

11 NOV 2008



FERRIER HODGSON

**BRISBANE**

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**Circular to Creditors and Employees**

**A.B.C. Learning Centres Limited  
ACN: 079 736 664  
and each company listed in the Attached Schedule  
(All Administrators Appointed)  
(All Receivers and Managers Appointed)  
collectively ("the ABC Group" or "the Companies")**

Messrs Peter Walker and Greg Moloney of Ferrier Hodgson were appointed Voluntary Administrators ("Administrators") of the ABC Group on 6 November 2008. Immediately after our appointment, Messrs Chris Honey, John Cronin and Murray Smith of McGrathNicol were appointed Receivers and Managers ("Receivers") to the ABC Group.

It should be noted that the Receivers are in control of the ABC Group's assets and its operations. **They will be solely responsible for, and will determine all issues relating to the Companies' ongoing operations and the manner in which their assets are dealt with.**

We are informed that a separate notification as to the Receivership has been sent to suppliers by the Receivers which explains issues relevant to the manner in which the Receivers will deal with ongoing supply etc. All enquiries you may have in relation to your ongoing dealings with the Companies should be addressed to your normal ABC Group contact or the Receivers.

**As Administrators, we will not be responsible for any aspect of the ABC Group trading operations.**

**First Meeting of Creditors**

We are required under the Corporations Act 2001 to convene a First Meeting of Creditors which will be held on Tuesday, 18 November 2008 at 11.00am at Gianni At Portside, Level 2 Portside, Remora Road, Hamilton, Brisbane, Queensland. Attendance at this meeting is not compulsory. A copy of the minutes of meeting will be posted on the Ferrier Hodgson website, [www.ferrierhodgson.com.au](http://www.ferrierhodgson.com.au).

The purpose of the meeting is to provide creditors with the opportunity to:

- Appoint a Committee of Creditors;
- Appoint an alternate Administrator, if they so desire.

The following information is enclosed for your attention:

mdj/yhj/abcl2512

ADELAIDE  
MELBOURNE  
NEWCASTLE  
PERTH  
SYDNEY  
HONG KONG  
JAKARTA  
KUALA LUMPUR  
MANILA  
MUMBAI  
SHANGHAI  
SINGAPORE  
TOKYO

affiliated through  
Kroll Worldwide  
UNITED STATES  
UNITED KINGDOM

CORPORATE ADVISORY

FORENSICS

CORPORATE RECOVERY



1. Notice of Meeting and Agenda of First Meeting of Creditors;
2. Declaration of Independence, relevant relationships and indemnities;
3. Appointment of Proxy (valid only at First Meeting of Creditors);
4. Proof of Debt for Voting (valid for all meetings);
5. Schedule of hourly rates;

With regard to the meeting:

- The meeting will commence at 11.00am. You should arrive for registration 60 minutes prior to the meeting.
- Proof of Debt for Voting and Proxy: A person is not entitled to vote at the meeting unless they have provided particulars of their debt or claim to the Administrators prior to the meeting. The voting form and proxy should be lodged with the Administrators no later than 4pm on the day prior to the meeting. Forms can be sent by facsimile on 07 3831 3862, mailed to this office or scanned and emailed to [abcenquiries@fh.com.au](mailto:abcenquiries@fh.com.au).

## Other Information

### Employees

Employees are also creditors of the Company.

It is our understanding that the Receivers have corresponded directly with employees in respect of their ongoing employment and will address all queries in this regard.

Generally, employees have a statutory priority of payment for outstanding entitlements such as wages, employer superannuation contributions, holiday pay and long service leave. Directors and other related persons also have a statutory priority of payment for these entitlements. However, their priority is subject to a statutory "cap" of \$2,000 for wages and superannuation contributions and \$1,500 for holiday pay and long service leave entitlements.

We are informed that the Receivers are currently ascertaining the priority position of employee claims to the date of their appointment and will be providing further information directly to employees at the earliest opportunity. We have also requested the Receivers to keep us apprised on developments in this respect.

**Employees with enquiries concerning their entitlements should, in the first instance, contact their "ABC" Centre Director or Area Manager, or the Receivers.**

**The Liquor, Hospitality and Miscellaneous Union ("LHMU") has advised us that it intends to be present at the creditors meeting on behalf of its members *who have provided the LHMU with a proxy*. The LHMU can be contacted by email: [will.ash@lhmu.org.au](mailto:will.ash@lhmu.org.au).**



## **Legal Proceedings**

The appointment of an Administrator stays any proceedings in a Court against a company. You cannot continue or commence proceedings against the ABC Group companies without our written consent or without leave of the Court.

## **Property Used but not Owned by the Company**

Under Section 440C of the Act, the lessor or owner of property in the ABC Group's control is not entitled to take possession of such property without leave of the Court or the Administrator's written consent. We understand that the Receivers will communicate with lessors and owners of property in the ABC Group's control in relation to ongoing requirements. Creditors that own property that is being used by the ABC Group may contact the Receivers for clarification as to the Receivers' ongoing requirements.

## **Report to Creditors and Second Meeting**

The Administrators will prepare a Report to Creditors under Section 439A of the Act which will include details on the Company's business, property, affairs and financial circumstances.

The Second Meeting of Creditors is scheduled to be held by 11 December 2008 unless extended by the Court. At this meeting, creditors will consider resolutions regarding the future of each company, namely:

- Acceptance of a Deed of Company Arrangement;
- Liquidation; or
- End the Administration and return control to the directors.

Due to the size of the ABC Group and complexity of its operations, we envisage that an application will be made to the Court to extend the convening period and consequently the date by which this Meeting of Creditors is to be held.

## **Electronic Notification**

You may elect to receive future correspondence from us on this administration by email. Should you wish to do so, please email [abcenquiries@fh.com.au](mailto:abcenquiries@fh.com.au) with the following information:

- Your name;
- The name of the entity that is the creditor of the Companies;
- The email address at which you would like to receive future correspondence.

## **Further Information**

Should you require any further information on the Administration, enquiries may be sent to [abcenquiries@fh.com.au](mailto:abcenquiries@fh.com.au) or be directed to this office on 07 3831 4833.



Updates will be placed on the Ferrier Hodgson website [www.ferrierhodgson.com.au](http://www.ferrierhodgson.com.au) from time to time.

Creditors needing to contact the Receivers should direct their enquiries to the ABC Group hotline 1800 222 543.

Additionally, publications concerning insolvency information for employees, creditors, directors and shareholders may be downloaded from the Australian Securities and Investments Commission website [www.asic.gov.au](http://www.asic.gov.au).

DATED this 7th day of November 2008.

A handwritten signature in black ink, appearing to read 'Greg Moloney', written in a cursive style.

**Greg Moloney**  
**Administrator**

## Schedule

Companies	ABN/ACN
A.B.C. Learning Centres Limited	93 079 736 664 -
Child Care Centres Australia Limited	18 100 250 646
Hutchinson's Child Care Services Limited	100 493 874
Kids Campus Limited	009 815 472
Peppercorn Management Group Limited	087 155 860
A.B.C. Canadian Holdings Pty Ltd	126 839 941
A.B.C. Corporate Care Pty Limited	11 098 738 928
A.B.C. Developmental Learning Centres Pty Limited	82 010 788 502
A.B.C. Early Childhood Training College Pty Limited	68 069 159 566
A.B.C. Education Services Pty Ltd	107 310 743
A.B.C. Employment Services Pty Ltd	130 442 394
A.B.C. European Holdings No. 1 Pty Ltd	122 710 123
A.B.C. European Holdings No. 2 Pty Ltd	122 710 132
A.B.C. European Holdings No. 3 Pty Ltd	128 132 829
A.B.C. Land Holdings Pty Limited	89 108 964 227
A.B.C. Learning Centres Finance Pty Ltd	125 820 395
A.B.C. New Ideas Pty Limited	83 112 237 377
A.B.C. Queensland Pty Ltd	129 029 769
A.B.C. USA Holdings Pty Ltd	37 121 360 147
A.B.C. USA Property Holdings No. 1 Pty Ltd	126 641 665
A.B.C. USA Property Holdings No. 2 Pty Ltd	126 641 674
Childcare Development Solutions Pty Limited as trustee for the Childcare Development Solutions Unit Trust	107 241 181
DPPA Pty Limited	114 743 092
Flel Pty Limited	096 172 075
FutureOne Pty Ltd	009 221 470
HCCS Operations Pty Limited	18 097 846 707
Kids Campus (W.A.) Pty Limited	45 112 150 099
Kids Campus Australia Pty Limited	13 104 407 187
Kids Campus Holdings Pty Limited	62 107 379 751
Klendo Pty Ltd	098 366 968
Marshen Pty Ltd	101 400 104
Peppercorn Holdings No. 1 Pty Ltd	095 599 250
Peppercorn Holdings No. 2 Pty Ltd	099 074 781
Peppercorn Holdings No. 3 Pty Ltd	100 679 374
Peppercorn Holdings No. 4 Pty Limited	84 101 236 766
Peppercorn Holdings No. 5 Pty Limited	42 103 201 136
Peppercorn Holdings No. 6 Pty Ltd	103 210 751
Premier Early Learning Centres Pty Ltd	100 831 856
Select Child Care Management Pty Ltd	093 925 056