

- (ii) the Shareholders' Equity of the Company to be less than \$3,000,000.00.

then to the extent of the lesser of either:

- (i) the greater of the amount of (a) such deficiency in Stockholders' Equity or (b) the amount necessary to maintain the current ratio of the Company as set forth above, said (a) and (b) above to exclude any deficiency caused by payment of dividend pursuant to Section 3.02 hereof; or
- (ii) the amount of such dividend.

the Company must furnish to Trustee the written guarantee of Kinder-Care Learning Centers, Inc. (or its successor by purchase, merger or consolidation) to repay such lesser amount upon an event of default by the Company under the Original Trust Deed. For the purposes of this clause "Current Assets", "Current Liabilities" and "Shareholders Equity" shall be calculated in accordance with generally accepted accounting principles."

2.02 Section 5.06 of Article V in the Second Supplemental Indenture dated January 1, 1973, is hereby amended by the deletion of subparagraph (g) thereof, and the following is to ap-