the Van Asperen family, acquired the winery. The estate vineyards were replanted with superior vines and the winery and Tasting Room have undergone significant renovations. Yet, the estate's 100 year-old olive grove and unpretentious charm remain essentially unchanged.

Today, Rutherford Wine Company includes Rutherford Ranch Winery (Napa Valley), Round Hill, Scott Family Estate (Arroyo Seco) and Lander-Jenkins Vineyards

1.

The **Rutherford Ranch Winery** is on the site of the original **Round Hill Winery** started in the 1970's by Ernie and Virginia Van Asperen. When the Van Asperen's ...
www.rutherfordwine.com/products/help.php?section=about - Cached

2.

Round Hill Winery & Vineyard | Calwineries
Round Hill Winery produced the first wine made in a ghost winery. ... The winery makes three distinct labels consisting of **Round Hill, Rutherford Ranch, ...**
www.calwineries.com/explore/wineries/round-hill-winery - Cach

United States Patent and Trademark Office
Commissioner for Trademarks
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92054462

LOLONIS WINERY
1905 ROAD D
REDWOOD VALLEY, CA 95470

9547099796 R093

