

This document prepared by
Kenneth A Shapiro
Mitchell & Shapiro, LLP
One Securities Centre
3490 Piedmont Road, Suite 650
Atlanta, Georgia 30305

COLLATERAL ASSIGNMENT OF TENANT'S INTEREST IN LEASE

THIS COLLATERAL ASSIGNMENT OF TENANT'S INTEREST IN LEASE (this "**Collateral Assignment**") is entered into by and among TDF EDUCATION, LLC, an Alabama limited liability company ("**Assignor**"), and PRIMROSE SCHOOL FRANCHISING SPE, LLC, a Delaware limited liability company ("**Assignee**"), and TDF HOLDINGS, LLC, an Alabama limited liability company ("**Landlord**"), dated April 28, 2022;

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into that certain Franchise Agreement, of even date herewith (the "**Franchise Agreement**"), with respect to the operation of a "**Facility**" (as defined in Section 1.1 of the Franchise Agreement) by Assignor. Assignor wishes to operate its Facility at certain premises owned by Landlord. Pursuant to Section 3.4 of the Franchise Agreement, the form of any lease agreement for a Facility must be approved by Assignee in writing prior to the execution of such lease.

WHEREAS, Assignor and Landlord have entered into that certain lease agreement of even date herewith (the "**Lease**"), with respect to the premises, as more particularly described therein and on Exhibit "A" attached hereto (the "**Premises**"), for the operation of a Facility by Assignor;

WHEREAS, Assignee desires, as a condition to approving the Lease and making various accommodations to Assignor under the Franchise Agreement, to be granted this Collateral Assignment and the protections contained herein, which are intended to, among other things, enable Assignee to continue the operation of a Facility on the Premises notwithstanding any termination of the Franchise Agreement.

WHEREAS, Assignor and Landlord wish to enter into this Collateral Assignment in order to induce Assignee to approve the Lease and the Premises and, in the instance of Assignor, in order to induce Assignee to provide to Assignor various other accommodations and approvals under the Franchise Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual covenants contained herein and in the Franchise Agreement, the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor, Landlord and Assignee agree as follows:

1. **Collateral Assignment**. Assignor hereby grants, transfers, mortgages and assigns to Assignee all of Assignor's right, title, and interest as the tenant or lessee in, to and under the Lease and any renewals, extensions, novations or substitutes thereof (including, without limitation, any renewals or extensions thereof as set forth in Section 5.b hereof) and in and to the Premises, including, but not limited to, the right of use and occupancy of the Premises under the Lease, subject to the limitations and conditions herein provided. Assignor and Landlord warrant and represent that a true, accurate, current and complete copy of the Lease has been delivered to Franchisor.

2. Purpose of Assignment. This Collateral Assignment is given as collateral for the purpose of securing the performance and discharge by Assignor of each and every obligation, covenant, duty and agreement contained in (i) this Collateral Assignment, (ii) the Franchise Agreement, and (iii) any other agreement entered into by and between Assignee and Assignor or its principals or affiliates or any related party, including without limitation any promissory note, deed to secure debt or other evidence of, or collateral for, any indebtedness or any other obligation in any way related to the Franchise Agreement (all such obligations described in this Section 2 being hereinafter collectively referred to as the "**Obligations**"). Assignee hereby grants to Assignor a license to possess, use and enjoy the Premises as the tenant under the Lease, such license to be automatically revoked upon Assignee exercising its rights under Section 4 hereof, if such rights are exercised as provided.

3. Covenants of Assignor and Landlord. Assignor and Landlord covenant with Assignee to observe and perform all of the obligations imposed upon them under the Lease and not to do or permit to be done anything to impair the existence and validity of the Lease or the security of Assignee hereunder; and not to execute or permit any other sublease or assignment of the tenant's interest under the Lease; and not to modify or amend the Lease in any respect without Assignee's prior written consent.

4. Default. Upon or at any time after default in the performance of any of the Obligations, or default under any of the agreements underlying the Obligations (including, but not limited to, the Franchise Agreement), or default by Assignor under the Lease, Assignee may, at its option, without in any way waiving such default, upon five (5) days' notice to Assignor and Landlord, with or without bringing any action or proceeding, or by a receiver appointed by a court, take possession of the Premises pursuant to the Lease and, subject to the terms of the Lease (as modified pursuant to the terms of this Collateral Assignment) have, hold, use, occupy, lease, sublease, assign or operate the Premises on such terms and for such period of time as herein provided. Assignor shall indemnify and hold Assignee harmless from and against, and Landlord hereby releases Assignee from, any and all claims, actions, damages and expenses (including, without limitation, attorneys' fees) arising (i) out of Assignor's failure to perform under the Lease or any breach by Assignor of the Lease or of this Collateral Assignment, and (ii) in connection with the Lease prior to Assignee's taking possession of the Premises pursuant to this Section 4. The exercise by Assignee of the option granted it in this Section 4 shall not be considered a waiver by Assignee of any default by Assignor under the Obligations or under the Lease, and shall not be deemed to be an assumption of the Lease by Assignee. It being acknowledged that Assignee shall only be liable to Landlord for rental payments accruing under the Lease during the time period Assignee elects to occupy the Premises, and fulfilling during such occupancy, Tenant's obligations in regard to the payment of taxes, insurance, and ongoing maintenance obligations under such Lease, and the payment of any common area maintenance obligations, if any, and only if Assignee provides notice to Landlord and Assignor of the exercise of the option pursuant to the provision of this Section 4.

5. Landlord's Agreements.

a. Consent. Landlord executes this Collateral Assignment in order to give its consent to the assignment granted herein and to covenant that in the event of a default by Assignor under the Lease, Landlord will give Assignee written notice thereof and permit Assignee to exercise, within fifteen (15) days of the expiration of all cure periods for such default under the Lease, its rights under Section 4 hereof to occupy and use the Premises as the tenant under the Lease (as modified pursuant to the terms of this Collateral Assignment) on a month to month basis, for a total time period not to exceed three hundred sixty (360) days ("**Occupancy Period**"), which occupancy rights if exercised shall not be deemed or construed as an assumption of the Lease, and being terminable upon thirty (30) days' notice to Landlord. Landlord agrees that Assignor, and not Assignee or its sublessees or assigns, shall be responsible for all obligations and liabilities of the tenant under the Lease prior to the occupation and use of the Premises by Assignee. This Collateral Assignment is hereby incorporated by reference into the Lease and shall bind Landlord and any and all successors of Landlord in title to the Premises, and Landlord agrees, as a condition to the effectiveness of any transfer of any title to the Premises, to obtain a written agreement from the transferee that the transferee shall be bound hereby.

b. Franchise Materials. Upon the termination of the Lease for any reason, Landlord will at no expense to Landlord provide access to the Premises for the purpose of Assignee retrieving any and all materials which the Assignor is required to return to Assignee under the Franchise Agreement, including, without limitation, the Assignee School Confidential Operations Manual(s) and any other confidential information and trade secret information of Assignee, as defined in the Franchise Agreement. Landlord acknowledges Assignee's ownership rights in such materials and agrees that Landlord is not entitled to retain such materials as its property.

c. Franchise Improvements. Upon the termination of the Lease for any reason, Assignee shall be entitled, within fifteen (15) days after any such termination, to delete or remove any signs and other improvements containing the trademarks, service marks, symbols, logos, emblems and other distinctive features of the Primrose School system, so long as Assignee promptly repairs, at its sole expense, any damage caused thereby.

d. Subleasing; Miscellaneous. Notwithstanding any provision of the Lease, Landlord agrees that Assignee may sublease or assign all or any of its interest in the Lease to a Franchisee of Assignee which meets Assignee's qualifications ("**Qualified Franchisee**") for a time period not to exceed the Occupancy Period. Provided however, such Qualified Franchisee, upon notice to Landlord, shall have the right, upon written notice to Landlord, to assume the Lease for the remainder of the existing Lease term, including the right to exercise any option terms under the Lease. If Assignee elects to occupy the Premises as described in the Lease, upon taking possession of the Premises under Section 4 hereof, Assignee shall, pursuant to the Tenant's rights and obligations under the Lease, have the full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof to the extent, allowed under the Lease.

6. Governing Law. This Collateral Assignment is to be construed in all respects and enforced according to the laws of the State where the Premises are located.

[Signatures on following pages]

IN WITNESS WHEREOF, the undersigned parties have hereto set their hands and affixed their seals on the date and year first above written.

ASSIGNOR:

TDF EDUCATION, LLC d/b/a PRIMROSE
SCHOOL OF MEADOWBROOK

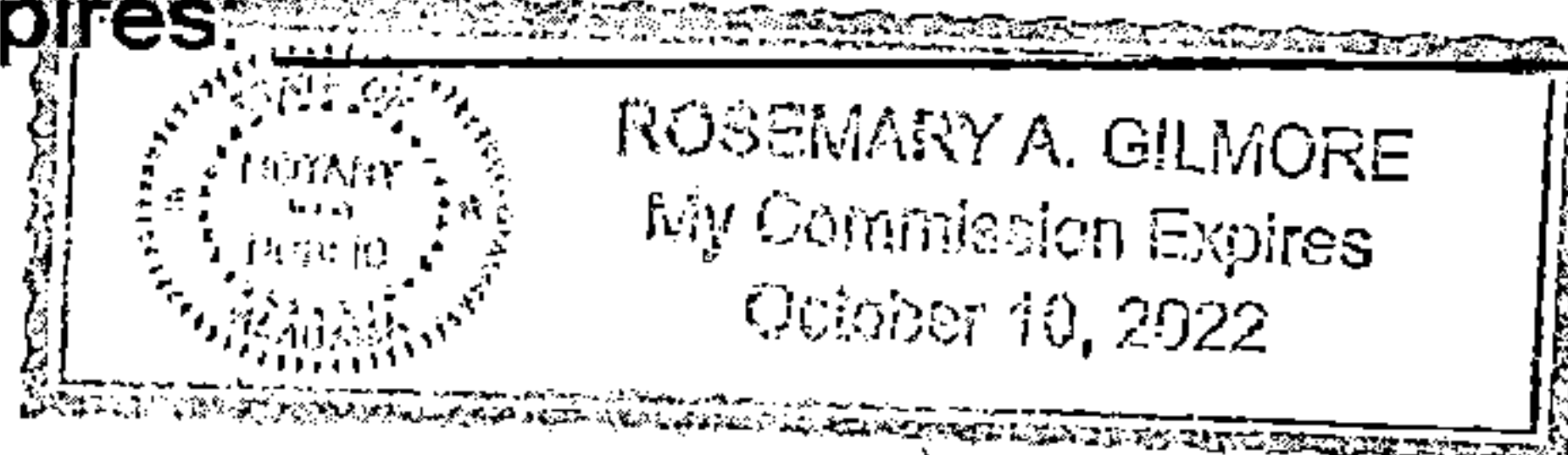
By: *Stacy Michelle Vines* (SEAL)
Stacy Michelle Vines
CEO

State of Alabama
Shelby County

Before me, *Rosemary A. Gilmore*, a Notary Public of the County and State aforesaid, personally appeared Stacy Michelle Vines, and who, upon oath, acknowledged that she is the CEO of TDF Education, LLC, an Alabama limited liability company d/b/a PRIMROSE SCHOOL OF MEADOWBROOK, and that by authority duly given and as the act of the limited liability company, the foregoing instrument was signed for the purposes therein contained, in its name by her as its CEO.

Witness my hand and official stamp this 28 day of April, 2022.

My commission expires:



Rosemary A. Gilmore

Notary Public
[Notarial Seal]

ASSIGNEE:

PRIMROSE SCHOOL FRANCHISING SPE,
LLC, a Delaware limited liability company

By: _____

Steven A. Clemente
President

State of Georgia,
Cobb County

Before me, Cindy L Halliday, a Notary Public of the County and State
aforesaid, personally appeared Steven A. Clemente and who, upon oath, acknowledged that he
is the President of Primrose School Franchising SPE, LLC, a Delaware limited liability company,
and that by authority duly given and as the act of the corporation, the foregoing instrument was
signed for the purposes therein contained, in its name by him as its President.

Witness my hand and official stamp this 26th day of April, 2022.

My commission expires: May 1, 2022

Cindy L. Halliday
Notary Public
[Notarial Seal]

Cindy L Halliday
NOTARY PUBLIC
Cobb County, GEORGIA
My Comm. Expires 05/01/2022

LANDLORD:

TDF HOLDINGS, LLC, an Alabama limited liability company

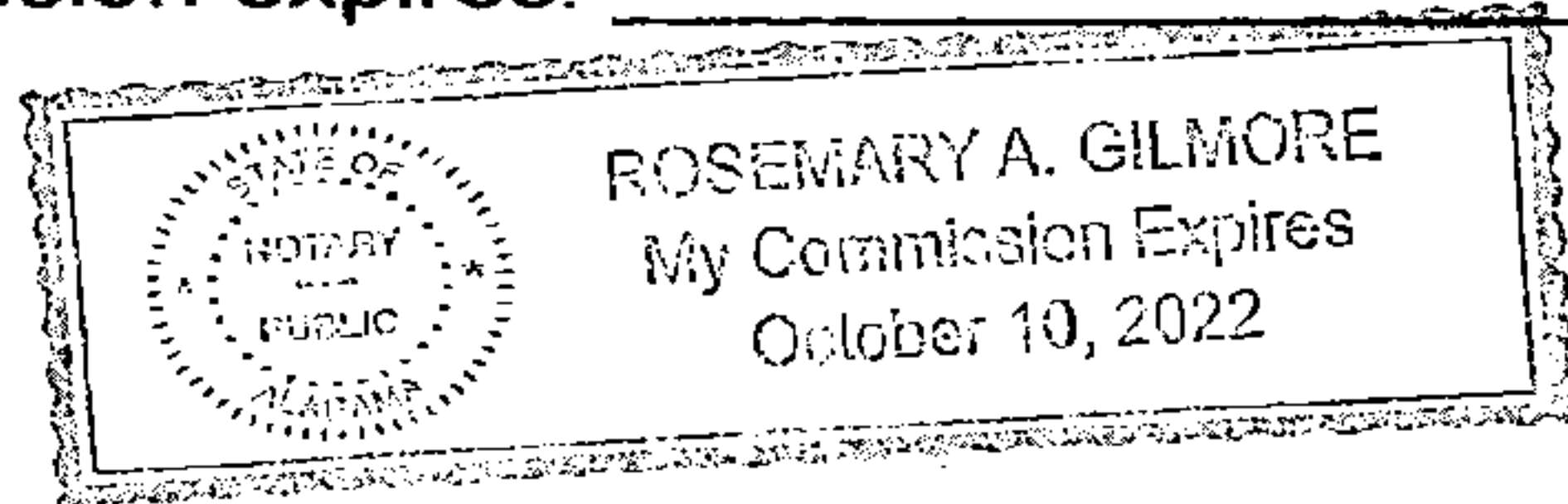
By: Stacy Michelle Vines (SEAL)
Stacy Michelle Vines
CEO

State of Alabama
Shelby County

Before me, Rosemary A. Gilmore, a Notary Public of the County and State aforesaid, personally appeared Stacy Michelle Vines and who, upon oath, acknowledged that she is the CEO of TDF Holdings, LLC, an Alabama limited liability company, and that by authority duly given and as the act of the limited liability company, the foregoing instrument was signed for the purposes therein contained, in its name by her as its CEO.

Witness my hand and official stamp this 28 day of April, 2022.

My commission expires: _____



Rosemary A. Gilmore
Notary Public
[Notarial Seal]

EXHIBIT A

Legal Description

Lot 11A-2, according to the Survey of Meadow Brook Corporate Park South, Phase II, Resurvey No. 10, as recorded in Map Book 29, page 42, in the Probate Office of Shelby County, Alabama.



Filed and Recorded
Official Public Records
Judge of Probate, Shelby County Alabama, County
Clerk
Shelby County, AL
04/29/2022 09:30:12 AM
\$44.00 CHERRY
20220429000175370

Allen S. Bayal