

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
NexBank, SSB	FORMERLY Heritage Bank SSB, successor in interest to U.S. Bank N.A.	08/15/2006	state savings bank: TEXAS

RECEIVING PARTY DATA

Name:	La Petite Academy, Inc.
Street Address:	650 Town Center Dr, 20th floor
City:	Novi
State/Country:	MICHIGAN
Postal Code:	48375
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 6

Property Type	Number	Word Mark
Registration Number:	2631040	MONTESSORI UNLIMITED
Registration Number:	2512152	LA PETITE ACADEMY
Registration Number:	1717005	LA PETITE JOURNEY
Registration Number:	1651762	
Registration Number:	1617106	LA PETITE ACADEMY THE PARENT'S PARTNER PRESCHOOL & CHILD CARE
Registration Number:	1307458	LA PETITE ACADEMY

CORRESPONDENCE DATA

Fax Number: (714)755-8290
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Email: ipdocket@lw.com
 Correspondent Name: Latham & Watkins, c/o Julie Dalke
 Address Line 1: 650 Town Center Dr, 20th floor
 Address Line 2: 039269-0140

OP \$165.00 2631040

900154686

**TRADEMARK
 REEL: 004149 FRAME: 0162**

Address Line 4: Costa Mesa, CALIFORNIA 92626

ATTORNEY DOCKET NUMBER: 039269-0140

NAME OF SUBMITTER: Adam Kummins

Signature: /Adam Kummins/

Date: 02/12/2010

Total Attachments: 29

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Secured Party: NexBank, SSB (as successor-collateral agent to Nationsbank, N.A.), as Collateral Agent (the "Collateral Agent"), under the Security Agreement dated as of May 11, 1998 (as amended, restated, modified and/or supplemented, the "Security Agreement"), among the Collateral Agent, La Petite Academy, Inc. and the other grantors named therein and the intellectual property security documents (the "Grant") entered into pursuant to the Security Agreement.

NOTICE OF RELEASE OF TRADEMARK SECURITY INTEREST

Commissioner of Patents & Trademarks
Box Assignments
Washington, DC 20231

Dear Sir or Madam:

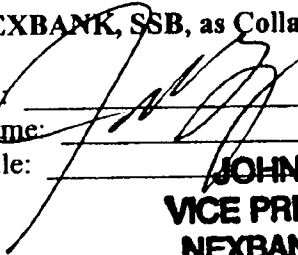
Notice is hereby given that any right, title or interest of the Collateral Agent in the trademarks and trademark applications (the "Trademarks") listed on the attached Schedule A, pursuant to the above identified Grant, is hereby released, terminated, extinguished and otherwise restored to La Petite Academy, Inc., as of the date stated below.

Furthermore, the Collateral Agent declares any right, title or interest (including any claim of ownership) of any of the secured parties under the Security Agreement and the Grant, to the extent such right, title or interest are in the Trademarks listed on the attached Schedule A, to be hereby released, terminated and extinguished.

Dated: August 15, 2006

Respectfully submitted,

NEXBANK, SSB, as Collateral Agent

By: 
Name: _____
Title: JOHN ORY
VICE PRESIDENT
NEXBANK, SSB

SCHEDULE A

Ser. #	Reg. #	Description
73067010	1079822	ANNUAL REPORT OF HOUSING'S GIANTS
73069492	1079823	BICYCLING
73346067	1307458	LA PETITE ACADEMY
73346164	1274591	LA PETITE ACADEMY
73603072	1428341	SUPER STAR CLUB
73811830	1617106	LA PETITE ACADEMY THE PARENT'S PARTNER PRESCHOOL & CHILD CARE (and Design)
73813025	1607728	LA PETITE ACADEMY GET WELL CENTER SPECIAL CARE FOR UNDER-THE-WEATHER KIDS.
73813139	1607800	LA PETITE ACADEMY GET WELL CENTER SPECIAL CARE FOR UNDER-THE-WEATHER KIDS.
74044539	1651762	(SOLDIER DESIGN)
74143140	1717005	LA PETITE JOURNEY
74433428	1845961	LA PETITE JOURNEY
74483321	1884025	SUPERSTAR CLUB
74684470	2002573	(SOLDIER DESIGN)
75448898	2313105	BUILDING THE FUTURE. ONE CHILD AT A TIME.
75448899	2313106	LA PETITE ACADEMY VISION 2000 (and Design)
75713927	2443839	CAMP IMAGINATION (and Design)
76060004	2469554	MONTESSORI UNLIMITED CARING COMMITMENT EXCELLENCE (and Design)
76084042	2512152	LA PETITE ACADEMY (and Design)
76281367	2662178	LA PETITE ACADEMY. KIDS STATION (and Design)
76282278	2631040	MONTESSORI UNLIMITED
76430546	N/A	WHILE AWAY BY LA PETITE ACADEMY
76624900	3102759	JOURNEY PRESCHOOL (and Design)
78567566	N/A	LEARNING. EVERY STEP OF THE WAY.
78567767	N/A	JOURNEY
78604479	N/A	VIP REFERRAL REWARDS
80087217	87217	N/A
80338157	338157	N/A
81043651	1043651	BAHNE
83338156	3338156	N/A
83338158	3338158	N/A
84016644	4016644	N/A

IN THE UNITED STATES COPYRIGHT OFFICE

Secured Party: NexBank, SSB (as successor-collateral agent to Nationsbank, N.A.), as Collateral Agent (the "Collateral Agent"), under the Security Agreement dated as of May 11, 1998 (as amended, restated, modified and/or supplemented, the "Security Agreement"), among the Collateral Agent, La Petite Academy, Inc. and the other grantors named therein and the intellectual property security documents (the "Grant") entered into pursuant to the Security Agreement.

NOTICE OF RELEASE OF COPYRIGHT SECURITY INTEREST

Library of Congress
Copyright Office
Documents Recordation Section
101 Independence Avenue SE
Washington, DC 20559-6000

Dear Sir or Madam:

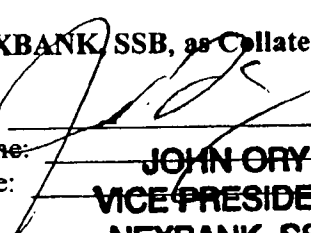
Notice is hereby given that any right, title or interest of the Collateral Agent in the copyright and copyright applications (the "Copyrights") listed on the attached Schedule A, pursuant to the above identified Grant, is hereby released, terminated, extinguished and otherwise restored to La Petite Academy, Inc., as of the date stated below.

Furthermore, the Collateral Agent declares any right, title or interest (including any claim of ownership) of any of the secured parties under the Security Agreement and the Grant, to the extent such right, title or interest are in the Copyrights listed on the attached Schedule A, to be hereby released, terminated and extinguished.

Dated: August 15, 2006

Respectfully submitted,

NEXBANK SSB, as Collateral Agent

By: 
Name: JOHN ORY
Title: VICE PRESIDENT
NEXBANK, SSB

SCHEDULE A

Name	Reg. No.
Montessori Unlimited Elementary Curriculum: Parent Guide/Written by Gwen Stanley in collaboration with Elisabeth Goossens, Dolores Gang.	TX-3-530-412
Twos, LPA 725: no. 61-120. (Twos lessons: no. 61-120).	TX-3-677-961
Explorers: bk. 1-3/Written by Judi Simmons Estes, Carol Carpenter, Jean Ann Rockett (Preschool Curriculum Guides, Explorers: bk. 1, 3 & 3).	TX-3-734-566
Lesson Guide (Twos lessons nos. 181-240).	TX-3-747-973
Challengers: bk. 1[-3]/Written by Judi Simmons Estes, Carol Carpenter, Jean Ann Rockett (Preschool Curriculum Guides, Challengers: bk.1, 2 & 3).	TX-3-748-186
Explorers: bk. 4/Written by Judi Simmons Estes, Kathryn J. Schubert (Summer Preschool Curriculum Guide, Explorers: bk 4).	TX-3-748-187
School-Age Challenge Cards (School Age Superstar Challenge Cards).	TX-3-777-133
Summer Preschool Curriculum Trailblazers: bk. 4, units 40-52/Written by Judi Simmons Estes, Kathryn J. Schubert.	TX-3-780-714
The Two-Year-Old – Organizing the Classroom: Practical Techniques for Implementing a Quality Program/Developed by Judi Simmons Estes.	TX-3-780-715
The Infant – Birth to Twelve Months: a Program Guide of Practical Techniques/Developed by Terrie Buckner and Judi Simmons Estes.	TX-3-780-716
Today's Toddler Journey is Fun For: No. 61-120 (Toddler Lessons, Nos. 61-120 (12-18 months)).	TX-3-780-727
Today's Toddler Journey is Fun For: No. 61-120 (Toddler Lessons, Nos. 61-120 (18-24 months)).	TX-3-780-728
Today's Toddler Journey is Fun For: No. 1-60 (Toddler Lessons, Nos. 1-60 (12-18 months)).	TX-3-780-729
Today's Toddler Journey is Fun For: No. 1-61 (Toddler Lessons, Nos. 1-61 (18-24 months)).	TX-3-780-730
Preschool Curriculum Trailblazers: bk. 1[-3]: Program Guide/Written by Judi Simmons Estes, Jean Ann Rockett, Kathryn J. Schubert; edited by Carol Carpenter (Preschool Curriculum Guides, Trailblazers: bk. 1-3).	TX-3-780-739
[Two Lesson: no. 121-180] .	TX-3-785-144
Twos: No. 1-60 (Twos Lessons: No. 1-60).	TX-3-785-146
School-Age Curriculum Guide: Practical Techniques for Implementing a Quality Program/Developed and Written by Judi Simmons Estes; Contributing Writers, Sue Anderson and Debbie Miller (School Age Superstar Curriculum Guide).	TX-3-785-149
Summer Preschool Curriculum Challengers: bk. 4/Written by Judi Simmons Estes, Kathryn J. Schubert; Contributing Writers, Dana Allen and Debbie Miller (Summer Preschool Curriculum Guides Challengers: bk. 4).	TX-3-785-150
[Preschool Curriculum Resource file: Summer Units].	TX-3-785-202
Preschool Curriculum Resource File (Preschool Curriculum Resource File (school year units).	TX-3-812-121
School Age Superstar Training Video	PA-686-813
Montessori Unlimited: Administrator Guide.	TX-3-470-691
School Age Curriculum Resource File.	TX-3-770-428
Director Handbook.	TX-3-877-458
Twos (Twos Lessons: No. 1-60).	TX-4-148-492
The One-Year-Old Toddler – Organizing the Classroom: Practical Techniques for Implementing an Effective Program.	TX-4-129-103

RE: HERITAGE BANK SSB, DALLAS, § BEFORE THE SAVINGS AND LOAN
DALLAS COUNTY, NAME CHANGE § COMMISSIONER OF TEXAS
TO NEXBANK, SSB § AUSTIN, TRAVIS COUNTY, TEXAS

ORDER APPROVING NAME CHANGE

On July 22, 2005, an application was filed by Heritage Bank, SSB, Dallas, Dallas County, Texas (the "Applicant" and the "Bank") to change its name to NexBank, SSB ("Application"). The Application properly complied with the requirements of §92.063 of the Texas *Finance Code* and 7 T.A.C. §75.10. Further, the Application was authorized by written consent of the Applicant's board of directors and by Heritage Bank, SSB's sole shareholder, Heritage Bancshares, Inc., on July 29, 2005. The Commissioner finds that his jurisdiction has been properly invoked.

A hearing was set on the Application for Wednesday, August 24, 2005, and all state and federal savings banks and savings and loans in Texas were timely mailed a notice of the Application and hearing. Notice of the Application and hearing was timely published by the Applicant in the English language in a newspaper of general circulation in Dallas County. Proper proof of publication was timely filed with the Commissioner.

No opposition to the Application was received by the Savings and Loan Commissioner at any time up to the date of this order.

The Commissioner takes official notice of the Application and supporting documents and finds that the Applicant has satisfied the requirements of the *Finance Code* and the Rules and Regulations Applicable to Texas Savings Banks ("Rules").

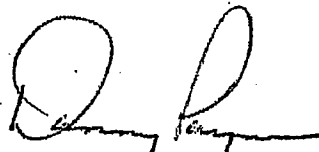
CHARTER # 033
APPROVED 8/25/05

The Commissioner finds:

1. That the character, responsibility and general fitness of the current directors and officers of the Applicant are such as to command confidence and warrant belief that the renamed savings bank will be honestly and efficiently conducted in accordance with the intent and purpose of the *Finance Code* and the Rules and that the renamed savings bank will have qualified full-time management;
2. That the proposed name includes either the words "state savings bank" or "SSB," preceded by appropriate descriptive words;
3. That the proposed name is not the same name as any other savings bank or savings and loan association authorized to do business in this State under the *Finance Code*; and
4. That the proposed name does not so nearly resemble the name of an existing savings bank or savings and loan association as to be calculated to deceive.

THEREFORE, IT IS ORDERED by the Commissioner that the Application for the Bank to change its name to NexBank, SSB is hereby GRANTED and APPROVED.

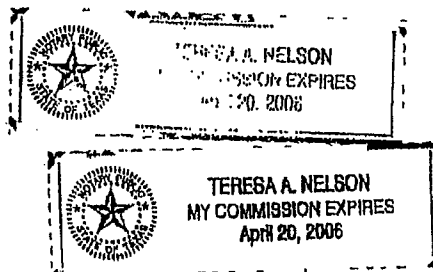
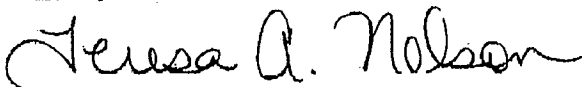
RENDERED this 25th day of August, 2005, at Austin, Travis County, Texas.



Danny Payne, Commissioner
Texas Savings and Loan Department

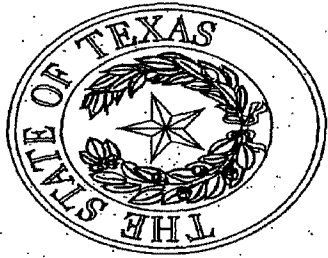
STATE OF TEXAS
COUNTY OF TRAVIS

The foregoing instrument was acknowledged before me by Danny Payne, the Texas Savings and Loan Commissioner, on the 25th day of August, 2005.



CHARTER # 0531
APPROVED

TEXAS SAVINGS AND LOAN DEPARTMENT



CHARTER NUMBER

33

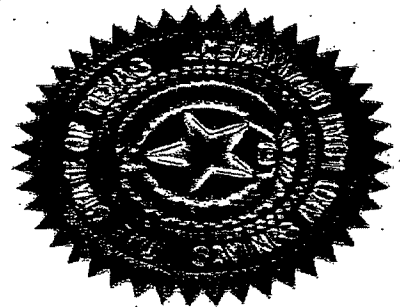
THIS IS TO CERTIFY THAT

NEXBANK, SSB

IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF TEXAS AND IS AUTHORIZED
TO CONDUCT THE BUSINESS OF A STATE SAVINGS BANK AT

DALLAS, DALLAS COUNTY

TEXAS



IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND
CAUSED TO BE AFFIXED MY OFFICIAL SEAL, AT THE CITY OF
AUSTIN, TRAVIS COUNTY, IN THE STATE OF TEXAS, THIS THE
25TH DAY OF AUGUST, 2005.

A handwritten signature in black ink, appearing to read "Danny Payne".

DANNY PAYNE, COMMISSIONER

TRADEMARK

REEL: 004149 FRAME: 0170

**AMENDMENT NO. 7
TO CREDIT AGREEMENT**

THIS AMENDMENT NO. 7 TO CREDIT AGREEMENT (this "Amendment") is entered into as of November 30, 2004, among LA PETITE ACADEMY, INC., a Delaware corporation (the "Borrower"); LPA HOLDING CORP., a Delaware corporation ("Holdings"); the Lenders party hereto; U.S. BANK NATIONAL ASSOCIATION (the "Resigning Administrative Agent"); and HERITAGE BANK, SSB (the "Successor Administrative Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement (as defined below).

RECITALS

WHEREAS, the Borrower, Holdings, the Lenders and certain other persons signatory thereto entered into the Credit Agreement dated as of May 11, 1998 (as previously amended and modified by Amendment No. 1, dated as of December 13, 1999; Amendment No. 2, dated as of June 29, 2000; Amendment No. 3, dated as of November 14, 2002; Amendment No. 4, dated as of February 5, 2002; Amendment No. 5 dated as of February 10, 2003; and Amendment No. 6 dated as of July 31, 2003, and as otherwise amended or modified from time to time, the "Credit Agreement"); and

WHEREAS, the Lenders and the Loan Parties have agreed to modify the Credit Agreement as more fully set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as set forth below.

**SECTION 1
AMENDMENTS TO CREDIT AGREEMENT**

Effective as of the date hereof (or at such other time specified herein, as applicable), the Credit Agreement is amended as set forth below.

1.1 Existing Definitions.

(a) 2003 Securities Purchase Agreement. The definition of "Securities Purchase Agreement" set forth in Section 1.01 of the Credit Agreement is amended and restated in its entirety to read as follows:

"2003 Securities Purchase Agreement" means the Securities Purchase Agreement dated as of February 10, 2003, among Holdings, LPA Investment and the other signatories thereto from time to time, as amended from time to time.

(b) LIBO Rate. The definition of "LIBO Rate" set forth in Section 1.01 of the Credit Agreement is amended and restated in its entirety to read as follows:

"LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, the rate appearing on Page 3750 of the Telerate Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Eurodollar Borrowing for such Interest Period shall be the rate at which dollar deposits of \$5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period (and if the Administrative Agent shall not have a London office, then the principal London office of the Syndication Agent).

(c) Maturity Date. The definition of "Maturity Date" set forth in Section 1.01 of the Credit Agreement is amended and restated in its entirety to read as follows:

"Maturity Date" means November 15, 2007.

1.2 Loans and Borrowings. Section 2.02(c) of the Credit Agreement is amended and restated to read as follows:

At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$250,000. At the time that each ABR Revolving Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$250,000, provided that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Revolving Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.05(e). Each Swingline Loan shall be in an amount that is an integral multiple of \$50,000 and not less than \$250,000. Borrowings of more than one Type and Class may be outstanding at the same time, provided that there shall not at any time be more than a total of eight Eurodollar Borrowings outstanding.

1.3 Amortization of Term Loans. Section 2.10(a) of the Credit Agreement is amended and restated to read as follows:

(a) Subject to adjustment pursuant to paragraph (c) of this Section, the Borrower shall repay Term Borrowings on the last day of each month set forth below in the aggregate principal amount set forth opposite such month:

<u>Date</u>	<u>Amount</u>
November 2004	\$100,000
February 2005	\$100,000
May 2005	\$100,000
August 2005	\$100,000
November 2005	\$100,000
February 2006	\$100,000
May 2006	\$100,000
August 2006	\$100,000
November 2006	\$100,000
February 2007	\$100,000
May 2007	\$100,000
August 2007	\$100,000
Maturity Date	\$31,552,174.50

1.4 Leverage Ratio. Section 6.13 of the Credit Agreement is amended and restated in its entirety to read as follows:

SECTION 6.13. Leverage Ratio. The Borrower will not permit the Leverage Ratio, as of the last day of any fiscal quarter ending closest to the date set forth below, to be in excess of the ratio set forth opposite such date:

<u>Quarter Ending Closest To:</u>	<u>Maximum Ratio</u>
September 30, 2004	7.25 to 1.00
December 31, 2004	7.25 to 1.00
March 31, 2005	7.25 to 1.00
June 30, 2005	7.25 to 1.00
September 30, 2005	6.75 to 1.00
December 31, 2005	6.75 to 1.00
March 31, 2006	6.25 to 1.00
June 30, 2006	6.25 to 1.00
September 30, 2006	6.00 to 1.00
December 31, 2006	6.00 to 1.00
March 31, 2007	5.50 to 1.00
June 30, 2007	5.50 to 1.00
September 30, 2007	5.50 to 1.00

1.5 Consolidated Fixed Charge Coverage Ratio. Section 6.14(a) of the Credit Agreement is amended and restated in its entirety to read as follows:

SECTION 6.14. Consolidated Fixed Charge Coverage Ratio.

(a) *The Borrower will not permit the Consolidated Fixed Charge Coverage Ratio for the four fiscal quarter period ending closest to each date set forth below to be less than the ratio set forth opposite such date:*

<u>Period:</u>	<u>Minimum Ratio</u>
September 30, 2004	1.00 to 1.00
December 31, 2004	0.95 to 1.00
March 31, 2005	0.95 to 1.00
June 30, 2005	0.95 to 1.00
September 30, 2005	0.95 to 1.00
December 31, 2005	1.00 to 1.00
March 31, 2006	1.00 to 1.00
June 30, 2006	1.00 to 1.00
September 30, 2006	1.00 to 1.00
December 31, 2006	1.00 to 1.00
March 31, 2007	1.00 to 1.00
June 30, 2007	1.00 to 1.00
September 30, 2007	1.00 to 1.00

1.6 Minimum Consolidated EBITDA. Section 6.15 of the Credit Agreement is amended and restated in its entirety to read as follows:

SECTION 6.15. Minimum Consolidated EBITDA. The Borrower will not permit Consolidated EBITDA for any period set forth below to be less than the amount set forth below opposite such period:

<u>Period:</u>	<u>Minimum Consolidated EBITDA</u>
<i>For the four fiscal quarter period ending closest to each date set forth below:</i>	
September 30, 2004	\$26,750,000
December 31, 2004	\$27,000,000
March 31, 2005	\$27,250,000
June 30, 2005	\$27,250,000
September 30, 2005	\$28,250,000
December 31, 2005	\$28,750,000
March 31, 2006	\$29,250,000
June 30, 2006	\$30,000,000
September 30, 2006	\$30,250,000
December 31, 2006	\$31,250,000

<i>March 31, 2007</i>	<i>\$32,250,000</i>
<i>June 30, 2007</i>	<i>\$33,250,000</i>
<i>September 30, 2007</i>	<i>\$33,750,000</i>

1.7 Swingline Loans. The parties to this Amendment hereby agree that any and all Swingline Loans are hereby terminated in all respects, and any references to the Swingline Lender or to the Swingline Loans thereto in any Loan Document are, on an after the date hereof, of no further effect, except with respect to required participations in any Swingline Loan currently outstanding by the Lenders or repayment thereof by the Borrower. Notwithstanding the foregoing, the obligations of the Lenders to make Revolving Loans shall remain in full force and effect.

SECTION 2 **CONDITIONS PRECEDENT**

This Amendment shall not be effective until the conditions set forth below have been satisfied (or waived by the Lenders).

(a) Documentation. Receipt by the Administrative Agent of counterparts of this Amendment executed by each of the Loan Parties and the Lenders.

(b) Authority. Receipt by the Administrative Agent of a certificate of the secretary of each of the Borrower, Holdings and the Subsidiary Loan Parties dated as of the date hereof certifying as to (i) resolutions duly adopted by the Board of Directors approving this Amendment (and any Loan Documents to be executed in connection herewith) and the transactions contemplated herein and authorizing the execution, delivery and performance hereof and thereof; (ii) its respective certificate or articles of incorporation and by-laws; and (iii) the incumbency of its officers executing this Amendment and any Loan Documents to be executed in connection herewith on its behalf.

(c) Good Standing. Receipt by the Administrative Agent of copies of certificates of good standing, existence or its equivalent with respect to each Loan Party certified as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its formation and the state of its chief executive office and principal place of business.

(d) Fees and Expenses. (i) The payment by the Borrower of an amendment fee in an aggregate amount equal to \$200,000 distributed to each Lender pro rata in accordance with its respective aggregate Commitments; (ii) the payment by the Borrower to Dallas Lease & Finance, L.P. of an arrangement fee equal to \$300,000; and (iii) the payment by Borrower to Haynes and Boone, L.L.P., counsel to the Administrative Agent and Dallas Lease & Finance, L.P., of all legal fees incurred by such Persons in connection with the Credit Agreement, including an advance for anticipated expenses to be incurred in connection with collateral matters, to the extent an invoice for such fees and expenses is sent to the Borrower or its counsel prior to the date hereof.

(e) Amendment No. 2 to 2003 Securities Purchase Agreement. Amendment No. 2 to the 2003 Securities Purchase Agreement ("Amendment No. 2"), in form and substance reasonably satisfactory to the Administrative Agent, shall have been executed by Holdings and LPA Investment. The Administrative Agent shall have received a copy, certified by an officer of Holdings as true and complete, of Amendment No. 2.

(f) Legal Opinion. Receipt by the Administrative Agent of an opinion from O'Melveny & Myers LLP, counsel to the Loan Parties, relating to this Amendment and the transactions contemplated herein, in form and substance satisfactory to the Administrative Agent.

(g) List of Owned Real Property. Receipt by the Administrative Agent of a list of all owned real property of the Loan Parties.

SECTION 3 Administrative Agent

3.1 Resignation. The Resigning Administrative Agent hereby resigns as Administrative Agent, Documentation Agent, Collateral Agent, Issuing Bank, and Swingline Lender.

3.2 Appointment.

(a) The Required Lenders appoint the Successor Administrative Agent to succeed Resigning Administrative Agent as Administrative Agent, Documentation Agent, Collateral Agent, Issuing Bank, and Swingline Lender under the Credit Agreement and the other Loan Documents.

(b) Notwithstanding the appointment of Successor Administrative Agent, in order to minimize the administrative cost and expense associated with the transfer of certain of the duties and responsibilities of Issuing Bank under the Credit Agreement and other Loan Documents from Resigning Administrative Agent to Successor Administrative Agent, the parties hereby agree as follows:

(i) Resigning Administrative Agent shall continue to be the issuer of the existing Letters of Credit issued and outstanding on the date hereof under the Credit Agreement as listed on Schedule 1 attached hereto (the "Existing Letters of Credit") until the earlier to occur of (i) the expiry of the Existing Letters of Credit or (ii) the date upon which Successor Administrative Agent has issued replacement Letters of Credit therefor which have been accepted by the beneficiary thereof (and such beneficiary has returned the originals of the Existing Letters of Credit to Resigning Administrative Agent. Resigning Administrative Agent shall provide such reports and other information to Borrower, Successor Administrative Agent, and the Lenders consistent with their respective past practice for these activities. Resigning Administrative Agent shall be entitled to all rights as Issuing Bank under the Credit Agreement with respect to the Existing Letters of Credit, including, without limitation, (x) reimbursement by Borrower for draws under any such outstanding Existing Letters of Credit issued by it, and (y) if not previously reimbursed or repaid by Borrower, require each Lender to fund

its participation in such Existing Letter of Credit, all in accordance with the applicable terms and provisions of the Credit Agreement (with Resigning Administrative Agent being deemed to be the "Administrative Agent" for such purposes).

- (ii) Resigning Administrative Agent and Borrower shall cooperate with Successor Administrative Agent to properly reflect the change of Collateral Agent with respect to the Collateral and shall promptly execute and deliver any documentation reasonably requested from time to time by Successor Administrative Agent in order to preserve and protect the Liens in favor of the Lenders on such Collateral; provided, however, that at the request of Successor Administrative Agent, (i) Resigning Administrative Agent shall remain the mortgagee, assignee, and secured party of record as the Collateral Agent for the benefit of the Secured Parties with respect to all or any portion of the Collateral, (ii) any and all mortgages, security agreements, financing statements, control agreements, and other documents, instruments, and agreements creating, evidencing, or relating to any Liens on such Collateral held by Resigning Administrative Agent as Collateral Agent for the Lenders shall be, and be deemed to be, modified and supplemented such that such Liens shall be held by Successor Administrative Agent as Collateral Agent for the Lenders, and (iii) Resigning Administrative Agent shall take such actions as directed by Successor Administrative Agent with respect to the release or modification of, or the exercise of any rights or remedies regarding any such Collateral consistent with the terms of the Loan Documents. Resigning Administrative Agent and Borrower shall promptly execute and deliver any documentation requested from time to time by Successor Administrative Agent to evidence such Resigning Administrative Agent's capacity as Collateral Agent for the Lenders.
- (iii) Resigning Administrative Agent shall deliver all possessory Collateral to Successor Administrative Agent as soon as possible, but no later than December 15, 2004. Until the delivery of such possessory Collateral to Successor Administrative Agent, Resigning Administrative Agent shall hold such possessory Collateral in trust for Successor Administrative Agent.
- (iv) All expenses and costs incurred by Resigning Administrative Agent in connection with this Agreement or in the performance thereof, whether now or in the future, including reasonable attorney fees, shall, upon demand, be paid by Borrower or if not paid by Borrower shall be paid by Successor Administrative Agent on behalf of the Lenders.

3.3 Consent. Borrower consents to such appointment of Successor Administrative Agent as Administrative Agent, Documentation Agent, Collateral Agent, Issuing Bank, and Swingline Lender.

3.4 Acceptance. Successor Administrative Agent accepts such appointment as Administrative Agent, Documentation Agent, Collateral Agent, Issuing Bank, and Swingline Lender.

3.5 Assignment. Resigning Administrative Agent transfers, assigns, and conveys to Successor Administrative Agent, for the benefit of the Secured Parties, all right, title, and interest in the Collateral.

3.6 Amendment.

(a) The Credit Agreement and each other applicable Loan Document is deemed amended to reflect the appointment of Successor Administrative Agent as Administrative Agent, Documentation Agent, Collateral Agent, Issuing Bank (except with regard to the Existing Letters of Credit), and Swingline Lender under the Credit Agreement, and all references therein to Administrative Agent, Documentation Agent, Collateral Agent and Issuing Bank (except with regard to the Existing Letters of Credit) shall be to Successor Administrative Agent.

(b) The applicable notice provisions in the Loan Documents are amended by replacing the contact information for Administrative Agent, Documentation Agent, Collateral Agent, Issuing Bank, and Swingline Lender with the following:

Heritage Bank, SSB
13455 Noel Road, Suite 2220
Dallas, TX 75240
Attention: Davis Deadman

SECTION 4 **MISCELLANEOUS**

4.1 Mortgages. The Loan Parties, as applicable, shall execute and deliver to the Collateral Agent, within five Business Days following receipt of such document from the Collateral Agent, a Mortgage and such other documents, financing statements, agreements and instruments, that may be required under any applicable law, or which the Collateral Agent may reasonably request, to grant, preserve, protect or perfect a Lien on the real property identified in Section 2(g).

4.2 Ratification of Loan Documents. The terms "Credit Agreement" and "Agreement" as used in each of the Loan Documents shall hereafter mean the Credit Agreement as amended by this Amendment. The Borrower and Holdings each (a) ratifies and confirms all provisions of the Credit Agreement, as amended by this Amendment, and the other Loan Documents; (b) ratifies and confirms that all guaranties, assurances, and liens granted, conveyed, or assigned to Lender under the Loan Documents are not released, reduced, or otherwise adversely affected by this Amendment and continue to guarantee and secure full payment and performance of its obligations under the Credit Agreement and the other Loan Documents; and (c) agrees to perform such reasonable acts and duly authorize, execute, acknowledge, deliver, file and record such additional documents, and certificates as the Administrative Agent or Required Lenders may reasonably request in order for the Lenders to create, perfect, preserve and protect those guaranties, assurances and liens. Except to the extent amended hereby, all terms, provisions and conditions of the Credit Agreement, the other Loan Documents and all documents executed in connection therewith, shall continue in full force and effect and shall remain enforceable and binding in accordance with their respective terms.

4.3 Authority/Enforceability. Each of the Loan Parties, the Administrative Agent and the Lenders party hereto represents and warrants as set forth below.

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Amendment.

(b) This Amendment has been duly executed and delivered by such Person and constitutes such Person's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be subject to (i) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(c) No material consent, approval, authorization or order of, or filing, registration or qualification with, any court or Governmental Authority or third party is required in connection with the execution, delivery or performance by such Person of this Amendment.

4.4 Representation and Warranties. Each of the Borrower and Holdings represents and warrants to the Lenders as set forth below.

(a) The representations and warranties of the Borrower and Holdings set forth in Article III of the Credit Agreement qualified as to materiality are true and correct as of the date hereof and those not so qualified are true and correct as of the date hereof in all material respects, except, in each case, for those that specifically relate to an earlier date.

(b) No event has occurred and is continuing which constitutes a Default or an Event of Default.

(c) The Security Documents create a valid security interest in, and Lien upon, the Collateral.

(d) The Loan Documents, as amended hereby, are valid and binding obligations of the Loan Parties, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or law.

(e) The execution and delivery of this Amendment and the performance of the transactions contemplated hereby (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect or, if not obtained or made, would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect; (b) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of Holdings, the Borrower or any of the Subsidiaries or any order of any Governmental Authority, except, with respect to any violation of applicable law or regulation or any order of any Governmental Authority, to the extent any such violation would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect; and (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon Holdings, the Borrower

or any of the Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by Holdings, the Borrower or any of the Subsidiaries, except to the extent any such violation, default or right would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

4.5 General Release. In consideration of the Lenders entering into this Amendment, the Loan Parties hereby release the Administrative Agent, the Lenders, and the Administrative Agent's and the Lenders' respective officers, employees, representatives, agents, counsel and directors from any and all actions, causes of action, claims, demands, damages and liabilities of whatever kind or nature, in law or in equity, now known or unknown, suspected or unsuspected to the extent that any of the foregoing arises from any action or failure to act under the Credit Agreement on or prior to the date hereof.

4.6 Counterparts/Telecopy. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of executed counterparts by telecopy shall be effective as an original and shall constitute a representation that an original will be delivered if requested.

4.7 Further Assurances. The Borrower agrees to promptly take such action, upon the reasonable request of the Administrative Agent or the Required Lenders, as is reasonably necessary to carry out the intent of this Amendment, the Security Documents and the Loan Documents, including, but not limited to, such actions as are necessary to ensure that the Lenders have a perfected security interest in the Collateral subject to no Liens other than the Liens permitted by Section 6.02 of the Credit Agreement.

4.8 **GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.**

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LA PETITE ACADEMY

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers or attorneys-in-fact as of the day and year first above written.


BORROWER:

LA PETITE ACADEMY, INC.

By: 
Name: Gary Graves
Title: President

HOLDINGS:

LPA HOLDING CORP.

By: 
Name: Gary Graves
Title: President

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LA PETITE ACADEMY

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Each of the undersigned are unconditional guarantors of all obligations of the Borrower under the Loan Documents and acknowledge and agree that (a) this Amendment does not modify or waive any of its obligations under the Loan Documents, including the Guarantee Agreements and (b) all Liens granted by it to support its obligations remain in full force and effect.

LPA HOLDING CORP.

By: *Gary Graves*
Name: Gary Graves
Title: President

LPA SERVICES, INC.

By: *Gary Graves*
Name: Gary Graves
Title: President

BRIGHT START, INC.

By: *Gary Graves*
Name: Gary Graves
Title: President

U.S. BANK NATIONAL ASSOCIATION

By: David L. Orf
Name: David L. Orf
Title: Vice President


HERITAGE BANK, SSB

By: 

Name: DAVIS Goodman

Title: CEO

BANC OF AMERICA STRATEGIC SOLUTIONS,
INC.

By: 
Name: JOHN W. WOODIEL III
Title: SENIOR VICE PRESIDENT

ML CBO IV (CAYMAN) LTD
By: Highland Capital Management, L.P.
as Collateral Manager

By: 
Name: _____
Title:

HIGHLAND LEGACY LIMITED
By: Highland Capital Management, L.P.
as Collateral Manager

By: 
Name: _____
Title:

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PAMCO CAYMAN LTD
By: Highland Capital Management, L.P.
as Collateral Manager

By: 
Name: _____
Title:

PAM CAPITAL FUNDING, L.P.
By: Highland Capital Management, L.P.
as Collateral Manager

By: 
Name: _____
Title:

HIGHLAND CRUSADER OFFSHORE
PARTNERS, L.P.

By: Highland Capital Management, L.P.
as Collateral Manager

By: 
Name: _____
Title:

CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM
By: Highland Capital Management, L.P.
As Authorized Representatives of the Board

By: 
Name: _____
Title:

Schedule 1

Issued and Outstanding Letters of Credit