

Location #92662

STATE MS. - DESOTO CO. FILED

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This instrument prepared by:  
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Bradley Arant Rose & White LLP  
2001 Park Place, Suite 1400  
Birmingham, AL 35203

BK 89 504  
W.L.K. W.L.K.

STATE OF MISSISSIPPI )  
  :  
COUNTY OF DESOTO )

**COLLATERAL ASSIGNMENT OF LEASE**

This Collateral Assignment of Lease (the "Assignment") dated as of the 13<sup>th</sup> day of April, 2001, is provided by **DMK ENTERTAINMENT, INC.**, a Mississippi corporation (successor by merger to Children's Entertainment, L.L.C.) ("Tenant") in favor of **FIRST COMMERCIAL BANK**, an Alabama banking corporation ("Bank").

**RECITALS:**

The Tenant is the tenant or subtenant with the present occupancy rights to the Premises pursuant to that certain Lease Agreement between Landlord and Tenant, with such Premises, Lease Agreement and Landlord more particularly described on Exhibit A hereto (such Lease Agreement, as it has been and may be amended and in effect from time to time, together with all extensions and renewals thereof and substitutions therefor, being hereinafter referred to as the "Lease"). Pursuant to a Term Loan Agreement ("Loan Agreement") between the Bank and David M. Kahn, as Borrower, the Bank has provided or will provide certain financial accommodations or loans to the Borrower. Among other requirements of the Bank in making the loans available to the Borrower is a requirement that the Tenant provide this Collateral Assignment of Lease to the Bank, pursuant to which the Bank would have certain rights relating to the Tenant's possessory rights to the Premises upon the occurrence of an Event of Default in the financing between the Bank and the Borrower. The Tenant desires to enter into this Collateral Assignment of Lease and does so with the express knowledge and understanding that the same will be relied upon by the Bank in entering into the Loan Agreement with the Borrower and in providing the financing and other accommodations thereunder to the Borrower.

**AGREEMENT:**

Now, therefore, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and agreed to, the parties do hereby agree, each with the other as follows:

1. Section Representations, Warranties and Agreement of Tenant. Tenant represents, warrants and agrees as of the date hereof that:

(a) The Lease is in full force and effect and there are no amendments, modifications, or supplements thereto, and the Landlord's rights and Tenant's obligations under the

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Lease are not subject to or affected by any separate agreement, including, without limitation, any agreement between Tenant and Landlord or any party affiliated with Landlord;

(b) Tenant has accepted and taken possession of the Premises and is in occupancy of the Premises;

(c) Landlord has satisfied all commitments made to induce Tenant to enter into the Lease and Landlord is not in any respect in default in the performance of the terms and provisions of the Lease;

(d) Tenant is not in any respect in default in the performance of the terms and conditions of the Lease;

(i) As security for the payment and performance by David M. Kahn, as Borrower, of all Obligations now or hereafter owing to the Lender, and as further security for all contingent, guaranty, or other obligations owing by Tenant to the Bank, including any guaranty obligations, security agreement obligations, or other obligations, the Tenant hereby collaterally assigns to Bank all of Tenant's right, title and interest in and to the Lease and the Premises to Bank, agrees to maintain the Lease in full force and effect, subject to the terms of the Loan Agreement, so long as any Obligations remain unpaid or unsatisfied to the Bank and agrees to peacefully surrender possession of the Premises and Tenant's leasehold rights under the Lease to Bank, or to Bank's designee or assignee, upon the occurrence of an Event of Default.

(e) Tenant shall promptly provide to the Bank copies of any written notice of default received from Landlord.

(f) Except as otherwise provided for in the Loan Agreement, without the prior written consent of the Bank: the Tenant will not surrender possession of the Premises or of the Lease, will not agree to any amendment, modification or otherwise change any provision of the Lease, or permit any lien of the Landlord to be placed on any of Tenant's property which is collateral for the obligations owing by Borrower or Tenant to the Bank.

(g) None of the Tenant's property or equipment located in or on the Premises have become so affixed to the real property as to become a part thereof, with all such property and equipment instead being and remaining personal property rather than real estate fixtures.

The parties acknowledge and agree that the foregoing representations and warranties are being made on the assumption that any necessary consents of the Landlord in connection with the execution and delivery of this Assignment have been obtained.

2. Section General Provisions.

(a) All notices, requests, demands and other communications pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail, return receipt requested, or by a reputable overnight carrier that provides a receipt, and shall be deemed given when postmarked or deposited with such carrier, as the case may be, to the respective parties hereto addressed as follows:

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If to the Bank:

First Commercial Bank  
800 Shades Creek Parkway  
Birmingham, AL 35209  
Attn: Mr. A. Todd Beard  
Facsimile: (205) 868-4898

If to the Tenant:

DMK Entertainment, Inc.  
300 Cahaba Park Circle, Suite 132  
Birmingham, AL 35242  
Facsimile: (205) 991-9851

or to such other person or address, as to any party hereto, as such party shall designate in a written notice to the other parties hereto.

a. No amendments or modifications to this Agreement shall be effective unless in writing and executed by all parties hereto.

b. This Agreement shall be binding upon and shall inure to the benefit of the Bank, the Tenant and their respective heirs, executors, administrators, representatives, successors and assigns.

c. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts. Each counterpart bearing, and each set of counterparts collectively bearing, the signatures of both parties shall be an original, but all the counterparts shall together constitute one and the same instrument. The parties agree that any facsimile signature of any party on any counterpart original of this Agreement shall be deemed to be an original of such party for all purposes and shall fully bind the party whose facsimile signature appears on the counterpart original.

d. Unless otherwise defined herein, capitalized terms used herein will have the meaning provided to them in the Loan Agreement between the Borrower and the Bank, as the same may hereafter be amended, modified, supplemented, replaced, or otherwise in effect from time to time.

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IN WITNESS WHEREOF, the Landlord and the Lender have hereunto set their hands and seals, or caused these presents to be signed by their proper corporate officer or officers and their proper corporate seal to be hereto affixed, on the respective dates set forth in the acknowledgment clauses hereto, but effective as of the date first above written.

TENANT:

DMK ENTERTAINMENT, INC.  
(successor by merger to Children's Entertainment, L.L.C.)

By: David M. Kahn  
Its: President

BANK:

FIRST COMMERCIAL BANK

By: Jim V.P.  
Its: Jim V.P.

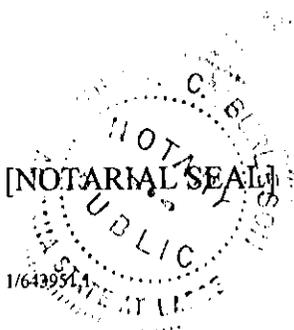
STATE OF ALABAMA     )  
                                  :  
JEFFERSON COUNTY    )

I, the undersigned, a notary public in and for said county in said state, hereby certify that David m. Kahn, whose name as President of DMK Entertainment, Inc., a Mississippi corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 13<sup>th</sup> day of April, 2001.

Henna C. Quehan  
Notary Public

My commission expires: 7-14-04



STATE OF ALABAMA    )  
                              :  
JEFFERSON COUNTY    )

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I, the undersigned, a notary public in and for said county in said state, hereby certify that A. Todd Beard, whose name as Senior Vice President of First Commercial Bank, an Alabama banking corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 13th day of April, 2001.

*Anna C. Bushaw*  
\_\_\_\_\_  
Notary Public

My commission expires: 7/14/04

[NOTARIAL SEAL]

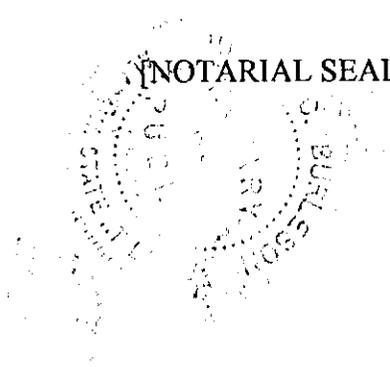


EXHIBIT A

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1. The Lease Agreement (Lease) referred to herein is as follows: between Stanley M. Cohen and Eliot D. Cohen d/b/a Cohen Realty, Inc., of Clarksdale, Mississippi, Lessor and Children's Entertainment, L.L.C., Lessee and is dated as of June 5, 1996.
2. The Landlord is Mr. Stanley M. Cohen, Cohen Building Account, P. O. Box 190, Clarksdale, MS 38614.
3. The Premises referred to in the Lease are described as follows: The following described property lying and being situated in DeSoto County, Mississippi, as follows:

Being part of the Jo Ann Roberson property as recorded in Book 128, Page 42 at the DeSoto County Chancery Clerk's Office and being more particularly described as follows:

Beginning at a point on the north line of Goodman Road (R.O.W. varies) 411.19 feet east on the Southwest corner of Section 25, Township 1, Range 8 West as measured along said North line; thence N 01°05'46" W a distance of 152.07 feet to a point; thence S 89°39'18" E a distance of 222.43 feet to a point; thence S 3°36'39" W a distance of 148.33 feet to a point on the north line of said Goodman Road; thence along said North line S 89°16'23" W a distance of 210.19 feet to the point of beginning and containing 0.745 acres more or less.

