4458-370-393-005-968

PREPARED BY:
FIRST TENNESSEE BANK
P.O. BOX 132, MEMPHIS, TN 38101
(901) 523-7828

MODIFICATION AGREEMENT
HOME EQUITY LINE OF CREDIT AGREEMENT/ DEED OF TRUST

THIS MODIFICATION AGREEMENT, made and entered into this 28th day of February, 19 96, by and between FIRST TENNESSEE BANK NATIONAL ASSOCIATION ("Bank") and DAVID FLAGG ("Borrower(s)");

WITNESSETH

WHEREAS, by Deed of Trust (the "Trust Deed") bearing date of the 24th day of July, 19 95, and of record as Instrument Number _____ (or in Book 796, page(s) 443) in the Register's Office of DeSoto County, ~~Tennessee~~ MISSISSIPPI Borrower(s) conveyed to Thomas F. Baker IV of Shelby Co. TN as Trustee(s), certain real estate located in DeSoto County, ~~Tennessee~~ MISSISSIPPI, and more particularly described in said Trust Deed for the purpose of securing the payment of the indebtedness in said Trust Deed specified, said indebtedness being evidenced by a certain Home Equity Line of Credit Agreement (the "Agreement") executed by Borrower(s); and

WHEREAS, said Agreement provides for Bank from time to time to make loans and to allow Borrower(s) to make credit card purchases and cash advances (collectively referred to as the "Credit Line") in amounts not to exceed $ 83,436.00 (the "Credit Limit") at any one time outstanding, with interest upon unpaid principal balances at the rate provided for in the Agreement; and

WHEREAS, the parties desire to modify the terms of said Trust Deed and/or Agreement, as appropriate;

NOW, THEREFORE, for and in consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which are hereby mutually acknowledged, the parties do agree as follows:

1. **CREDIT LIMIT.** (Check one.) The Credit Limit shall be:

A ____ unchanged. B ____ increased to _____ Dollars ($ _____). C X decreased to Sixteen Thousand Dollars ($ 16,000.00

2. **RATES OF INTEREST.** (Check one.)

A X Rates remain as specified in the Agreement, as it may have been previously modified.

B ____ Rates of interest appearing in Paragraph 9 of the Agreement, including any prior modifications, are hereby modified by deleting said paragraph in its entirety (including all prior modifications), and substituting the Paragraph 9 which follows:

9. Rates. (a) Your **ANNUAL PERCENTAGE RATE** and monthly periodic rate will be variable interest rates which can change monthly. If a **FINANCE CHARGE** is imposed on your account, an increase in your monthly periodic rate and corresponding **ANNUAL PERCENTAGE RATE** will result in an increase in your **FINANCE CHARGE** and an increase in your Minimum Payment Due. Your **ANNUAL PERCENTAGE RATE** does not include costs other than interest. It will never exceed the lesser of 21% per annum or the maximum we are permitted to charge by law.

(b) Your **ANNUAL PERCENTAGE RATE** for each monthly billing cycle will be a variable rate equal to the Prime Rate (defined below) in effect at the beginning of each billing cycle plus a Rate Differential of _____ %. Both Prime Rate and Rate Differential are expressed as annual rates of interest. Your monthly periodic rate will be determined by dividing the **ANNUAL PERCENTAGE RATE** by twelve.

Your current **ANNUAL PERCENTAGE RATE** is _____ %. Your current monthly periodic rate is _____ %.

(c) "Prime Rate" means the rate published as the Prime Rate in the Money Rates section of The Wall Street Journal, and is described therein as the base rate on corporate loans at large U.S. money center commercial banks; however, if a range of such rates is published, only the highest rate will apply. The Prime Rate in effect at the beginning of each billing cycle will be that rate so published in the edition dated the 20th of the month (or if not published on the 20th, on the date first published thereafter) which publication date next precedes the date the billing cycle starts. Rate changes become effective the first day of each billing period. The Prime Rate is one of several indices we use in determining interest rates on loans. We have made and may hereafter make loans at interest rates which are higher or lower than the Prime Rate.

3. In consideration of the modification herein granted, Borrower(s) promise(s) to pay said indebtedness and the interest thereon as above set out, and to keep and perform all of the covenants terms and conditions contained in said Agreement, including renewals, extensions and modifications thereto, in default of which the holder of the indebtedness may, to the extent permitted by law, declare said indebtedness accelerated and matured for all purposes and may proceed to foreclose said Trust Deed, it being expressly understood and agreed that the Agreement, including renewals, extensions and modifications thereto, described in and secured by the Trust Deed as record of instrument Number _____ (or in Book 796, page(s) 443) in the Register's Office of DeSoto County, ~~Tennessee~~ MISSISSIPPI shall continue as evidence of said indebtedness until the same is paid and that the lien of said Trust Deed shall be in no manner whatsoever affected by the execution of this instrument except as modified herein.

4. Release of the Trust Deed shall also be and constitute a release of this Modification Agreement.

5. Borrower(s) expressly agree(s) that said Agreement and Trust Deed may be further modified, amended, or extended, in whole or in part (without limit as to the number of any such extensions, or the period(s) thereof), without affecting their liability thereon. No such modification or amendment shall, however, increase the amount of the Credit Line secured by the Trust Deed, unless Borrower(s) shall agree in writing.

6. **RECORDING TAX.** (Check one.)

A. X This instrument *does not* increase the maximum principal indebtedness for ~~Tennessee~~ MISSISSIPPI recording tax purposes.

B. ____ This instrument *does* increase the maximum principal indebtedness (see Par. 1, above). **The maximum principal indebtedness for ~~Tennessee~~ MISSISSIPPI recording tax purposes is** $ _____. (Note: This amount represents the *amount of increase only, not the new Credit Limit.* The former credit limit was $ _____.).

7. **NATURE OF INSTRUMENT: RECORDING.**
This instrument modifies the Agreement, including all prior modifications. In the event blocks 1B and 6B are checked, this instrument also modifies the Trust Deed, and in addition to the signatures of the parties also requires a notary's acknowledgment of signature(s) and recording in the appropriate office of public records. If blocks 1B and 6B are not checked, the acknowledgment and recording are unnecessary.

IN WITNESS WHEREOF, the parties have executed this Modification Agreement the day and year first abovewritten.

Recording Fees	$
Release Fees	
Title Charges	
Attorney Fees	
Credit Report	
Appraisal	
Other: Recording & Release	37.10
TOTAL	$ 37.10

FIRST TENNESSEE BANK NATIONAL ASSOCIATION

By: _____ VP

Title: Vice President

STATE MS.-DESOTO CO. FILED
MAR 12 11 24 AM '96
BK 815 PG 246
W.E. DAVIS CH. CLK.

_____ Borrower

David Flagg

_____ Borrower

Sumi Flagg

ACKNOWLEDGMENT OF BORROWER'S SIGNATURE

STATE OF TENNESSEE, COUNTY OF Shelby

Personally appeared before me, _____, Notary Public, David Flagg & Sumi Flagg with whom I am personally acquainted, and who acknowledged that ____ he ____ executed the within instrument for the purposes therein contained.

Witness my hand, at office this 28th day of February, 19 96.

My Commission Expires: 7/12/97

_____ Notary Public

THORNTON & ASSOCIATES CHARLIE MCCRAW SHELBY COUNTY, TENNESSEE

ACKNOWLEDGMENT OF BORROWER'S SIGNATURE

STATE OF TENNESSEE, COUNTY OF _____

Personally appeared before me, _____, Notary Public, _____ with whom I am personally acquainted, and who acknowledged that ____ he ____ executed the within instrument for the purposes therein contained.

Witness my hand, at office this _____ day of _____, 19____.

My Commission Expires: _____

_____ Notary Public

ACKNOWLEDGMENT OF BANK OFFICER'S SIGNATURE

STATE OF TENNESSEE, COUNTY OF Shelby

Personally appeared before me, Debbra Belcher, Notary Public, Charlie McCraw with whom I am personally acquainted, and who acknowledged that (he) executed the within instrument for the purposes therein contained, and who further acknowledged that (he) is the VP of the Beneficiary or a constituent of the same and is authorized by the Beneficiary or by its constituent, the constituent being authorized by the Beneficiary, to execute this instrument on behalf of the Beneficiary.

Witness my hand, at office this 11th day of March, 19 96.

My Commission Expires: MY COMMISSION EXPIRES MAR. 16, 1997

Debbra A. Belcher
Notary Public

DEBBRA A. BELCHER NOTARY PUBLIC SHELBY COUNTY, TENNESSEE

Please return to: First Tennessee Bank, P.O. Box 132, Memphis, TN 38101

75-101-16 (Rev. 3/95)

BANK COPY