PLEDGE AGREEMENT  
  
  
 PLEDGE AGREEMENT, dated as of \_\_\_\_\_\_\_\_ \_\_, 1997, made by  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the "Executive") in favor of KINDERCARE LEARNING CENTERS,  
Inc., a Delaware corporation (the "Company").  
  
 W I T N E S S E T H:  
  
  
 WHEREAS, pursuant to the Management Stockholder's Agreement by and  
between the Company and the Executive (as amended, supplemented or otherwise  
modified from time to time, the "Management Stockholder's Agreement"), the  
Company has agreed to make a loan (the "Loan") to the Executive for the  
acquisition of Purchase Stock (as defined in the Management Stockholder's  
Agreement), to be evidenced by a note substantially in the form of Exhibit A  
hereto (the "Note");  
  
 WHEREAS, the Executive will be the legal and beneficial owner of the  
shares of Pledged Stock (as hereinafter defined) issued by the Company; and  
  
 WHEREAS, it is a condition precedent to the obligation of the Company  
to make the Loan to the Executive that the Executive shall have executed and  
delivered this Pledge Agreement to the Company.  
  
  
 NOW, THEREFORE, in consideration of the premises and to induce the  
Company to make the Loan, the Executive hereby agrees with the Company, as  
follows:  
  
 1. Defined Terms. (a) Unless otherwise defined herein, terms defined  
in the Management Stockholder's Agreement or the Note, as the case may be, and  
used herein shall have the meanings assigned to them in the Management  
Stockholder's Agreement and the Note, respectively.  
  
 (b) The following terms shall have the following meanings:  
  
 "Agreement": this Pledge Agreement, as the same may be amended,  
modified or otherwise supplemented from time to time.  
  
 "Code": the Uniform Commercial Code from time to time in effect in the  
State of Delaware.  
  
 "Collateral": the Pledged Stock and all Proceeds.  
  
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 "Collateral Account": any account established to hold money Proceeds,  
maintained under the sole dominion and control of the Company.  
  
 "Default": any event that is or with the passage of time or the giving  
of notice or both would be an Event of Default under the Note.  
  
 "Lien": with respect to the Collateral, any mortgage, deed of trust,  
lien, pledge, hypothecation, encumbrance, charge of security interest in, on or  
of such Collateral.  
  
 "Obligations": the collective reference to the unpaid principal of and  
interest on the Note (including, without limitation, interest accruing at the  
then applicable rate provided in the Note after the maturity of the Loan and  
interest accruing at the then applicable rate provided in the Note after the  
filing of any petition in bankruptcy, or the commencement of any insolvency,  
reorganization or like proceeding, relating to the Executive, whether or not a  
claim for post-filing or post-petition interest is allowed in such proceeding),  
whether direct or indirect, absolute or contingent, due or to become due, or now  
existing or hereafter incurred, which may arise under, out of, or in connection  
with the Note and this Agreement or any other document made, delivered or given  
in connection therewith, in each case whether on account of principal, interest,  
costs, expenses or otherwise.  
  
 "Person": any individual, corporation, partnership, joint venture,  
association, joint-stock company, trust, unincorporated organization, government  
or any agency or political subdivision thereof or any other entity.  
  
 "Pledged Stock": the shares of capital stock listed on Schedule 1  
hereto, together with all stock certificates received upon exercise of any such  
options or rights of any nature whatsoever that may be issued or granted by the  
Company to the Executive while this Agreement is in effect.  
  
 "Proceeds": all "proceeds" as such term is defined in Section 9-306(1)  
of the Uniform Commercial Code in effect in the State of Delaware on the date  
hereof and, in any event, shall include, without limitation, all dividends or  
other income from the Pledged Stock, collections thereon or distributions with  
respect thereto.  
  
 "Securities Act": the Securities Act of 1933, as amended.  
  
 (c) The words "hereof," "herein" and "hereunder" and words of similar  
import when used in this Agreement shall refer to this Agreement as a whole and  
not to any particular provision of this  
  
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Agreement, and section and paragraph references are to this Agreement unless  
otherwise specified.  
  
 (d) The meanings given to terms defined herein shall be equally  
applicable to both the singular and plural forms of such terms.  
  
 2. Pledge; Grant of Security Interest. The Executive hereby delivers  
to the Company all the Pledged Stock and hereby grants to the Company a first  
security interest in the Collateral, as collateral security for the prompt and  
complete payment and performance when due (whether at the stated maturity, by  
acceleration or otherwise) of the Obligations.  
  
 3. Stock Powers. Concurrently with the delivery to the Company of each  
certificate representing one or more shares of Pledged Stock to the Company, the  
Executive shall deliver an undated stock power covering such certificate, duly  
executed in blank by the Executive with, if the Company so requests, signature  
guaranteed.  
  
 4. Covenants. The Executive covenants and agrees with the Company  
that, from and after the date of this Agreement until this Agreement is  
terminated and the security interests created hereby are released:  
  
 (a) If the Executive shall (i) as a result of its ownership of the  
Pledged Stock, become entitled to receive or shall receive any stock certificate  
(including, without limitation, any certificate representing a stock dividend or  
a distribution in connection with any reclassification, increase or reduction of  
capital or any certificate issued in connection with any reorganization), option  
or rights, whether in addition to, in substitution of, as a conversion of, or in  
exchange for any shares of the Pledged Stock, or otherwise in respect thereof or  
(ii) acquire ownership of shares of Common Stock upon the exercise of stock  
options, the Executive shall accept the same as the agent of the Company, hold  
the same in trust for the Company, and deliver the same forthwith to the Company  
in the exact form received, duly indorsed by the Executive to the Company, if  
required, together with an undated stock power covering such certificate duly  
executed in blank by the Executive and with, if the Company so requests,  
signature guaranteed, to be held by the Company, subject to the terms hereof, as  
additional collateral security for the Obligations.  
  
 (b) Without the prior written consent of the Company, the Executive  
will not (1) sell, assign, transfer, exchange, or otherwise dispose of, or grant  
any option with respect to, the Collateral; provided, however, that a transfer  
made in compliance with the federal securities laws to a trust or custodianship,  
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beneficiaries of which may include only the Executive, the Executive's spouse or  
the Executive's lineal descendants, will be permitted so long as such transfer  
is made expressly subject to this Pledge Agreement and that the transferee  
agrees in writing to be bound by the terms and conditions hereof; provided,  
further, that this clause 4(b)(1) shall not restrict the sale of the Collateral  
if (i) such sale is made pursuant to the terms of the Management Stockholder's  
Agreement between the Executive and the Company dated as of \_\_\_\_\_\_\_\_\_\_ \_\_, 199\_  
and (ii) the proceeds from such sale are used solely to pay accrued interest on  
and repay the principal of the Note; provided, further, that such proceeds need  
not be used solely to pay accrued interest on and repay the principal of the  
Note if such proceeds exceed the sum of any accrued interest on and the  
principal of the Note and such accrued interest on and the principal of the Note  
are paid in full from the proceeds of such sale, (2) create, incur or permit to  
exist any Lien or option in favor of, or any claim of any Person with respect  
to, any of the Collateral, or any interest therein, except for the security  
interests created by this Agreement or (3) enter into any agreement or  
undertaking restricting the right or ability of the Executive or the Company to  
sell, assign or transfer any of the Collateral.  
  
 (c) The Executive shall maintain the security interest created by this  
Agreement as a first, perfected security interest and shall defend such security  
interest against claims and demands of all Persons whomsoever. At any time and  
from time to time, upon the written request of the Company, and at the sole  
expense of the Executive, the Executive will promptly and duly execute and  
deliver such further instruments and documents and take such further actions as  
the Company may reasonably request for the purposes of obtaining or preserving  
the full benefits of this Agreement and of the rights and powers herein granted.  
If any amount payable under or in connection with any of the Collateral shall be  
or become evidenced by any promissory note, other instrument or chattel paper,  
such note, instrument or chattel paper shall be immediately delivered to the  
Company, duly endorsed in a manner satisfactory to the Company, to be held as  
Collateral pursuant to this Agreement.  
  
 (d) The Executive shall pay, and save the Company harmless from, any  
and all liabilities with respect to, or resulting from any delay in paying, any  
and all stamp, excise, sales or other taxes which may be payable or determined  
to be payable with respect to any of the Collateral or in connection with any of  
the transactions contemplated by this Agreement.  
  
 5. Cash Dividends; Voting Rights. Unless an Event of Default shall  
have occurred and be continuing and the Company shall have given notice to the  
Executive of the Company's intent to exercise its corresponding rights pursuant  
to Section 6 below,  
  
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the Executive shall be permitted to receive all cash dividends paid in respect  
of the Pledged Stock and to exercise all voting and corporate rights with  
respect to the Pledged Stock.  
  
 6. Rights of the Company. If an Event of Default shall occur and be  
continuing and the Company shall give notice of its intent to exercise such  
rights to the Executive the Company shall have the right to receive any and all  
cash dividends paid in respect of the Pledged Stock and make application thereof  
to the Obligations in such order as the Company may determine.  
  
 7. Remedies. (a) If an Event of Default shall have occurred and be  
continuing, at any time at the Company's election, the Company may apply all or  
any part of Proceeds held in any Collateral Account in payment of the  
Obligations in such order as the Company may elect.  
  
 (b) If an Event of Default shall have occurred and be continuing, the  
Company may exercise, in addition to all other rights and remedies granted in  
this Agreement and in any other instrument or agreement securing, evidencing or  
relating to the Obligations, all rights and remedies of a secured party under  
the Code. Without limiting the generality of the foregoing, the Company, without  
demand of performance or other demand, presentment, protest, advertisement or  
notice of any kind (except any notice required by law referred to below) to or  
upon the Executive or any other Person (all and each of which demands, defenses,  
advertisements and notices are hereby waived), may in such circumstances  
forthwith collect, receive, appropriate and realize upon the Collateral, or any  
part thereof, and/or may forthwith sell, assign, give option or options to  
purchase or otherwise dispose of and deliver the Collateral or any part thereof  
(or contract to do any of the foregoing), in one or more parcels at public or  
private sale or sales, in the over-the-counter market, at any exchange, broker's  
board or office of Company or elsewhere upon such terms and conditions as it may  
deem advisable and at such prices as it may deem best, for cash or on credit or  
for future delivery without assumption of any credit risk. The Company shall  
have the right upon any such public sale or sales, and, to the extent permitted  
by law, upon any such private sale or sales, to purchase the whole or any part  
of the Collateral so sold, free of any right or equity of redemption in the  
Executive, which right or equity is hereby waived or released. The Company shall  
apply any Proceeds from time to time held by it and the net proceeds of any such  
collection, recovery, receipt, appropriation, realization or sale, after  
deducting all reasonable costs and expenses of every kind incurred in respect  
thereof or incidental to the care or safekeeping of any of the Collateral or in  
any way relating to the Collateral or the rights of the Company hereunder,  
including, without limitation, reasonable attorneys' fees and disbursements  
  
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of counsel to the Company, to the payment in whole or in part of the  
Obligations, in such order as the Company may elect, and only after such  
application and after the payment by the Company of any other amount required by  
any provision of law, including, without limitation, Section 9-504(1)(c) of the  
Code, need the Company account for the surplus, if any, to the Executive. To the  
extent permitted by applicable law, the Executive waives all claims, damages and  
demands it may acquire against the Company arising out of the exercise by them  
of any rights hereunder. If any notice of a proposed sale or other disposition  
of Collateral shall be required by law, such notice shall be deemed reasonable  
and proper if given at least 10 days before such sale or other disposition. The  
Executive shall remain liable for any deficiency if the proceeds of any sale or  
other disposition of Collateral are insufficient to pay the Obligations and the  
reasonable fees and disbursements of any attorneys employed by the Company to  
collect such deficiency.  
  
 8. Execution of Financing Statements. Pursuant to Section 9-402 of the  
Code, the Executive authorizes the Company to file financing statements with  
respect to the Collateral without the signature of the Executive in such form  
and in such filing offices as the Company reasonably determines appropriate to  
perfect the security interests of the Company under this Agreement. A carbon,  
photographic or other reproduction of this Agreement shall be sufficient as a  
financing statement for filing in any jurisdiction.  
  
 9. Notices. All notices, requests and demands to or upon the Company  
or the Executive to be effective shall be in writing (or by telex, facsimile or  
similar electronic transfer confirmed in writing) and shall be deemed to have  
been duly given or made (1) when delivered by hand or (2) if given by mail, when  
deposited in the mails by certified mail, return receipt requested, or (3) if by  
telex, facsimile or similar electronic transfer, when sent and receipt has been  
confirmed, addressed to the Company or the Executive at its address or  
transmission number for notices provided in subsection 25 of the Management  
Stockholder's Agreement. The Company and the Executive may change their  
addresses and transmission numbers for notices by notice in the manner provided  
in this Section.  
  
 10. Severability. Any provision of this Agreement which is prohibited  
or unenforceable in any jurisdiction shall, as to such jurisdiction, be  
ineffective to the extent of such prohibition or unenforceability without  
invalidating the remaining provisions hereof, and any such prohibition or  
unenforceability in any jurisdiction shall not invalidate or render  
unenforceable such provision in any other jurisdiction.  
  
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 11. Amendments in Writing; No Waiver; Cumulative Remedies. (a) None of  
the terms or provisions of this Agreement may be waived, amended, supplemented  
or otherwise modified except by a written instrument executed by the Executive  
and the Company, provided that any provision of this Agreement may be waived by  
the Company in a letter or agreement executed by the Company or by telex or  
facsimile transmission from the Company.  
  
 (b) The Company shall not by any act (except by a written instrument  
pursuant to paragraph 11(a) hereof), delay, indulgence, omission or otherwise be  
deemed to have waived any right or remedy hereunder or to have acquiesced in any  
Default or Event of Default or in any breach of any of the terms and conditions  
hereof. No failure to exercise, nor any delay in exercising, on the part of the  
Company, any right, power or privilege hereunder shall operate as a waiver  
thereof. No single or partial exercise of any right, power or privilege  
hereunder shall preclude any other or further exercise thereof or the exercise  
of any other right, power or privilege. A waiver by the Company of any right or  
remedy hereunder on any one occasion shall not be construed as a bar to any  
right or remedy which the Company would otherwise have on any future occasion.  
  
 (c) The rights and remedies herein provided are cumulative, may be  
exercised singly or concurrently and are not exclusive of any other rights or  
remedies provided by law.  
  
 12. Section Headings. The section headings used in this Agreement are  
for convenience of reference only and are not to affect the construction hereof  
or be taken into consideration in the interpretation hereof.  
  
 13. Successors and Assigns. This Agreement shall be binding upon the  
successors and assigns of the Executive and shall inure to the benefit of the  
Company and their successors and assigns.  
  
 14. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED  
AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF DELAWARE.  
  
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 IN WITNESS WHEREOF, the undersigned has caused this Agreement to be  
duly executed and delivered as of the date first above written.  
  
 [ ]  
  
  
  
 By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
  
  
 Title  
  
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 SCHEDULE 1  
 TO PLEDGE AGREEMENT  
  
  
 DESCRIPTION OF PLEDGED STOCK  
  
  
1. Stock certificate No. [ ], representing [ ] shares of common  
 stock, per value $.01 per share, of KinderCare Learning Centers, Inc.