

MODIFICATION TO CAR						Bank NB - TX	
Borrower Kenneth L. & Linda P. Lay		R.R./CES Customer # 4419073	5/Maintain Rel. Mgr # 3056	Center # 3055	Unit: PCG	City: Houston	
FYE Stmt Date 12/31/96	Net Worth \$61.3MM	Total Bank Exposure \$40.4MM	Total Corporate Exposure \$40.4MM	PST: M/S	Original CAR Date 09/01/97	Effective Date 01/18/98	
Action Requested:		<input type="checkbox"/> Change in Credit Terms Before Closing <input type="checkbox"/> Change in Collateral, Borrowing Base, Guarantor <input type="checkbox"/> Amend/Waive Covenants <input type="checkbox"/> Other (Specify)			<input checked="" type="checkbox"/> Changes in Pricing <input type="checkbox"/> Changes in Repayment Terms <input type="checkbox"/> Commitment Extension		
<input type="checkbox"/> Final Bank Allocations <input type="checkbox"/> Risk Ratings Change <input type="checkbox"/> Term Loan Review							
Temporary Commitment Extension (Max. 180 days from CAR Approved Maturity)		Amount N/A	Outstandings N/A	No. Days Extended N/A	New Expiration Date N/A		

1. LIST EACH ITEM BEING MODIFIED; STATE THE APPROVED TERM, THE CHANGE BEING MADE AND THE REASON FOR THE CHANGE.
 2. CLEARLY JUSTIFY THE MODIFIED TERM.
 3. ATTACH A COPY OF THE APPROVED CAR BEING MODIFIED.

Note(s) Being Modified:

Note	Type	Commitment	Outstanding	Rate	Maturity	RR	Collateral
5001318	CLN	\$31,000,000	\$29,919,999	L + 1% Ftg	1 Year 09/01/98	4	Assignment of Mkt. Sec. & Mutual Funds. (70% Advance/75% Call)

Approved Term

L + 1% Ftg

Requested Change

L + .90% Ftg
Or
P - .50%

Reason

Customer requesting change to a lower variable rate. Change is justified to maintain customer relationship with resulting Relationship ROE still meeting hurdle at 31.04%.

Signatures for Approval						Existing/Proposed Policy/Collateral Exception	
Line Officers			Credit Policy			Has this Request been Funded or Committed?	
Name	Initial	Date	Name	Initial	Date	Yes	No
H. Williams			B. Barton	<i>bb</i>	1/22/98	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
K. Worthen			A. Kelly	<i>AK</i>	2/2/98		
T. Pruden							
						By: _____	
						Date: _____	
						APPROVING OFFICER'S COMMENTS AND CONDITIONS.	
						Immaterial Change.	

BOA/FBI/LAY: 33035

**GOVERNMENT
EXHIBIT
200**

Crim. No. H-04-25 (S-2)

MODIFICATION TO CAR

Bank

Borrower Kenneth L. & Linda Lay 3195 Inwood Drive Houston, Texas		R.R./CES 5	Center # 0055	Unit: Texas
		Customer # 4419073	Rel. Mgr # 236 James Shelton	City: Houston / PCG
FYE Stmt Date 12/31/96	Net Worth \$61.3MM	Total Bank Exposure \$41.1MM	Total Corporate Exposure \$41.1MM	PST: MSL
			Original CAR Date 09/01/97	Effective Date 09/01/97
Action Requested:				
<input type="checkbox"/> Final Bank Allocations	<input type="checkbox"/> Change in Credit Terms Before Closing	<input type="checkbox"/> Changes in Pricing		
<input type="checkbox"/> Risk Ratings Change	<input type="checkbox"/> Change in Collateral, Borrowing Base, Guarantor	<input type="checkbox"/> Changes in Repayment Terms		
<input type="checkbox"/> Term Loan Review	<input type="checkbox"/> Amend/Waive Covenants	<input type="checkbox"/> Commitment Extension		
<input checked="" type="checkbox"/> Temporary Commitment Extension	<input type="checkbox"/> Other (Specify) Procedural Change for Rate Adjustments			
(Max. 180 days from CAR Approved Maturity)		Amount N/A	Outstandings N/A	No. Days Extended N/A
		New Expiration Date N/A		

1. LIST EACH ITEM BEING MODIFIED; STATE THE APPROVED TERM, THE CHANGE BEING MADE AND THE REASON FOR THE CHANGE.
2. CLEARLY JUSTIFY THE MODIFIED TERM.
3. ATTACH A COPY OF THE APPROVED CAR BEING MODIFIED.

Note(s) Being Modified:

Note	Type	Commitment	Outstanding	Rate	Maturity	RR	Collateral
5001318	CLN	\$30,000,000	\$29,919,999	L+1.00%	12 months	4	Assign. of var. Mkt. Sec. & Mut. Funds (70.00% LTV/75.00% margin call).

Approved Term	Requested Change	Reason
L+1.00% fixed maturing every 30 days and rolling over for 12 months.	L+1.00% adjusting daily for 12 months.	Increased convenience for client, reduced cost to maintain credit, and greater profitability due to frequency of rate adjustments.

Signatures for Approval						Existing/Proposed Policy/Collateral Exception			
Line Officers			Credit Policy			Has this Request been Funded or Committed?			
Name	Initial	Date	Name	Initial	Date	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
James Shelton	JSS	12/11/97	Franklin Shelton	FSS	12/14/97	By:		No	
Larry Bell	LJB	12/11/97	Ann Kelly	AK	12/15/97	Date:			
						APPROVING OFFICER'S COMMENTS AND CONDITIONS:			
						Immaterial Change			

BOA/FBI/LAY: 30116