

THIS INSTRUMENT WAS PREPARED BY:

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Shelby Cnty Judge of Probate: AL
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STATE OF ALABAMA)
COUNTY OF SHELBY)

ABSOLUTE ASSIGNMENT OF LIFE INSURANCE POLICY AS COLLATERAL

THIS ABSOLUTE ASSIGNMENT OF LIFE INSURANCE POLICY AS COLLATERAL (herein the "Assignment") is made and acquiesced to as of this 2nd day of July, 2014, by **JOHN C. LEWIS IV** (the "Undersigned"; "Assignor" or "Owner/Insured"), and **SUSAN S. LEWIS**, an individual (an "Undersigned"), of Birmingham, Alabama, **J. S. LEWIS PROPERTIES, LLC**, an Alabama limited liability company, with its principal place of business located at 4904 Old Hickory Circle, Birmingham, Alabama 35244 (an "Undersigned" or the "Borrower"), to and for the benefit of **ANTHONY'S REAL ESTATE, LLC**, an Alabama limited liability company, with its principal place of business located at 3037 Highway 150, Hoover, Alabama 35244 (the "Assignee"). Collectively, **JOHN C. LEWIS IV and ANTHONY'S REAL ESTATE, LLC**, may be referred to hereinafter as the "Parties" and individually, as a "Party."

WITNESSETH:

WHEREAS, Assignor is the Owner and Insured of that certain Policy (defined and described below) of life insurance that is made the subject of this Agreement; and

WHEREAS, The Borrower, Undersigned, Owner/Insured and the Assignor are obligated to Assignee on a loan (the "Loan") in the principal sum of **ONE MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,600,000.00)**, or so much as may from time to time be disbursed thereunder, as evidenced by that certain Promissory Note, dated of even date herewith, payable to Assignee with interest thereon (the "Note"), and secured by, among other things: (a) that certain Purchase Money Real Estate Future Advance Mortgage, Assignment of Rents and Leases and Security Agreement from Assignor in favor of Assignee, dated as of the date hereof, and recorded simultaneously herewith in Book * 20140703000203150, Page _____ in the Office of the Judge of Probate of Shelby County, Alabama; (b) that certain Real Estate Loan and Security Agreement, dated of even date herewith, between Assignor and Assignee; and (c) all other documents evidencing, securing or relating to the Loan, including without limitation, this Assignment and that certain Absolute Assignment of Rents and Leases (collectively, each instrument described under (a), (b) and (c) hereof, referred to hereinafter as the "Loan Documents"); and

WHEREAS, The Assignee requires, by the execution of this Agreement, that the Policy be held by the Assignee as collateral security for any liabilities and/or indebtedness arising from or out of the Note, Loan Agreement and/or the Loan Documents (collectively, "Indebtedness") that the Assignor and the Borrower are obligated to pay to the Assignee from which said Indebtedness arises from and is evidenced by said Note and/or Loan Documents and whereby said Indebtedness is owed by Assignor to Assignee in accordance with the provisions of the Note and/or Loan Documents.

NOW, THEREFORE, in consideration of the Indebtedness evidenced by the Note and/or Loan Documents, the Parties hereto agree as follows:

A. For the value described herein and received, the Assignor and/or Owner/Insured, his heirs and assigns, hereby assign, transfer and set over to the Assignee, its successors and assigns, Policy No. [REDACTED] 5 issued by Northwestern Mutual Life Insurance Company (herein called the "Insurer"), with a Policy Date of May 16, 2014, Plan – 20 year level term, and Amount - \$1,750,000.00, and any supplementary contracts issued in connection therewith (said policy and contracts being herein called the "Policy"), upon the life of the Owner/Insured, and all claims, options, privileges, rights, title and interest therein and thereunder (except as provided in Section C., hereof), subject to all the terms and conditions of the Policy and to all superior liens, if any, which the Insurer may have against the Policy. The Parties by executing this Agreement, jointly and severally, agree to the conditions and provisions set forth under the provisions of this Assignment.

B. Subject to the provisions of Section E., of this Assignment, the Parties expressly agree that, without detracting from the generality of the foregoing, the following specific rights are included in this assignment and pass by virtue hereof to the Assignee:

1. The sole right to collect from the Insurer the net proceeds of the Policy when it becomes a claim by death or maturity;
2. The sole right to surrender the Policy and receive the surrender value thereof at any time provided by the terms of the Policy and at such other times as the Insurer may allow;
3. The sole right to obtain one or more loans or advances on the Policy, either from the Insurer or, at any time, from other persons, and to pledge or assign the Policy as security for such loans or advances;
4. The sole right to collect and receive all distributions or shares of surplus, dividend deposits or additions to the Policy now or hereafter made or apportioned thereto, and to exercise any and all options contained in the Policy with respect thereto; provided, that unless and until the Assignee shall notify the Insurer in writing to the contrary, the distributions or shares of surplus, dividend deposits and additions shall continue on the plan in force at the time of this assignment; and
5. The sole right to exercise all non-forfeiture rights permitted by the terms of the Policy or allowed by the Insurer and to receive all benefits and advantages derived therefrom.

C. It is further agreed by the Parties that the following specific rights, so long as the Policy has not been surrendered, are reserved and excluded from this assignment and do not pass by virtue hereof:

1. The right to collect from the Insurer any disability benefit payable in cash that does not reduce the amount of insurance;
2. The right to designate and change the beneficiary;
3. The right to elect any optional mode of settlement permitted by the Policy or allowed by the Insurer;

Notwithstanding any language found herein to the contrary, the reservation of such rights described herein under Section C., of this Agreement shall in no way impair the right of the Assignee to surrender the Policy completely with all her incidents of rights hereby assigned, transferred and set over to the Assignee, her heirs and assigns, by virtue of this Assignment and in accordance with the provisions thereof or impair any other rights of the Assignee hereunder, and any designation or change of beneficiary

or election of a mode of settlement shall be made subject to this Assignment and to the rights of the Assignee, her heirs and assigns, hereunder.

D. This Assignment is made and the Policy is to be held as collateral security for the Indebtedness in accordance with the provisions of this Assignment.

E. The Assignee covenants and agrees with the undersigned Assignor/Owner/Insured and Borrower as follows:

1. That any balance of sums received hereunder from the Insurer remaining after payment of the then existing Indebtedness, matured or unmatured, shall be paid by the Assignee to the persons entitled thereto under the terms of the Policy had this assignment not been executed;

2. That the Assignee will not exercise either the right to surrender the Policy or (except for the purpose of paying premiums) the right to obtain policy loans from the Insurer, until there has been default in any of the Indebtedness or a failure to pay any premium when due, nor until twenty (20) days after the Assignee shall have mailed, by first-class mail, to the undersigned Assignor/Owner/Insured and Borrower at the addresses last supplied in writing to the Assignee specifically referring to this Assignment, notice of intention to exercise such right; and

3. That the Assignee will upon request forward without unreasonable delay to the Insurer the Policy for endorsement of any designation or change of beneficiary or any election of an optional mode of settlement.

F. The Insurer is hereby authorized to recognize the Assignee's claims to rights hereunder without investigating the reason for any action taken by the Assignee, or the validity or the amount of the Indebtedness or the existence of any default therein, or the giving of any notice under Section E.1., above or otherwise, or the application to be made by the Assignee or any amounts to be paid to the Assignee. The sole signature of the Assignee shall be sufficient for the exercise of any rights under the Policy assigned hereby and the sole receipt of the Assignee for any sums received shall be a full discharge and release therefor to the Insurer. Checks for all or any part of the sums payable under the Policy and assigned herein shall be drawn to the exclusive order of the Assignee if, when, and in such amounts as may be, requested by the Assignee.

G. The Assignee shall be under no obligation to pay any premium, or the principal of or interest on any loans or advances on the Policy whether or not obtained by the Assignee, or any other charges on the Policy, but any such amounts so paid by the Assignee from its own funds, shall become a part of the Indebtedness hereby secured, shall be due immediately, and shall draw interest at the maximum rate of interest allowed under applicable law, not to exceed eighteen percent (18%) per annum.

H. The exercise of any right, option, privilege or power given herein to the Assignee shall be at the option of the Assignee, but (except as restricted by Section E.1., above) the Assignee may exercise any such right, option, privilege or power without notice to, as assent by, or affecting the Indebtedness of, or releasing any interest hereby assigned by the undersigned Assignor/Owner/Insured and Borrower, or any of them.

I. The Assignee may take or release other security, may release any Party primarily or secondarily liable for any of the Indebtedness, may grant extensions, renewals or indulgences with respect to the Indebtedness, or may apply to the Indebtedness in such order as the Assignee shall determine, the proceeds of the Policy hereby assigned or any amount received on account of the Policy by the exercise of any right permitted under this Assignment, without resorting or regard to other security.

J. In the event of any conflict between the provisions of this Assignment and provisions of the Note and/or Loan Documents or other evidence of any Indebtedness, with respect to the Policy or rights of collateral security therein, the provisions of this Assignment shall prevail.

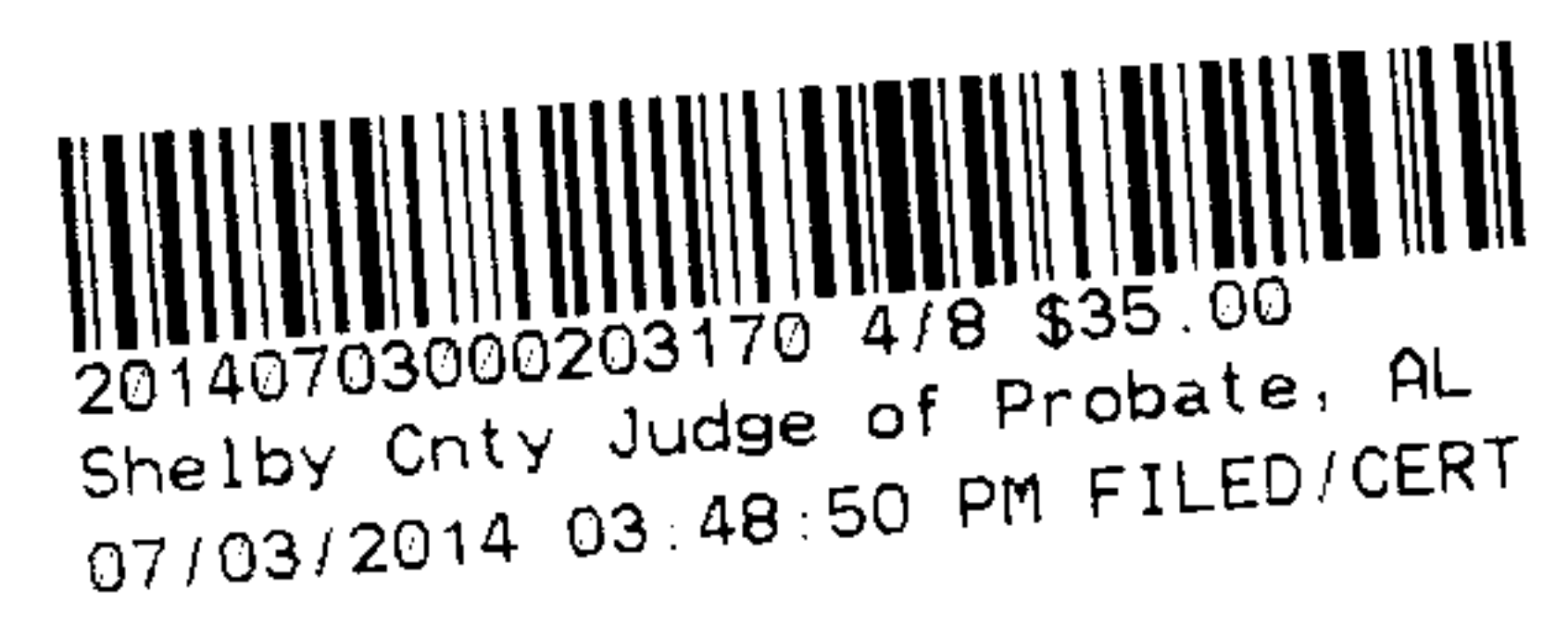
K. Each of the undersigned Assignor/Owner/Insured and Borrower declare that no proceedings in bankruptcy are pending against him or it and that his or its property is not subject to any assignment for the benefit of creditors.

IN WITNESS WHEREOF, this Absolute Assignment of Life Insurance Policy as collateral has been executed as of the 2nd day of July, 2014.

[SIGNATURES TO FOLLOW ON THE NEXT PAGE]

And

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]



ASSIGNOR/OWNER/INSURED:

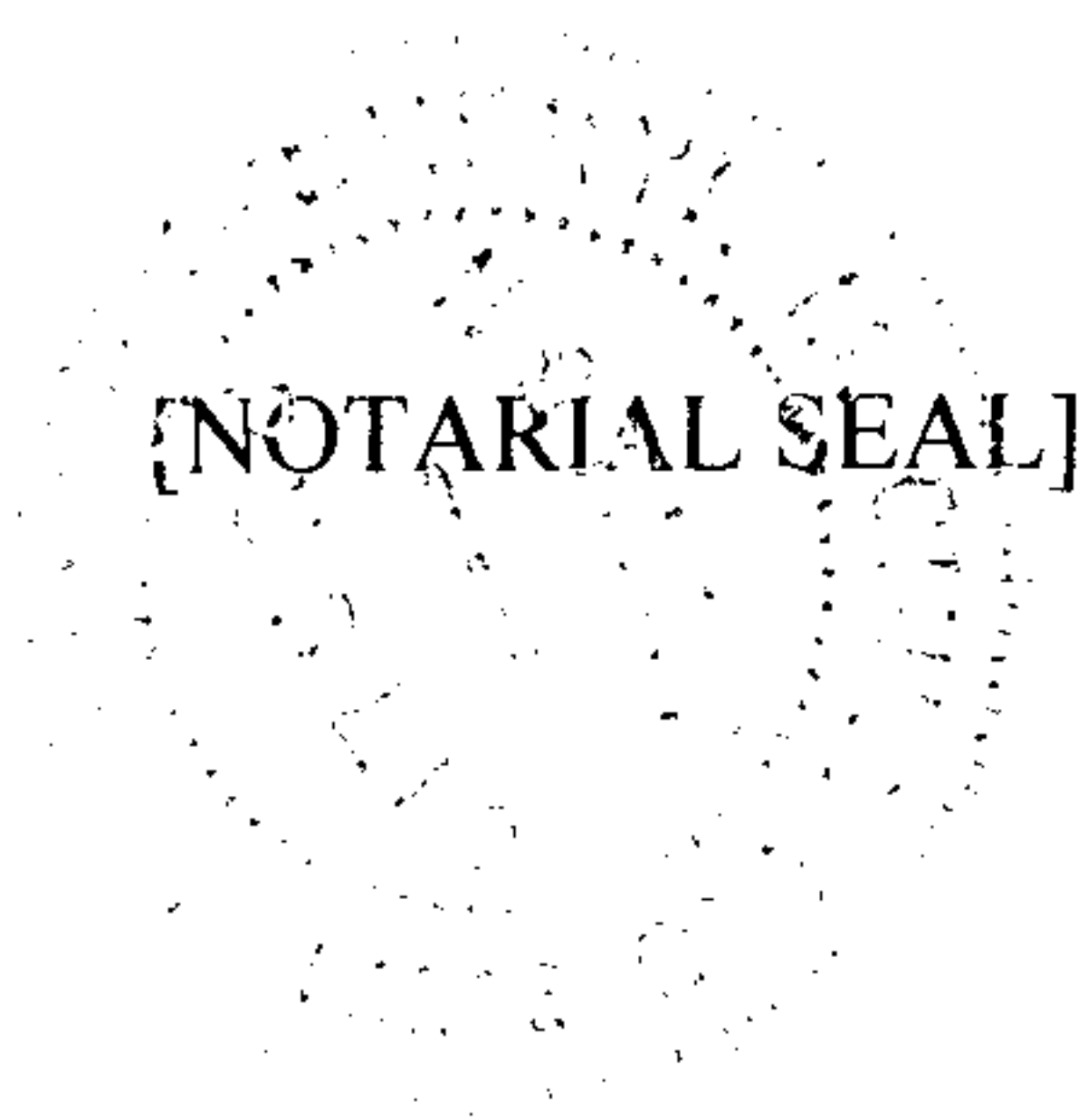


JOHN C. LEWIS IV, Individual

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that **JOHN C. LEWIS IV**, whose name 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 such instrument, he executed the same voluntarily.

Given under my hand and official seal of office this 2nd day of July, 2014.

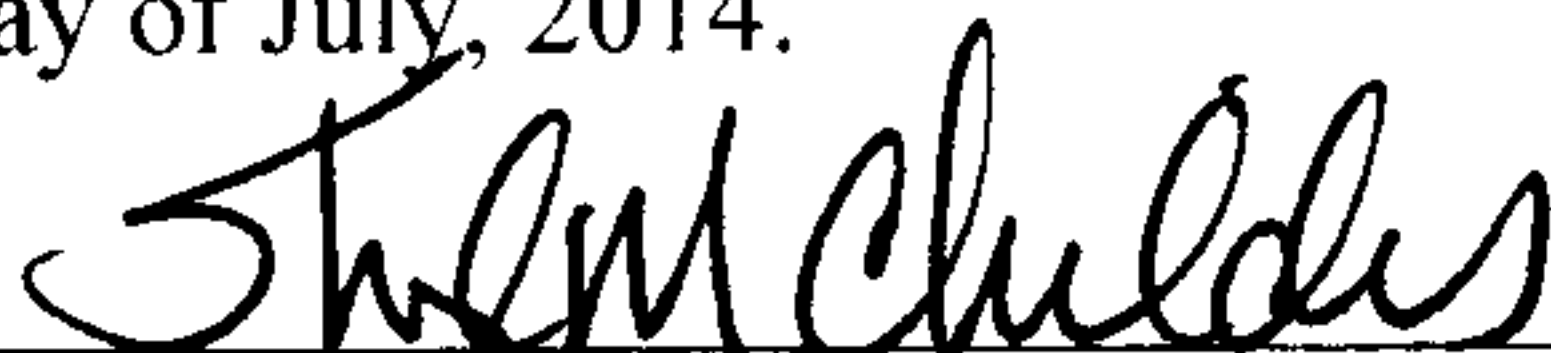


STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that **SUSAN S. LEWIS**, whose name 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 such instrument, she executed the same voluntarily.

Given under my hand and official seal of office this 2nd day of July, 2014.

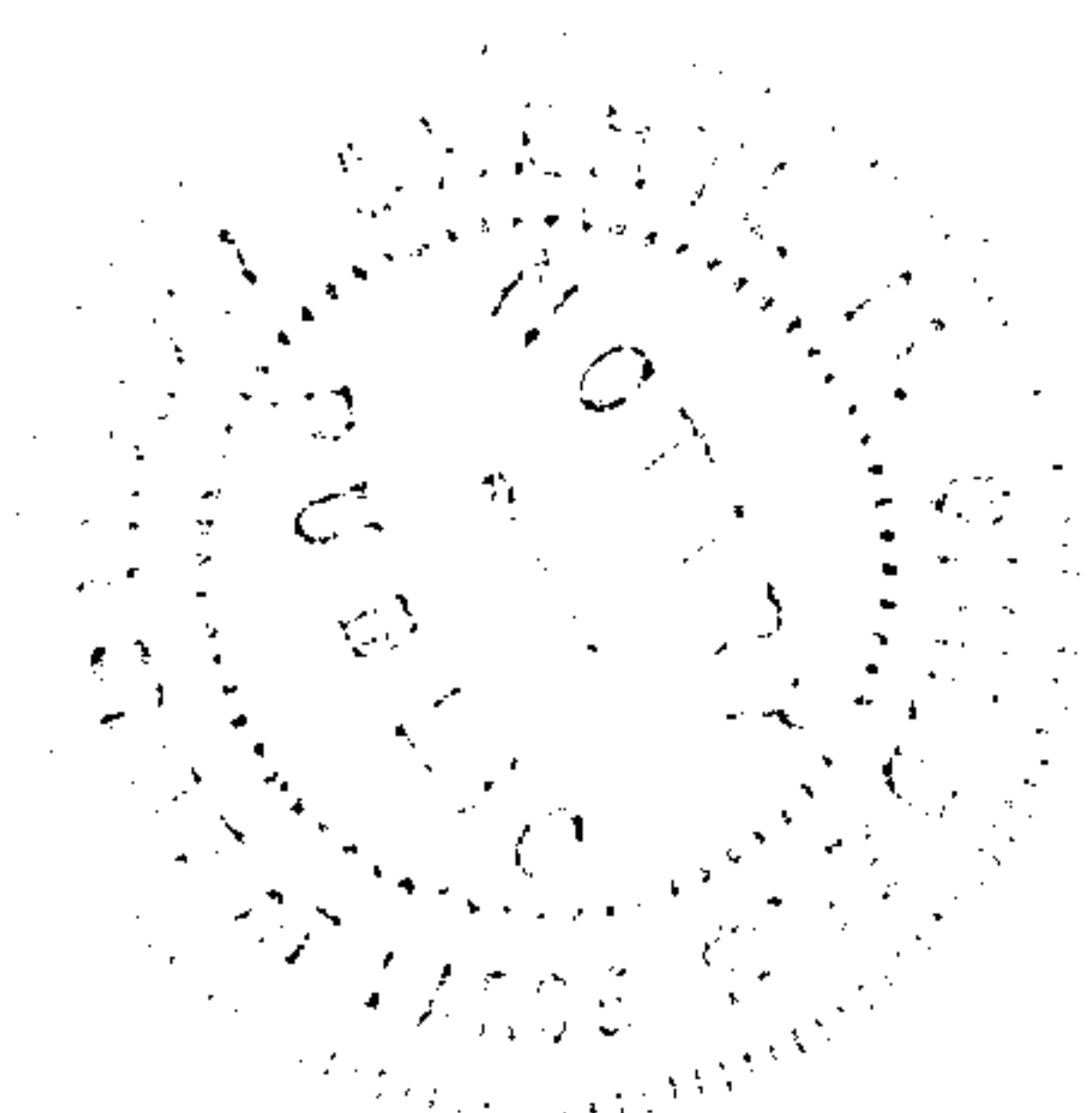
[NOTARIAL SEAL]



Sheryl M. Childers
Notary Public for the State of Alabama
My commission expires: April 1, 2018

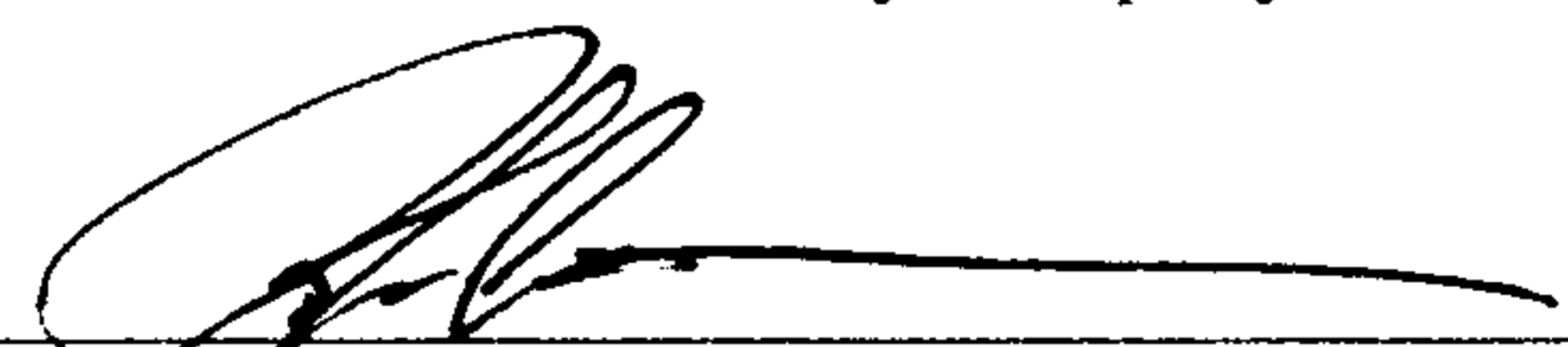


SUSAN S. LEWIS, Individual



BORROWER:

J. S. LEWIS PROPERTIES, LLC,
an Alabama limited liability company

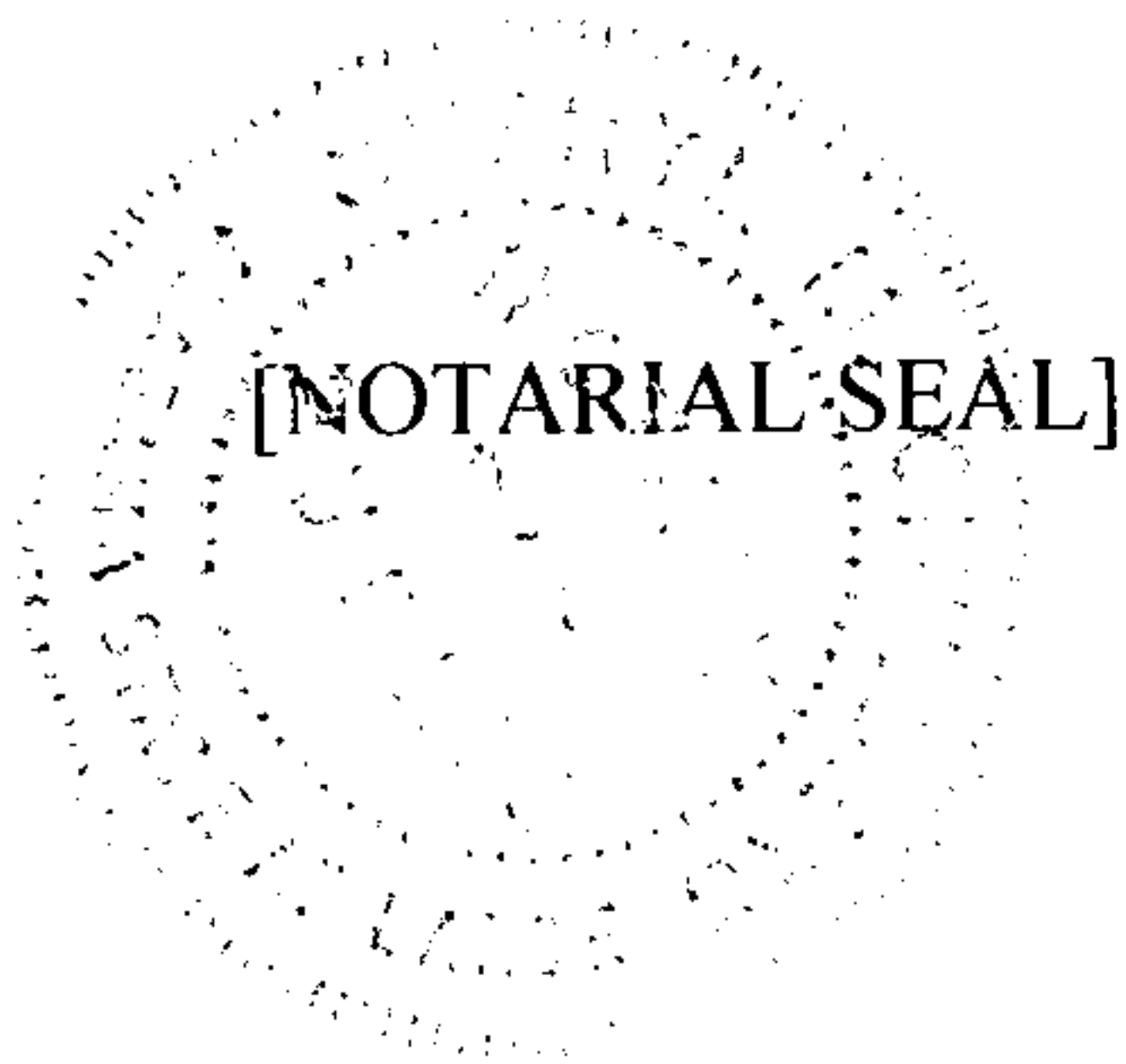
By: 

JOHN C. LEWIS IV
Its: Member

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that John C. Lewis IV, whose name as Member of J. S. Lewis Properties, LLC, an Alabama limited liability company, 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 such instrument, as such Member and with full authority, he executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal of office this 2nd day of July, 2014.



[NOTARIAL SEAL]

Sheryl M. Childers
Notary Public for the State of Alabama
My commission expires: April 1, 2018

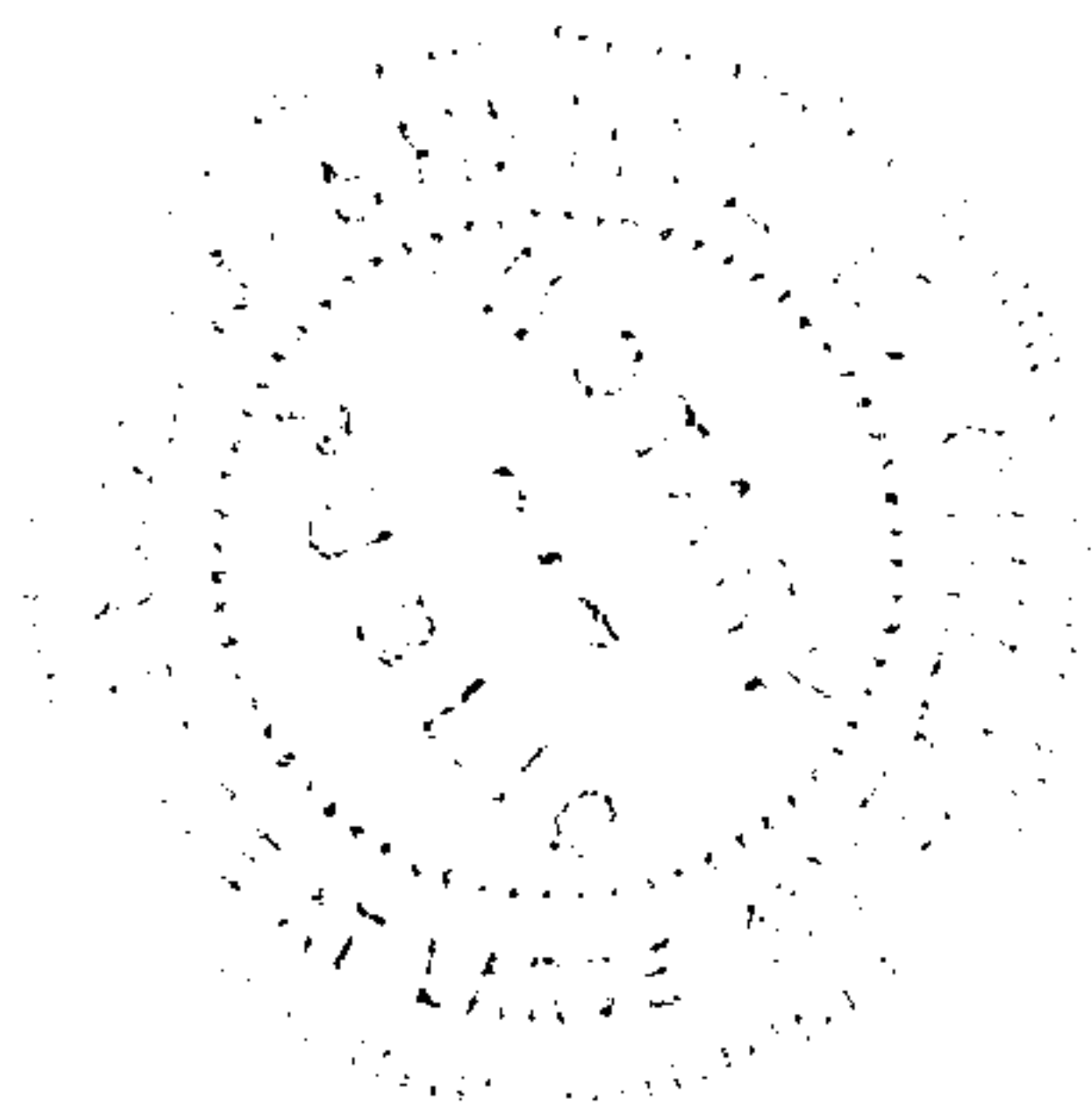
By:

SUSAN S. LEWIS
Its: Member

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Susan S. Lewis, whose name as Member of J. S. Lewis Properties, LLC, an Alabama limited liability company, 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 such instrument, as such Member and with full authority, she executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal of office this 2nd day of July, 2014.



[NOTARIAL SEAL]

Sheryl M. Childers
Notary Public for the State of Alabama
My commission expires: April 1, 2018

ASSIGNEE:

ANTHONY'S REAL ESTATE, LLC,
an Alabama limited liability company

By:

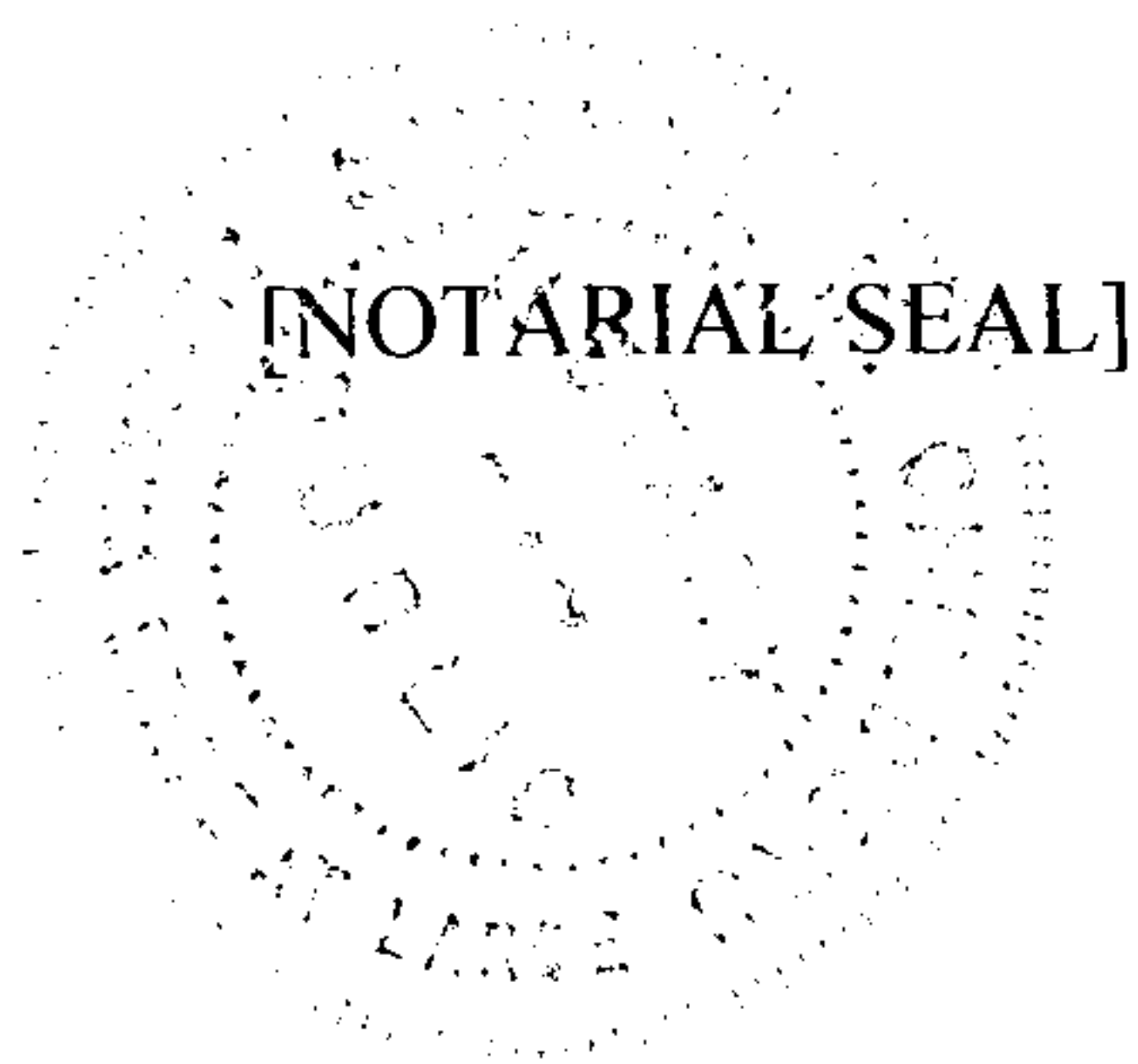
ANTHONY S. SERIO
Its: Manager

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Anthony S.

Serio, whose name as Manager of Anthony's Real Estate, LLC, an Alabama limited liability company, 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 such instrument, as such officer and with full authority, he executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal of office this 2nd day of July, 2014.



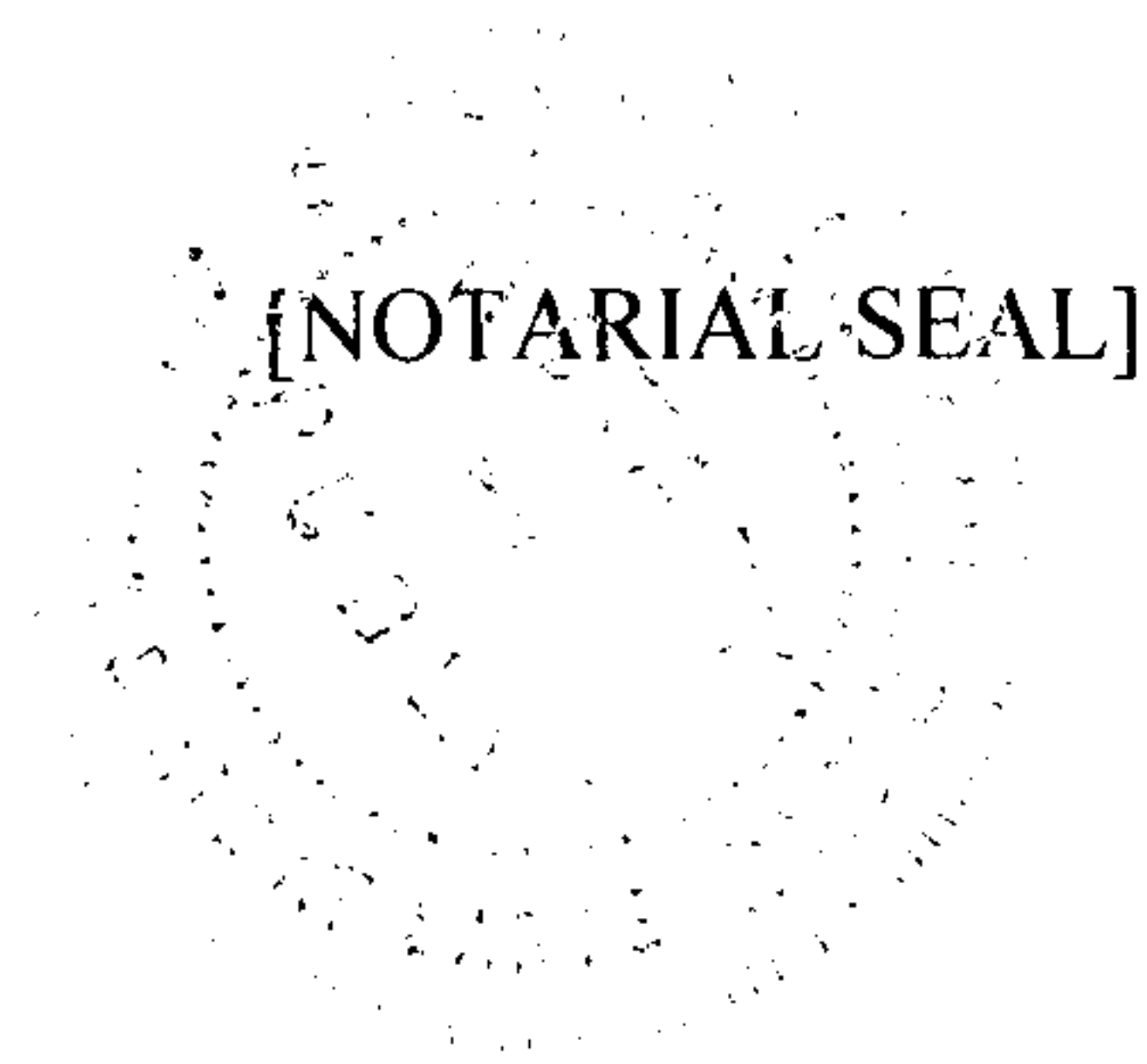
Sheryl M. Childers
Sheryl M. Childers
Notary Public for the State of Alabama
My commission expires: April 1, 2018

By: Lawrence L. Serio
LAWRENCE L. SERIO
Its: Manager

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Lawrence L. Serio, whose name as Manager of Anthony's Real Estate, LLC, an Alabama limited liability company, 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 such instrument, as such officer and with full authority, he executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal of office this 2nd day of July, 2014.



Sheryl M. Childers
Sheryl M. Childers
Notary Public for the State of Alabama
My commission expires: April 1, 2018

Duplicate received and filed at the home office of the Insurer in _____ this _____
day of _____, 2014.

Name: _____

RELEASE OF ASSIGNMENT

The debt which this assignment was given to secure having been paid in full, we hereby release all our rights, title and interest in and to the Policy thereby assigned to us.

This _____ day of _____, 20____.

Name: _____

STATE OF ALABAMA)
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose name 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 such instrument he/she executed the same voluntarily.

Given under my hand and official seal of office this _____ day of _____, 20____.

[NOTARIAL SEAL]

Notary Public
My commission expires: _____