

Prepared by and return to:
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(901) 537-1000

SEVENTH AMENDMENT TO LOAN AGREEMENT

THIS SEVENTH AMENDMENT TO LOAN AGREEMENT ("Seventh Amendment"), is made and entered into this 28 day of July, 2004, by and between UNION PLANTERS BANK, NATIONAL ASSOCIATION, a national banking association ("Bank"); and METRO FOODS, INC., a Tennessee corporation ("Borrower").

WITNESSETH:

WHEREAS, Bank and Borrower have heretofore entered into that certain Loan Agreement dated April 15, 1998, as amended by that certain First Amendment to Loan Agreement dated as of December 1, 1998, Second Amendment to Loan Agreement dated as of November 22, 1999, Third Amendment to Loan Agreement dated as of February 8, 2001, Fourth Modification to Loan Agreement dated as of March 4, 2002, Fifth Amendment to Loan Agreement dated as of November 18, 2002, and Sixth Amendment to Loan Agreement dated as of January 8, 2004 (collectively, "Loan Agreement"), whereby Borrower executed and delivered to Bank a Master Revolving Promissory Note of even date therewith in the face amount of \$2.5 Million, as amended to the face amount \$1.5 Million ("Note"), and Bank and Borrower have executed other documents, instruments and agreements described therein and pertaining thereto, including, *inter alia*, a Cross-Default and Cross- Pledge Agreement of record in the Chancery Court Clerk's Office, Desoto County, Mississippi, in Book 80, Page 535 and UCC-1 Financing Statements filed of record in said Clerk's Office at Instrument No. 183-4-98 and in the Mississippi Secretary of State's Office at Instrument No. 01205271 (collectively, "Loan Documents"); and

WHEREAS, the Bank and Borrower desire to increase the face amount of the Note and make such other and further modifications, amendments and changes thereto and to the Note and Loan Documents, all as set forth herein more particularly.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Capitalized terms not specifically defined herein shall have the meaning ascribed thereto in the Loan Agreement. In the event of any conflict in the terms, conditions and provisions of the Loan Agreement, the

Loan Documents and this Seventh Amendment, this Seventh Amendment shall control. Even though not specifically amended, any and all Loan Documents shall be and are hereby amended to conform to this Seventh Amendment as common sense shall require.

2. The Loan and face amount of the Note shall be increased from \$1,500,000 to \$3,000,000. The increased Loan and Note shall continue to be evidenced by the Note, as amended hereby. The Loan and Note shall be secured by the Loan Documents.

3. Exhibit "A" as incorporated in the Loan Agreement, Section V.7, Affirmative Covenants, as heretofore modified, shall be and is hereby modified by substituting the attached Exhibit "A" in lieu thereof.

4. The negotiations for the indebtedness evidenced by the Note and secured by the Loan Agreement, Loan Documents, and for this Seventh Amendment have taken place in the State of Tennessee. This Seventh Amendment and all other documents evidencing or securing the Loan evidenced by the Note and secured by the Collateral are or have been delivered from Borrower to Bank at Memphis, Tennessee, and shall be construed according to and governed by the laws of the State of Tennessee, except to the extent that federal law may control as to the maximum rate of interest which may be lawfully charged.

5. In order to induce Bank to enter into this Seventh Amendment, the Borrower does hereby certify, represent and warrant to Bank that:

A. All representations and warranties made by the Borrower in the Loan Agreement and in all other Loan Documents securing the Note are true, correct and complete in all material respects as of the date of this Seventh Amendment.

B. There are no existing offsets, defenses or counterclaims to the obligations of the Borrower as set forth in the Note, the Loan Agreement or the Loan Documents.

6. As a condition precedent to Bank's obligations hereunder, Borrower shall pay to Bank a \$7,500 loan commitment fee.

IN WITNESS WHEREOF, the parties have made, executed and delivered this Seventh Amendment to Loan Agreement as of the day and year first above written.

UNION PLANTERS BANK, NATIONAL ASSOCIATION

METRO FOODS, INC.

By: Dennis Watkins
Dennis Watkins
Senior Vice President

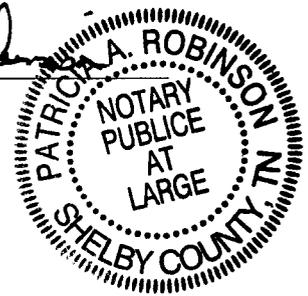
By: Thomas J. Mattingly
Thomas J. Mattingly
President

STATE OF TENNESSEE
COUNTY OF SHELBY

28th Personally appeared before me, the undersigned authority in and for the said County and State, on this day of July, 2004, within my jurisdiction, the within named Thomas J. Mattingly, who acknowledged that he is President of Metro Foods, Inc., a Tennessee corporation, and that for and on behalf of said corporation, and as its act and deed he executed the above and foregoing instrument after first having been duly authorized by said corporation so to do.

Patricia A. Robinson
Notary Public

My Commission Expires: My Comm. Exp. August 28, 2007

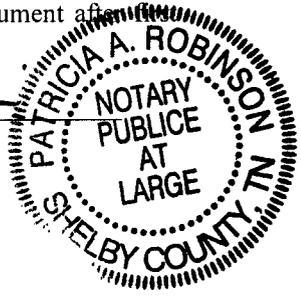


STATE OF TENNESSEE
COUNTY OF SHELBY

Personally appeared before me, the undersigned authority in and for the said County and State, on this _____ day of July, 2004, within my jurisdiction, the within named Dennis Watkins, who acknowledged that he is a Senior Vice President of Union Planters Bank, National Association, a national banking association, and that for and on behalf of said association, and as its act and deed he executed the above and foregoing instrument after first having been duly authorized by said association so to do.

Patricia A. Robinson
Notary Public

My Commission Expires: My Comm. Exp. August 28, 2007



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SEVENTH AMENDMENT TO LOAN AGREEMENT

EXHIBIT "A"

BORROWER: Metro Foods, Inc.

BANK: Union Planters Bank, National Association

Financial Ratios and Requirements:

(Effective July 28, 2004)

1. Borrower shall at all times maintain a minimum net worth of not less than \$3,000,000.
2. Borrower shall have at each month end and on a rolling twelve-month basis a minimum Debt Service Coverage Ratio of 1.2- 1.0. "Debt Service Coverage Ratio" shall be defined as year-to-date total of net profit, plus depreciation, plus interest expense, less expenses incurred for capital assets purchased (excluding financed expenses and one-time initial capital expenses for new real properties leased) divided by the total of current maturities of long term debt plus interest expense.