

to become due and payable on the 1st day of September, 1988, and a like installment to become due and payable on the first day of each successive calendar month thereafter until the 1st day of January, 2013, on which date the remaining indebtedness, if not sooner paid, shall become due and payable.

1.3 Effective Date. The Effective Date of this Agreement shall be the 1st day of August, 1988.

1.4 Unpaid Principal Balance. The unpaid principal balance of the Note amended hereby as of the Effective Date of this Agreement is Sixty-Six Thousand Seven Hundred Twenty-One and 52/100 (\$66,721.52).

Article II

Miscellaneous Provisions

2.1 Ownership of Property. Obligors hereby expressly warrant and represent to Present Holder that title to the property described above remains vested in Obligors, in fee simple absolute.

2.2 Reaffirmation. Obligors hereby reaffirm to Present Holder each of the representations, warranties, covenants and agreements contained in the Note, the Deed of Trust and any other agreement securing the payment of the Note, as any one or more of the foregoing may have heretofore been modified, with the same force and effect as if each were separately stated herein and made as of the Effective Date hereof.

2.3 Indebtedness to be Paid. Obligors agree and promise to pay the remaining indebtedness evidenced by said Note, as the same may have heretofore been modified and as the same is modified herein, and to be bound by each and all of the terms and provisions of such Note and such Deed of Trust, and any other agreement securing the payment of such Note, except as such may have heretofore been modified and except as modified herein. Obligors additionally agree and promise to perform each and all of the covenants, agreements and obligations contained in the

Deed of Trust, and any other agreement securing the payment of the Note, except as may have heretofore been provided to the contrary and except as herein provided, at the time, in the manner and in all respects as set forth in such Deed of Trust and in any other agreement securing the payment of such Note. In the event that Obligors are not now personally liable for the payment or performance of such, Obligors do hereby assume and promise to pay the unpaid balance of the Note, both principal and interest, and to perform each covenant and condition contained in the Deed of Trust and in any other agreement securing the payment of the Note.

2.4 Ratification. Obligors hereby ratify, affirm, reaffirm, acknowledge, confirm and agree that the Note, the Deed of Trust and any other agreement securing the payment of the Note, as any of such may have heretofore been amended and as such are herein amended, represent the valid, binding and enforceable obligations of Obligors; and Obligors further acknowledge that there are no existing claims, defenses, (personal or otherwise), or rights of set off whatsoever with respect to any part or all of the indebtedness and obligations represented by such Note, such Deed of Trust and any other agreement securing the payment of the Note, as such may have heretofore been modified and as such are herein modified. Obligors further acknowledge and represent that no event has occurred and no condition exists which would constitute a default under the terms of the Note, the Deed of Trust or any other agreement securing the payment of the Note, as any of such may have heretofore been modified or as any of such is herein modified, either with or without notice or lapse of time, or both.

2.5 Liens Remain Valid. Obligors and Present Holder hereby agree that this Agreement modifies the Note, the Deed of Trust and any other agreement securing the payment of the Note, and in no way acts as a release or relinquishment of the liens, assignments, security interests and rights securing the payment of the

Note, including, without limitation, the liens, assignments and security interests created by the Deed of Trust. Such liens, assignments and security interests are hereby renewed, extended, ratified and confirmed by Obligors in all respects.

2.6 Governing Law. Obligors and Present Holder hereby agree that this Agreement and the Note, the Deed of Trust and any other agreement securing the payment of the Note shall be governed, and construed according to the laws of Texas from time to time in effect except to the extent that Federal laws may preempt state laws or modify state laws.

2.7 Scope of Agreement. Obligors and Present Holder hereby agree that this Agreement and the Note, the Deed of Trust and any other agreement securing the payment of the Note, are in full force and effect so that nothing herein contained shall be construed as modifying in any manner any of the foregoing instruments, except as expressly modified heretofore and except as specifically modified hereby. Notwithstanding anything to the contrary contained herein or inferred hereby or in any other instrument executed by Obligors or Present Holder or in any other action or conduct undertaken by Obligors or by Present Holder on or before the date hereof, the agreements, covenants and provisions contained herein shall constitute the only evidence of Present Holder's consent to modify the terms and provisions of the Note, the Deed of Trust and any other agreement securing the payment of the Note in the manner set forth herein. Accordingly, no express or implied consent to any further modifications of the Note, the Deed of Trust or any other agreement securing the payment of the Note, whether any such modifications involve any of the matters contained in this Agreement or otherwise, shall be inferred or implied from Present Holder's execution of this Agreement unless evidenced by an express written agreement executed by Present Holder. Further, the Present Holder's execution of this Agreement shall not constitute a waiver, either express or implied, of the requirement that any further modifi-

cation of the Note, the Deed of Trust or any other agreement securing the payment of the Note shall require the express written approval of Present Holder, no such approval (either express or implied) having been given as of the date hereof.

2.8 Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of Obligors and Present Holder, and the respective legal representatives, administrators, executors, heirs, successors and assigns of each. However, the provisions of this Section shall not be interpreted, construed or applied as waiving the right of Present Holder, its successors and assigns, to accelerate the maturity of the indebtedness evidenced by the Note in the event of any sale, transfer, assignment or conveyance of any interest in any part of the property described above or of any beneficial interest in Borrower, unless Present Holder's consent thereto is first obtained, all as more fully expressed and provided in the Deed of Trust, as the same may heretofore have been amended and as the same is hereby amended.

2.9 Approval of Present Holder. This Agreement shall become effective if and only when the Present Holder consents to the transaction described above, which consent shall be evidenced upon the execution hereof by a duly authorized representative of Present Holder

DATED the 19 day of September, 1988, although the Effective Date of this Agreement shall be the 1st day of August, 1988.


GEORGE PAUL BURNS, Obligor


TONILOU F. BURNS, Obligor