



A.B.C. Learning Centres Limited

ABN 93 079 736 664

43 Metroplex Avenue, Murarrie QLD 4172

PO Box 10120 Adelaide Street, Brisbane QLD 4000

Telephone: (07) 3906 2000

Facsimile: (07) 3908 2577

Website: [www.childcare.com.au](http://www.childcare.com.au)

## Letter to Employees

Dear Employee,

On 6 November 2008, the Directors of ABC Learning Centres Limited (ABC) decided to place certain companies within the ABC Group into voluntary administration. Following that decision, the company's secured creditors appointed Chris Honey, John Cronin and I as Receivers and Managers of those companies.

ABC childcare centres will continue to operate as usual and you will continue to be employed and paid as normal.

We are working constructively with company management, Government and the Group's financiers and other stakeholders to secure a future for the ABC childcare business. The interests of staff and children are central to our considerations during this process.

We recognise the critical role that employees play in the provision of high quality childcare for children. You are a valued member of the ABC team and as Receivers, we greatly appreciate your assistance in continuing to perform your normal duties during this process.

I want to reassure you that wages earned and entitlements accrued after the date of my appointment will be paid by me in my capacity as Receiver and Manager of the Companies in accordance with my obligations under the Corporations Act. The ABC Group remains your employing entity and I do not personally adopt any employment contracts.

Certain claims against the Companies for outstanding employee entitlements (e.g. accrued annual leave and long service leave) for the period prior to my appointment will rank as priority claims under the Corporations Act.

A schedule setting out information for employees of a company in receivership is attached for your guidance. All instructions relating to the management of the company will now be issued by the Receivers or their authorised personnel. Please refer to your normal line managers in relation to day to day operational issues in the first instance.

Thank you for your hard work for ABC and we look forward to your future co-operation as we work to secure the future of the ABC childcare business.

Please ask your centre director if you would like to see a copy of today's media release.

I will provide you with regular updates on the review and related events on [www.childcare.com.au](http://www.childcare.com.au). In addition I will post regular notices at all childcare centres providing parents with an update on the progress of our review.

Yours sincerely,



M C Smith  
*Receiver and Manager*

**ABC Learning Centres Limited**  
**ABN 93 079 736 664**  
**and each company listed in Schedule 1**  
**(all Receivers and Managers Appointed)**  
**(Administrators Appointed)**  
**collectively ("the ABC Group" or "the Companies")**

## **QUESTIONS**

### **What does this mean for my job?**

Childcare centres remain open while we conduct our assessment of the company and you will continue to be employed and paid as normal.

We recognise the high level of care ABC staff provide the children in learning centres. We need your help to ensure this continues.

### **Are all my entitlements guaranteed?**

Wages earned and entitlements accrued for continued employment after the date of the appointment of Receivers will be paid.

Certain claims against the Companies for outstanding employee entitlements (e.g. accrued annual leave and long service leave) for the period prior to the appointment of Receivers will rank as priority claims under the Corporations Act.

As soon as the position in relation to prior-ranking claims has been clarified and the asset position of the company determined, you will be advised further.

Should there be insufficient funds to meet all priority claims you may be able to claim against the Department of Employment, Education & Workplace Relations – General Employee Entitlements and Redundancy Scheme for any shortfall.

### **Who can I talk to with any concerns?**

Speak to your Centre Director or Area Manager in the first instance. We recognise that you are a critical part of the ABC childcare business and regular updates will be provided to you during this process.

## **Responsibilities of Officers and Employees of a Company in Receivership**

The duties and responsibilities of officers and employees of a company in receivership are set out below for your guidance.

- + All documents issued by the company must have “(Receivers and Managers Appointed)” after the name of the company where it first appears on the document.
- + When a company is placed in receivership, all the powers of the directors and other officers are suspended. However, under certain circumstances those powers may continue but only with the consent of the Receivers and Managers. Certain obligations of directors continue to apply, for example, the obligation to lodge Company Statements with ASIC.
- + The Receivers and Managers may carry on the business and may employ or remove an officer or employee for this purpose.
- + Without the express written authority of the Receivers and Managers:
  - No order for goods or services will be placed that has not been signed personally by the Receivers and Managers or a person nominated by the Receivers and Managers in writing.
  - No goods will be accepted by the company from any source whatsoever which are not the subject of a signed order by the Receivers and Managers or the nominated representative of the Receivers and Managers.
  - No credit will be incurred.
  - No payments will be effected.
  - No goods will be returned to any supplier.
- + All cash and cheques received will be passed to the Receivers and Managers.
- + No assets of the company will be removed from the company’s custody without the written approval of the Receivers and Managers.
- + All assets are to be secured against theft, under lock and key.
- + The entire assets and undertaking of the company are under the express and sole control and custodianship of the Receivers and Managers and may only be dealt with by the Receivers and Managers.

Please contact Sijmon van Loon for clarification on any of the above points or any other matters affecting the company.

## SCHEDULE 1

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