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Details of Filing

Document Lodged:	Statement of Claim - Form 17 - Rule 8.06(1)(a)
File Number:	VID434/2015
File Title:	Cheryl Whittenbury v Vocation Ltd (in Liquidation) & Anor
Registry:	VICTORIA REGISTRY - FEDERAL COURT OF AUSTRALIA

SEAL OF THE FEDERAL COURT OF AUSTRALIA

Sia Lagos

Dated: 12/03/2020 4:02:39 PM AEDT

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

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Form 17 (adapted)
Rule 15.06(1)(a)

Amended Statement of Cross-Claim (Third Cross-Claim)

No. VID 434 of 2015

Federal Court of Australia

District Registry: Victoria

Division: General

CHERYL WHITTENBURY
Applicant

VOCATION LIMITED (ACN 166 631 330)
First Respondent / Cross-claimant by First Cross-claim and Cross-Respondent by Third Cross-Claim

PRICEWATERHOUSECOOPERS (A FIRM) (ABN 52 780 433 757)
Second Respondent / Cross-claimant by Second and Third Cross-claims

MARK EDWARD HUTCHINSON
Third Respondent

MANVINDER GREWAL
Fourth Respondent

JOHN SYDNEY DAWKINS
Fifth Respondent

THE PARTNERS OF JOHNSON WINTER & SLATTERY
Cross-respondents by First and Second Cross-claims

MARK EDWARD HUTCHINSON and others named in the schedule
Cross-respondents by Third Cross-claim

Capitalised terms used but not defined in this Third Cross-Claim have the same meaning as in the Applicant's Further Amended Consolidated Statement of Claim dated 2 May 2018 (**FACSOC**) and the Applicant's Second Further Amended Consolidated Statement of Claim

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dated 11 November 2019 (**2FACSOC**), ~~a~~ copies of which ~~is~~ are served with this amended statement of cross-claim.

Nothing in this cross claim should be taken to amount to an express or implied waiver of any privilege against self-incrimination or privilege against exposure to penalty belonging to the cross-claimant by third cross claim (PwC) or to any of their partners, directors, officers or employees.

A. BACKGROUND MATTERS

A.1 Parties

1. The cross-claimant by third-cross claim (**PwC**) is a partnership which conducts, and has at all relevant times conducted, business within Australia as accountants and auditors.

2. The First Cross-Respondent to the Third Cross-Claim (**Hutchinson**):

   a. was appointed the Managing Director of the First Respondent (**Vocation**) on 6 November 2013 and remained in that office at all times during the Relevant Period;

   b. was appointed the Chief Executive Officer of Vocation on 6 November 2013 and remained in that office at all times during the Relevant Period;

   c. is and was at all relevant times a person within the meaning of s 1041H of the *Corporations Act 2001* (Cth) (**Corporations Act**);

   d. is and was at all relevant times a person within the meaning of s 12DA of the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**); and

   e. is and was at all relevant times a person within the meaning of s 18 of the Australian Consumer Law set out in Schedule 2 of the *Competition and Consumer Act 2010* (Cth), as applicable pursuant to:

      i. s 8 of the *Australian Consumer Law and Fair Trading Act 2012* (Vic);

      ii. s 28 of the *Fair Trading Act 1987* (NSW);

      iii. s 16 of the *Fair Trading Act 1989* (Qld);

iv. s 6 of the *Australian Consumer Law (Tasmania) Act 2010* (Tas);

v. s 19 of the *Fair Trading Act 2010* (WA);

vi. s 14 of the *Fair Trading Act 1987* (SA);

vii. s 7 of the *Fair Trading (Australian Consumer Law) Act 1992* (ACT); and/or

viii. s 27 of the *Consumer Affairs and Fair Trading Act* (NT),

(individually, or collectively, the **Australian Consumer Law**).

3. The Second Cross-Respondent to the Third Cross-Claim (**Grewal**):

a. was appointed as the Chief Financial Officer of Vocation on 6 November 2013 and remained in that office at all times during the Relevant Period;

b. was appointed company secretary of Vocation on 6 November 2013 and remained in that office at all times during the Relevant Period;

c. is and was at all relevant times a person within the meaning of s 1041H of the Corporations Act;

d. is and was at all relevant times a person within the meaning of s 12DA of the ASIC Act; and

e. is and was at all relevant times a person within the meaning of s 18 of the Australian Consumer Law.

4. The Third Cross-Respondent to the Third Cross-Claim (**Dawkins**):

a. became a director of Vocation on 6 November 2013, was appointed Non Executive Chairman on or before 18 November 2013 and remained in that office until 26 November 2014;

b. is and was at all relevant times a person within the meaning of s 1041H of the Corporations Act;

c. is and was at all relevant times a person within the meaning of s 12DA of the ASIC Act; and

d. is and was at all relevant times a person within the meaning of s 18 of the

Australian Consumer Law.

5. The Fourth Cross-Respondent to the Third Cross-Claim (**Tucker**):

   a. became a director of Vocation on 6 November 2013 and remained in that office until 16 December 2015;

   b. is and was at all relevant times a person within the meaning of s 1041H of the Corporations Act;

   c. is and was at all relevant times a person within the meaning of s 12DA of the ASIC Act; and

   d. is and was at all relevant times a person within the meaning of s 18 of the Australian Consumer Law.

6. The Fifth Cross-Respondent to the Third Cross-Claim (**Tredenick**):

   a. became a director of Vocation on 6 November 2013 and remained in that office until 16 December 2015;

   b. is and was at all relevant times a person within the meaning of s 1041H of the Corporations Act;

   c. is and was at all relevant times a person within the meaning of s 12DA of the ASIC Act; and

   d. is and was at all relevant times a person within the meaning of s 18 of the Australian Consumer Law.

7. The Sixth Cross-Respondent to the Third Cross-Claim (**Halley**):

   a. became a director of Vocation on 6 November 2013 and remained in that office until 6 December 2015;

   b. is and was at all relevant times a person within the meaning of s 1041H of the Corporations Act;

   c. is and was at all relevant times a person within the meaning of s 12DA of the ASIC Act; and

   d. is and was at all relevant times a person within the meaning of s 18 of the

Australian Consumer Law.

8. The Seventh Cross-Respondent to the Third Cross-Claim (**Vocation**):

   a. is and was at all relevant times incorporated pursuant to the Corporations Act and capable of being sued;

   b. is and was at all relevant times a person within the meaning of ss 728(1) and 1041H of the Corporations Act;

   c. is and was at all relevant times a person within the meaning of s 12DA of the ASIC Act;

   d. is and was at all relevant times a person within the meaning of s 18 of the Australian Consumer Law.

9. By reason of the matters pleaded in paragraphs 2 to 8 above, at all relevant times each of Hutchinson, Grewal, Dawkins, Tucker, Tredenick and Halley was an officer of Vocation within the meaning of section 9 of the Corporations Act.

A.2 The Applicant's claims against Vocation

10. The Applicant (on behalf of herself and Group Members) has made claims against Vocation in this proceeding by a Further Amended Consolidated Originating Application dated 2 May 2018 (the **FACOA**~~**Application**~~) and the FACSOC, and maintains some of those claims against Vocation in her Second Further Amended Consolidated Originating Application dated 11 November 2019 (the 2**FACOA**) and in the 2FACSOC.

A.2A The Applicant's claims against Hutchinson, Grewal and Dawkins

10A. The Applicant (on behalf of herself and Group Members) has made claims against each of Hutchinson, Grewal and Dawkins in this proceeding by the 2FACOA and the 2FACSOC.

A.3 The Applicant's claims against PwC

11. The Applicant (on behalf of herself and Group Members) has also made claims against PwC in this proceeding by the FACOA ~~Application~~, the 2FACOA, the FACSOC and the 2FACSOC, by which she alleges that:

a. in August and September 2014 PwC engaged in conduct in contravention of s 1041H and s 1041E of the Corporations Act, s 12DA of the ASIC Act and s 18 of the Australian Consumer Law; and

b. by reason of those alleged contraventions, the Applicant and Group Members have suffered loss and damage.

A.4 Basis of PwC's cross-claims against Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and Vocation

12. PwC:

a. has filed a defence to the FACSOC dated 20 July 2018 (the **Defence**) and a defence to the 2FACSOC dated 11 December 2019 (the **Amended Defence**), a copy of which is served with this amended statement of cross-claim;

b. in its Amended Defence, denies that the Applicant and Group Members have any cause of action against PwC, and denies that PwC has any liability to the Applicant or any Group Members for damages or for any other relief sought in the Application as alleged in the 2FACSOC.

13. If PwC is liable to the Applicant and/or the Group Members as alleged in the ~~Application~~ 2FACOA and the 2FACSOC (which is denied) and if the Applicant and/or the Group Members have suffered loss and damage (**Applicant's and Group Members' Loss and Damage**) by reason of PwC's alleged contraventions (which is also denied), then PwC makes the following claims against Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and Vocation (the following claims and allegations being made against Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and Vocation expressly on the above basis, and solely for the purpose of this cross-claim).

B. VOCATION'S CONTRAVENTIONS

14. For the purpose only of this cross-claim, PwC repeats the allegations in:

a. paragraphs 1 to 135C of the 2FACSOC (but for the avoidance of doubt, PwC does not repeat any paragraph in the 2FACSOC which is struck through in its entirety); and

b. paragraphs ~~120 to 210~~ 59 to 72, 75 to 90, 92, 93, 95 to 98, 101 to 105, 109, 112, 114, 115 and 136 to 210 of the FACSOC (including the paragraphs cross-referred to therein).

14AA. Further or alternatively to paragraph 14(b) (in so far as that paragraph incorporates into this cross-claim Vocation's First and Second Continuous Disclosure Contraventions, as defined and alleged in the FACSOC), at all material times in the Relevant Period prior to 27 October 2014, Vocation had (within the meaning of s 674(2) of the Corporations Act) and was aware of (within the meaning of ASX Listing Rule 19.12) the information alleged in paragraphs 129 to 135C of the 2FACSOC (the **Information**).

Particulars

For the purpose only of this cross-claim, PwC refers to and repeats the particulars under paragraphs 129 to 135C of the 2FACSOC.

14AB. At all material times between the Initial Public Offering and 27 October 2014, the BAWM Conduct Information (as defined in paragraph 129 the 2FACSOC, being part of the Information), the BAWM Conduct Non-Compliance Information (as defined in paragraph 129A of the 2FACSOC, being part of the Information), the BAWM Historical Non-Compliance Information (as defined in paragraph 129B of the 2FACSOC, being part of the Information), the BAWM Conduct Risk Information (as defined in paragraph 129C the 2FACSOC, being part of the Information) the BAWM Conduct Further Risk Information (as defined in paragraph 129D of the 2FACSOC, being part of the Information) and the BAWM Conduct Business Implication Information (as defined in paragraph 129E of the 2FACSOC, being part of the Information) was not information generally available within the meaning of ss 674(2)(c) and 676 of the Corporations Act.

14AC. At all material times between the Initial Public Offering and the end of the Relevant Period, the balance of the Information was not information generally available within the meaning of ss 674(2)(c) and 676 of the Corporations Act.

14AD. By reason of the matters pleaded in paragraphs 14AA, 14AB and 14AC, Vocation became obliged pursuant to ASX Listing Rule 3.1 to tell the ASX the Information by no later than 6 December 2013.

14AE. Vocation did not tell the ASX any part of the BAWM Conduct Information (as defined in paragraph 129 the 2FACSOC, being part of the Information), the BAWM Conduct Non-Compliance Information (as defined in paragraph 129A of the 2FACSOC, being part of the Information), the BAWM Historical Non-Compliance Information (as defined in paragraph 129B of the 2FACSOC, being part of the Information), the

BAWM Conduct Risk Information (as defined in paragraph 129C the 2FACSOC, being part of the Information), the BAWM Conduct Further Risk Information (as defined in paragraph 129D of the 2FACSOC, being part of the Information) or the BAWM Conduct Business Implication Information (as defined in paragraph 129E of the 2FACSOC, being part of the Information) prior to 27 October 2014, and did not tell the ASX the balance of the Information at any time during the Relevant Period.

14AF. By reason of the matters pleaded in paragraphs 14AA to 14AE above, Vocation contravened s 674(2) of the Corporations Act (**Vocation's Further Continuous Disclosure Contravention**), and that contravention continued until 27 October 2014 and/or the end of the Relevant Period.

14A. Further or alternatively to paragraphs 14 and 14AA to 14AF above:

a. in Federal Court proceedings NSD 1679 of 2016 (*Australian Securities and Investments Commission v Vocation Limited (in liquidation)*), Nicholas J found that Vocation contravened s 674(2) of the Corporations Act during the period 28 August 2014 to 18 September 2014 by failing to disclose the "Withholding and Suspension Information" in accordance with the requirements of ASX Listing Rule 3.1;

Particulars

Australian Securities and Investments Commission v Vocation Limited (in liquidation) [2019] FCA 807, [12], [604]. The "Withholding and Suspension Information" is defined in Australian Securities and Investments Commission v Vocation Limited (in liquidation) [2019] FCA 807 at [521], and comprises the following information:

*i. the DEECD had been withholding payment of all funds due to BAWM under BAWM's 2014-2016 contract (**BAWM Contract**) since 3 July 2014;*

*ii. the DEECD had been withholding payment of all funds due to Aspin under Aspin's 2014-2016 contract (**Aspin Contract**) since 5 August 2014;*

iii. by 28 August 2014 the amount of payments withheld by the DEECD pursuant to the BAWM Contract and the Aspin Contract was in excess of $20 million;

iv. on or about 24 July 2014, the DEECD had directed BAWM to *suspend all future enrolments of students and suspend the commencement of training delivery for all students who had enrolled but not yet commenced;*

v. *on or about 5 August 2014, the DEECD had directed Aspin to suspend all future enrolments of students and suspend the commencement of training delivery for all students who had enrolled but not yet commenced;*

vi. *on or about 19 August 2014, Vocation had notified the DEECD of the Aspin Claims Reversal;*

vii. *on or about 26 August 2014, the DEECD had notified Vocation that it suspected that breaches of the BAWM Contract had occurred in relation to the Warehousing and CSP courses from the commencement of 2014, such that a portion of funds that it had paid to BAWM prior to 3 July 2014 may be recoverable;*

viii. *on or about 26 August 2014, the DEECD had notified Vocation that it regarded as premature any variation of the withholding of funds in relation to BAWM and that it did not propose to agree a separate outcome limited to Aspin.*

*(the **Withholding and Suspension Information**).*

b. on 1 November 2019 and 12 December 2019, Nicholas J made declarations of contravention in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* (as required by s 1317E of the Corporations Act), which by virtue of the operation of s 1317F of the Corporations Act are conclusive evidence inter alia that Vocation contravened s 674(2) of the Corporations Act by not notifying the ASX of the existence of the Withholding and Suspension Information in the period between 28 August and 18 September 2014 (**Vocation's Withholding and Suspension Information Continuous Disclosure Contravention**).

Particulars

Order 1(c) of the Orders made by Nicholas J on 12 December 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation); Orders 1 and 2 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

14B. Further, by the 25 August Announcement, Vocation made the following representations:

a. that none of Vocation's entitlements under its RTOs' funding contracts with the DEECD had been suspended other than the withholding of recent payments due under the contracts (the **No Suspension Representation**);

Particulars

The No Suspension Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 25 August Announcement: "Vocation's funding contracts with the Victorian Department of Education and Early Childhood Development (DEECD) have not been suspended ..." and "As part of the review process, the DEECD has withheld recent payments under the funding contracts."

To the extent it was implied, the No Suspension Representation arose from the context in which the words extracted above appeared in the 25 August Announcement.

b. that Vocation had reasonable grounds to represent that the withholding by the DEECD of recent payments under Vocation's RTOs' funding contracts was not material to Vocation (the **Reasonable Grounds Representation**); and

Particulars

The Reasonable Grounds Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 25 August Announcement: "As part of the review process, the DEECD has withheld recent payments under the funding contracts"; and "Vocation considers that neither the review nor its anticipated outcomes are material to Vocation".

To the extent it was implied, the Reasonable Grounds Representation arose from:

(i) the following words in the 25 August Announcement: "Vocation is aware of press speculation regarding the Company's Victorian funding contracts"; "Vocation would like to reiterate that it takes its disclosure obligations extremely seriously and is comfortable it

has complied with these obligations at all times"; and, "in light of the speculation referred to above, Vocation considers it prudent to make the following points".

(ii) *the reference in the 25 August Announcement to Vocation's knowledge of press speculation;*

(iii) *the reference to the "prudence" of making the three points in the bullet-pointed list;*

(iv) *the use of the word "reiterate" in relation to the seriousness with which Vocation took its disclosure obligations;*

(v) *the use of the adjective "extremely" in relation to the seriousness with which Vocation took its disclosure obligations;*

(vi) *the reference to Vocation's comfort as to its compliance with its disclosure obligations; and*

(vii) *the reference to Vocation's compliance with its disclosure obligations "at all times".*

c. that Vocation was able to continue to enrol students and deliver vocational educational training and ancillary services under all of its RTOs' funding contracts with the DEECD (the **Continuing Representation**).

Particulars

The Continuing Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 25 August Announcement: "Vocation's funding contracts with the Victorian Department of Education and Early Childhood Development (DEECD) have not been suspended and are continuing".

To the extent it was implied, the Continuing Representation arose from the context in which the words extracted above appeared in the 25 August Announcement.

14C. By making each of the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation, Vocation engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H(1) and 1041H(2)(b) of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA(1) of the ASIC Act; and/or

c. in trade or commerce, within the meaning of section 18 of the Australian Consumer Law.

14D. At the time each of the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation was made (and at all relevant times thereafter), it was not the case that:

a. none of Vocation's entitlements under its RTOs' funding contracts with the DEECD had been suspended other than the withholding of recent payments due under the contracts;

Particulars

At the time each of the No Suspension Representation and the Continuing Representation was made (and at all relevant times thereafter), the entitlements of two of Vocation's RTOs (BAWM and Aspin) to receive payments for training previously delivered by them and to enrol new students for future training had been suspended, and BAWM and Aspin were not free to provide training services to students pursuant to the terms of the relevant funding contracts.

b. Vocation had reasonable grounds to represent that the withholding by the DEECD of recent payments under Vocation's RTOs' funding contracts was not material to Vocation;

Particulars

Vocation did not have reasonable grounds to represent that the withholding of recent payments by DEECD under Vocation's RTOs' funding contracts was not material to Vocation, by reason of its knowledge of the following matters:

(i) the aggregate amount of funds withheld by the DEECD pursuant to the 2014-16 contracts was in excess of $20 million;

*(ii) Vocation had advised the DEECD that it would reverse $4.5 million in claims that should not have been processed by Aspin with the DEECD (**the Aspin Claims Reversal**), involving an amount of approximately $4.5 million;*

(iii) the funds withheld by the DEECD pursuant to the 2014-16 contracts

and the funds subject to the Aspin Claims Reversal were equivalent to more than 15% of Vocation's pro forma revenue for the financial year ending 30 June 2014;

(iv) as a result of actions by the DEECD under cl 16.1 and 16.2 of the 2014-16 contracts, BAWM was not permitted to enrol students after 24 July 2014 or commence training students who had enrolled prior to that date but not yet commenced their courses and Aspin was not permitted to enrol students after 5 August 2014 or commence training students who had enrolled prior to that date but not yet commenced their courses and so neither BAWM nor Aspin were accruing any entitlement to payment under the 2014-16 contracts in respect of such prospective or enrolled students from those respective dates;

(v) on or about 15 August 2014 the DEECD had notified BAWM and Aspin that the withholding of payments and suspension of commencements and enrolments would continue to apply until the DEECD was satisfied that they should be varied or until they were replaced by appropriate financial measures under the 2014-16 contracts;

(vi) on or about 20 August 2014 the DEECD had informed Vocation that it did not presently have the appropriate level of confidence for it to consider varying the measures in place under cl 16.2(a) and (b) of the 2014-16 contract with BAWM;

(vii) Vocation's net operating cashflow in the month of July 2014 was negative by reason of the withholding of funds by the DEECD in excess of $8.5 million in July; and very likely to be negative for the month of August 2014 by reason of the withholding of funds by the DEECD in an equivalent if not larger amount for August;

(viii) Vocation's revenue and profitability remained dependent on its receipt of funds from the DEECD, notwithstanding anticipated future diversified revenue streams outside Victoria;

(ix) the DEECD had informed Vocation that the actions taken by the DEECD under cl 16.2 of the 2014-16 contracts were pursuant to cl 16.1(a) of those contracts, that is, they were on the basis that DEECD reasonably suspected that BAWM and Aspin had breached or may breach a clause of their 2014-16 contracts;

(x) as a result, the actions taken by the DEECD in relation to BAWM *and Aspin raised questions of non-compliance with the 2014-16 contracts and so risked damage to and gave rise to a loss of confidence in Vocation's reputation with its Victorian government funding provider; and*

(xi) *any damage to or loss of confidence in Vocation's reputation with the DEECD, its Victorian government funding provider, was likely to influence investors and potential investors to acquire and/or dispose of shares in Vocation.*

c. Vocation was able to continue to enrol students and deliver vocational educational training and ancillary services under all of its RTOs' funding contracts with the DEECD.

Particulars

PwC refers to and repeats the particulars under paragraph 14D(a) above.

14E. By reason of the matters pleaded in paragraphs 14B to 14D above, Vocation engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation; and

b. failing to correct or qualify each of the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation.

14EA. Further or alternatively, on 1 November 2019 Nicholas J made declarations of contravention in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* (as required by s 1317E of the Corporations Act), which by virtue of the operation of s 1317F of the Corporations Act are conclusive evidence inter alia that Vocation contravened s 1041H of the Corporations Act by making the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation in the 25 August Announcement.

Particulars

Order 1 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

14F. By reason of the matters pleaded in paragraph 14E and/or paragraph 14EA above, Vocation contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Vocation's Further August Contraventions**).

14G. Further, by the 10 September Announcement, Vocation made the following further representations:

a. that the review being conducted by the DEECD was only in respect of three courses conducted by Vocation for which it received funding (the **First Review Scope Representation**);

Particulars

The First Review Scope Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 10 September Announcement: "Further to the ASX announcement dated 25 August 2014, Vocation advises that the review being conducted by the Victorian Department of Education and Early Childhood Development is expected to conclude no later than the end of October (confirmed in its meeting with the Department earlier this week)."

To the extent it was implied, the First Review Scope Representation arose from:

(i) the fact that the 10 September Announcement referred back to the 25 August Announcement in which Vocation had stated that the DEECD was undertaking a review of three courses conducted by Vocation for which it received funding; and

(ii) *the context in which the words extracted above appeared in the 10 September Announcement.*

b. that the amount being withheld by the DEECD for what had been described in the 25 August Announcement as "recent payments" was being held only in respect of the claims to which those withheld payments related (the **Second Review Scope Representation**);

Particulars

The Second Review Scope Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 10 September Announcement: "Further to the ASX announcement dated 25 August 2014, Vocation advises that the review being conducted by the Victorian Department of Education and Early Childhood Development is expected to conclude no later than the end of October (confirmed in its meeting with the Department earlier this week)."

To the extent it was implied, the Second Review Scope Representation arose from:

(i) *the fact that the 10 September Announcement referred back to the 25 August Announcement in which Vocation had stated that the DEECD was undertaking a review of three courses conducted by Vocation for which it received funding, and further stated that "as part of the review process, the DEECD has withheld recent payments under the funding contracts"; and*

(ii) *the context in which the words extracted above appeared in the 10 September Announcement.*

c. that none of Vocation's entitlements under its RTOs' funding contracts with the DEECD had been suspended other than the withholding of recent payments due under the contracts (the **Second No Suspension Representation**);

Particulars

The Second No Suspension Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 10 September Announcement: "Further to the ASX announcement dated 25 August 2014, Vocation advises that the review being conducted by the Victorian Department of Education and Early Childhood Development is expected to conclude no later than the end of October (confirmed in its meeting with the Department earlier this week). Vocation considers that neither the review nor its anticipated outcomes are material to Vocation." To the extent it was implied, the Second No Suspension Representation arose from the context in which the words extracted above appeared in the 10 September Announcement, the reference back to the 25 August

Announcement in the 10 September Announcement and the failure to correct the First No Suspension Representation made in the 25 August Announcement.

d. that Vocation had reasonable grounds to represent that the withholding by the DEECD of recent payments under Vocation's RTOs' funding contracts was not material to Vocation (the **Second Reasonable Grounds Representation**); and

Particulars

The Second Reasonable Grounds Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 10 September Announcement: "Vocation's business continues to enjoy good momentum"; and "Vocation considers that neither the review nor its anticipated outcomes are material to Vocation".

To the extent it was implied, the Second Reasonable Grounds Representation arose from the context in which the words extracted above appeared in the 10 September Announcement.

e. that Vocation was able to continue to enrol students and deliver vocational educational training and ancillary services under all of its RTOs' funding contracts with the DEECD (the **Second Continuing Representation**).

Particulars

The Second Continuing Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 10 September Announcement: "Further to the ASX announcement dated 25 August 2014, Vocation advises that the review being conducted by the Victorian Department of Education and Early Childhood Development is expected to conclude no later than the end of October (confirmed in its meeting with the Department earlier this week). Vocation considers that neither the review nor its anticipated outcomes are material to Vocation." To the extent it was implied, the Second Continuing Representation arose from the context in which the words extracted above appeared in the 10 September Announcement, the reference back to the 25 August Announcement in the 10 September Announcement and the failure to correct the Continuing Representation made in the 25 August Announcement.

14H. By making each of the First Review Scope Representation, the Second Review Scope Representation, the Second No Suspension Representation, the Second Reasonable Grounds Representation and the Second Continuing Representation, Vocation engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H(1) and 1041H(2)(b) of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA(1) of the ASIC Act; and/or

c. in trade or commerce, within the meaning of section 18 of the Australian Consumer Law.

14I. At the time each of the First Review Scope Representation, the Second Review Scope Representation, the Second No Suspension Representation, the Second Reasonable Grounds Representation and the Second Continuing Representation was made (and at all relevant times thereafter), it was not the case that:

a. the review being conducted by the DEECD was only in respect of three courses conducted by Vocation for which it received funding;

Particulars

By 10 September 2014, the scope of the review being conducted by the DEECD had been expanded to cover all of Vocation's RTOs that were party to relevant funding contracts with the DEECD.

b. the amount being withheld by the DEECD for what had been described in the 25 August Announcement as "recent payments" was being held only in respect of the claims to which those withheld payments related.

Particulars

By 10 September 2014, the amount being withheld by the DEECD for what had previously been described in the 25 August Announcement as "recent payments" was being held not only in respect of the claims to which those particular withheld payments related, but also for payments previously paid by the DEECD to BAWM and Aspin under their funding contracts with the DEECD.

c. none of Vocation's entitlements under its RTOs' funding contracts with the DEECD had been suspended other than the withholding of recent payments due under the contracts;

Particulars

At the time each of the Second No Suspension Representation and the Second Continuing Representation was made (and at all relevant times thereafter), the entitlements of two of Vocation's RTOs (BAWM and Aspin) to receive payments for training previously delivered by them and to enrol new students for future training had been suspended, and BAWM and Aspin were not free to provide training services to students pursuant to the terms of the relevant funding contracts.

d. Vocation had reasonable grounds to represent that the withholding by the DEECD of recent payments under Vocation's RTOs' funding contracts was not material to Vocation (the **Second Reasonable Grounds Representation**);

Particulars

PWC refers to and repeats the particulars under paragraph 14D(b) above.

e. Vocation was able to continue to enrol students and deliver vocational educational training and ancillary services under all of its RTOs' funding contracts with the DEECD.

Particulars

PwC refers to and repeats the particulars under paragraph 14I(c) above.

14J. By reason of the matters pleaded in paragraphs 14G to 14I above, Vocation engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of the First Review Scope Representation, the Second Review Scope Representation, the Second No Suspension Representation, the Second Reasonable Grounds Representation and the Second Continuing Representation; and

b. failing to correct or qualify each of the First Review Scope Representation, the Second Review Scope Representation, the Second No Suspension

Representation, the Second Reasonable Grounds Representation and the Second Continuing Representation.

14K. By reason of the matters pleaded in paragraph 14J above, Vocation contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Vocation's Further 10 September Contraventions**).

14L. Further, by the 18 September Announcement, Vocation made the following further representations:

a. that the review being conducted by the DEECD was only in respect of three courses conducted by Vocation for which it received funding (the **Third Review Scope Representation**);

Particulars

The Third Review Scope Representation was in writing and was contained in the following words in the 18 September Announcement: "The review continues to only relate to three of the courses conducted by Vocation for which Vocation receives funding".

b. that none of Vocation's entitlements under its RTOs' funding contracts with the DEECD had been suspended other than the withholding of recent payments due under the contracts (the **Third No Suspension Representation**);

Particulars

The Third No Suspension Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 18 September Announcement: "The Company restates;

- *Vocation's funding contracts with the DEECD have not been suspended and are continuing.*
- *The review continues to only relate to three of the courses*

conducted by Vocation for which Vocation receives funding.

- *As stated in the ASX announcement on 25 August 2014, DEECD has withheld payments under the funding contracts. To clarify, the withheld payments relate to funding across two of Vocation's four Victorian RTOs. Vocation's remaining contracted RTO's continue to receive all payments. Under the terms of the funding contracts DEECD has the ability to withhold payments to an RTO while undertaking a review of a course provided by that RTO, and the DEECD regularly applies this approach when undertaking its normal course review processes."*

To the extent it was implied, the Third No Suspension Representation arose from the context in which the words extracted above appeared in the 18 September Announcement, the reference back to the 25 August Announcement in the 18 September Announcement and the failure to correct the First No Suspension Representation made in the 25 August Announcement.

c. that Vocation had reasonable grounds to represent that the withholding by the DEECD of recent payments under Vocation's RTOs' funding contracts was not material to Vocation (the **Third Reasonable Grounds Representation**); and

Particulars

The Third Reasonable Grounds Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 18 September Announcement:

(i) "Vocation would like to reiterate, as stated in ASX announcements on 25 August 2014 and 10 September 2014, that neither the review nor its anticipated outcomes are expected to be material to Vocation".

(ii) "Vocation's funding contracts with the DEECD have not been suspended and are continuing".

(iii) "The review continues to only relate to three of the courses conducted by Vocation for which Vocation receives funding".

(iv) *"The operation of funding contracts and the audit and review processes that accompany those are part of Vocation's normal business activities".*

To the extent it was implied, the Third Reasonable Grounds Representation arose from the context in which the words extracted above appeared in the 18 September Announcement.

d. that Vocation was able to continue to enrol students and deliver vocational educational training and ancillary services under all of its RTOs' funding contracts with the DEECD (the **Third Continuing Representation**);

Particulars

The Third Continuing Representation was partly in writing and partly to be implied. In so far as it was in writing, it was contained in the following words in the 18 September Announcement: "The Company restates:

- *Vocation's funding contracts with the DEECD have not been suspended and are continuing.*
- *The review continues to only relate to three of the courses conducted by Vocation for which Vocation receives funding.*
- *As stated in the ASX announcement on 25 August 2014, DEECD has withheld payments under the funding contracts. To clarify, the withheld payments relate to funding across two of Vocation's four Victorian RTOs. Vocation's remaining contracted RTO's continue to receive all payments. Under the terms of the funding contracts DEECD has the ability to withhold payments to an RTO while undertaking a review of a course provided by that RTO, and the DEECD regularly applies this approach when undertaking its normal course review processes."*

To the extent it was implied, the Third Continuing Representation arose from the context in which the words extracted above appeared in the 18 September Announcement, the reference back *to the 25 August Announcement in the 18 September Announcement and the failure to correct the Continuing Representation made in the 25 August Announcement.*

14M. By making each of the Third Review Scope Representation, the Third No Suspension Representation, the Third Reasonable Grounds Representation and the Third Continuing Representation, Vocation engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H(1) and 1041H(2)(b) of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA(1) of the ASIC Act; and/or

c. in trade or commerce, within the meaning of section 18 of the Australian Consumer Law.

14N. At the time each of the Third Review Scope Representation, the Third No Suspension Representation, the Third Reasonable Grounds Representation and the Third Continuing Representation was made (and at all relevant times thereafter), it was not the case that:

a. the review being conducted by the DEECD was only in respect of three courses conducted by Vocation for which it received funding;

Particulars

PwC refers to and repeats the particulars under paragraph 14I(a) above.

b. none of Vocation's entitlements under its RTOs' funding contracts with the DEECD had been suspended other than the withholding of recent payments due under the contracts;

Particulars

PwC refers to and repeats the particulars under paragraphs 14D(a) and 14I(c) above.

c. Vocation had reasonable grounds to represent that the withholding by the DEECD of recent payments under Vocation's RTOs' funding contracts was not material to Vocation;

Particulars

PWC refers to and repeats the particulars subjoined to paragraph 14D(b) above.

d. Vocation was able to continue to enrol students and deliver vocational educational training and ancillary services under all of its RTOs' funding contracts with the DEECD.

Particulars

PwC refers to and repeats the particulars under paragraphs 14D(c) and 14I(e) above.

14O. By reason of the matters pleaded in paragraphs 14L to 14N above, Vocation engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of the Third Review Scope Representation, the Third No Suspension Representation, the Third Reasonable Grounds Representation and the Third Continuing Representation; and

b. failing to correct or qualify each of the Third Review Scope Representation, the Third No Suspension Representation, the Third Reasonable Grounds Representation and the Third Continuing Representation.

14P. By reason of the matters pleaded in paragraph 14O above, Vocation contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Vocation's Further 18 September Contraventions**).

C. LIABILITY OF HUTCHINSON, DAWKINS, TUCKER, TREDENICK AND HALLEY FOR VOCATION'S PROSPECTUS CONTRAVENTIONS

C.1 Hutchinson

15. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 4 to 135C ~~6 to 8 and 120 to 135~~ of the 2FACSOC (including the paragraphs cross-referred to therein).

16. At the time Vocation published the Replacement Prospectus and made an offer of securities under it, Hutchinson was a director of Vocation.

17. Pursuant to s 729(1) of the Corporations Act, any person who suffers loss or damage by reason of a Prospectus Contravention may recover the amount of that loss or damage from Hutchinson, by reason of the matters pleaded in paragraphs 15 and 16 above.

C.2 Dawkins

18. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs <u>4 to 135C</u> ~~6 to 8 and 120 to 135~~ of the <u>2</u>FACSOC (including the paragraphs cross-referred to therein).

19. At the time Vocation published the Replacement Prospectus and made an offer of securities under it, Dawkins was a director of Vocation.

20. Pursuant to s 729(1) of the Corporations Act, any person who suffers loss or damage by reason of a Prospectus Contravention may recover the amount of that loss or damage from Dawkins, by reason of the matters pleaded in paragraphs 18 and 19 above.

C.3 Tucker

21. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs <u>4 to 135C</u> ~~6 to 8 and 120 to 135~~ of the <u>2</u>FACSOC (including the paragraphs cross-referred to therein).

22. At the time Vocation published the Replacement Prospectus and made an offer of securities under it, Tucker was a director of Vocation.

23. Pursuant to s 729(1) of the Corporations Act, any person who suffers loss or damage by reason of a Prospectus Contravention may recover the amount of that loss or damage from Tucker, by reason of the matters pleaded in paragraphs 21 and 22 above.

C.4 Tredenick

24. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs <u>4 to 135C</u> ~~6 to 8 and 120 to 135~~ of the <u>2</u>FACSOC (including the paragraphs cross-referred to therein).

25. At the time Vocation published the Replacement Prospectus and made an offer of securities under it, Tredenick was a director of Vocation.

26. Pursuant to s 729(1) of the Corporations Act, any person who suffers loss or damage by reason of a Prospectus Contravention may recover the amount of that loss or damage from Tredenick, by reason of the matters pleaded in paragraphs 24 and 25 above.

C.5 Halley

27. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 4 to 135C ~~6 to 8 and 120 to 135~~ of the 2FACSOC (including the paragraphs cross-referred to therein).

28. At the time Vocation published the Replacement Prospectus and made an offer of securities under it, Halley was a director of Vocation.

29. Pursuant to s 729(1) of the Corporations Act, any person who suffers loss or damage by reason of a Prospectus Contravention may recover the amount of that loss or damage from Halley, by reason of the matters pleaded in paragraphs 27 and 28 above.

D. INVOLVEMENT BY HUTCHINSON GREWAL AND DAWKINS IN VOCATION'S CONTINUOUS DISCLOSURE CONTRAVENTIONS

D.1 Involvement in Vocation's First Continuous Disclosure Contravention

30. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 136 to 141 of the FACSOC (including the paragraphs cross-referred to therein).

D.1.1 Hutchinson's involvement in Vocation's First Continuous Disclosure Contravention

31. From at least 4 July 2014, and at all material times thereafter, Hutchinson was aware of the following information:

    a. the BAWM Conduct Information (as defined in the FACSOC);

    b. the BAWM Conduct Risk Information (as defined in the FACSOC);

    c. the Systemic Conduct Information (as defined in the FACSOC); and

    d. the Systemic Conduct Risk Information (as defined in the FACSOC).

Particulars

Hutchinson's awareness of the information is evidenced by the following:

i. *On 4 July 2014, Hutchinson received a copy of correspondence advising BAWM of the DEECD's decision to suspend payments under the 2014 BAWM Government Contract pending clarification on a perceived breach of contract (VOC.016.002.0193 and VOC.016.002.0194).*

ii. *On 11 July 2014, Hutchinson wrote to Lisa Keenan and Siobhan Weaver referring to the BAWM Investigation and the fact that some VTG payments to BAWM had been suspended pending more information being provided to the DEECD (VOC.001.007.0117).*

iii. *On 12 July 2014, BAWM did not receive its monthly payment from the DEECD under the 2014 BAWM Government Contract (VOC.004.007.0055).*

iv. *On 17 July 2014, Hutchinson wrote to Dawkins and others (copied to Grewal) providing an audit update which stated inter alia "Main feedback from the State Government is that they are cracking down on the pre-assessment details for student enrolments, job outcomes and duration of courses" (VOC.003.002.1087).*

v. *On 25 July 2014, Hutchinson wrote to the Vocation Board referring to the Aspin Investigation (VOC.003.002.1664).*

vi. *On 29 July 2014, Hutchinson attended a Board Meeting of Vocation (**29 July Board Meeting**) during which the withholding of payments by the DEECD from BAWM was discussed.*

vii. *On 5 August 2014, Hutchinson wrote in response to due diligence queries received from John Wall that:*

   A. *"Victoria [is the] biggest risk, until we diversify to below 30% revenue in my opinion";*

   B. *"Clean RTOs generally, apart from one bad one inherited from our friend that you know about, Victoria currently doing a thorough sweep of the top 50 largest RTOs so we're under the knife at the moment" (VOC.008.009.3553);*

viii. *On 11 August 2014, Hutchinson attended a Board Meeting of Vocation (**11 August Board Meeting**) the minutes of which record Hutchinson as updating the Board "on progress with the Victorian financial audits and agreed to update the Board further once more information is available" (VOC.007.003.0028).*

ix. *On 13 August 2014, Hutchinson:*

   A. *distributed his Group CEO report to the Vocation Board that referred to the limitations on the use of BAWM's CSP and Warehousing courses (VOC.003.001.2829 at .2843) (**Hutchinson CEO Report**); and*

   B. *received a copy of King's Education report to the Vocation Board that addressed the current status of BAWM and Aspin (VOC.003.001.2829 at .2858) (**King Education Report**);*

x. *On 15 August 2014, Hutchinson received correspondence from the DEECD (sent by Lee Watts (**Watts**)) attaching:*

A. *A letter to Wendy Bonnici (**Bonnici**), the Chief Operating Officer of Vocation, which stated, inter alia, that:*

a. *The DEECD has a reasonable suspicion that BAWM has breached or may breach a clause of the 2014 BAWM Government Contract in relation to the delivery of the Certificate III in Competitive Systems and Practices and the Certificate III in Warehousing Operations;*

b. *The following measures imposed by the DEECD would continue to apply until such time as the DEECD is satisfied that they should be varied, or that they can be replaced by appropriate final measures under the 2014 BAWM Government Contract:*

- *The withholding of payment of funds by the DEECD on 3 July 2014 under cll 16.1(a) and 16.2(b) of the 2014 BAWM Government Contract;*

- *The suspension of commencements and new enrolments of eligible individuals and suspension of commencement of delivery of training services to eligible individuals who had enrolled but had not yet commenced training, directed by the DEECD on 24 July 2014 under cll 16.1(a) and 16.2(a) of the 2014 BAWM Government Contract;*

c. *The DEECD is concerned to ensure the integrity of the training market through high quality delivery of training services and adherence to the requirements of the 2014 BAWM Government Contract by BAWM.*

d. *Bonnici had raised, in a telephone conversation with Watts on 8 August 2014, the question of Vocation's continuous disclosure obligations with respect to the ASX in relation to the measures imposed by the Department.*

e. *In the interests of expediting consideration of this issue by Vocation, the DEECD had copied this letter to Hutchinson and Grewal so that they become aware as promptly as possible of its content and their bearing on the ongoing measures that were imposed on BAWM on 3 and 24 July 2014 (VOC.001.001.0504 and VOC.001.001.0505).*

B. *A record of a meeting between representatives of the DEECD and Aspin on 12 August 2014 in which the DEECD noted that Aspin had stated that there had been a material breach (VOC.001.001.0513).*

xi. On 19 August 2014:

*A. Hutchinson received a copy of a letter from Bonnici to Watts dated 19 August 2014 attaching a document entitled "Responses Sought" (VET.0011.0002.0484, VET.0011.0002.0485 and VET.0011.0002.0486) (**Bonnici 19 August Response**); and*

*B. Hutchinson attended a meeting of the Vocation board (the **19 August Board Meeting**), at which each of the directors present, including Hutchinson, discussed the potential impact of the DEECD audits and the withholding of funding by the DEECD on Vocation's continuous disclosure obligations (VOC.007.003.0001);*

xii. On 20 August 2014, Hutchinson received:

A. a copy of a letter from Bonnici to Watts with respect to BAWM (VET.0011.0002.0501 and VET.0011.0002.0502);

*B. an email from Watts attaching a letter advising that the DEECD did not have the appropriate level of confidence to vary the measures currently in place with respect to BAWM (VET.0011.0002.0505 and VET.0011.0002.0506) (**Watts 20 August Letter**);*

xiii. On 21 August 2014, Hutchinson:

*A. received a letter from Watts concerning Vocation's continuous disclosure obligations with respect to the DEECD's actions with respect to BAWM and Aspin (VET.0011.0002.0516) (**Watts 21 August Letter**);*

*B. received an email from Watts concerning Vocation's continuous disclosure obligations arising from the DEECD's actions with respect to BAWM and Aspin (VET.0011.0002.0539) (**Watts 21 August Email**);*

*C. received a copy of the complaint made by the DEECD to the ASX concerning the failure of Vocation to disclose the withholding of payments by the DEECD from BAWM and Aspin and the suspension of enrolments and new commencements in BAWM and Aspin (VET.0011.0002.0545; VET.0011.0002.0546; VET.0011.0002.0549) (**DEECD ASX Complaint**);*

D. responded to the Watts 21 August Email and stated that "In the view of Vocation, the investigation and its anticipated outcomes are not material in the context of the whole of Vocation, and therefore do not require disclosure to ASX under Listing Rule 3.1" (VET.0011.0002.0530).

xiv. On 22 August 2014, Bonnici wrote to Hutchinson (copied to Grewal) regarding a meeting she had with the VRQA in relation to

BAWM and the fact that VRQA intended to undertake its own review of BAWM's activities (VOC.001.001.1382). Later that day, Bonnici sent to Hutchinson production notices issued by VRQA (VOC.001.001.1414, VOC.001.001.1416 and VOC.001.001.1444).

xv. *On 22 August 2014, Hutchinson:*

*A. attended the 22 August 2014 Board Meeting of Vocation (**22 August Board Meeting**) during which the steps taken by the DEECD under its 2014-2016 contracts with BAWM and Aspin were discussed (VOC.007.003.0007); and*

*B. signed a letter to the ASX responding to the DEECD ASX Complaint (VOC.006.001.3346) (**Hutchinson ASX Response**);*

xvi. *On 23 August 2014, Hutchinson:*

*A. wrote to Amanda King (**King**), Bonnici and Michael Langtree (**Langtree**), Vocation's Head of Shared Services (copied to Grewal) in response to an email he had been forwarded referring to "market chatter that the auditors have been in at BAWM for 6 weeks" that "we have a leak" and that "someone is sending this stuff on". Bonnici responded to Hutchinson's email stating that "We will have to release a statement to the ASX on Monday" (VOC.001.012.3242); and*

B. sent an email to the Board (including Dawkins) which stated inter alia "You can also clearly see the confirmation of only a limited number of our qualifications being questioned, again confirming that the overall funds in question are only a portion of the payment withheld" (VOC.002.001.0029).

xvii. *On 25 August 2014, Hutchinson wrote to Bonnici stating that "Market is already settling down and we are holding up well. As long as partial payment gets released this will all go away" (VOC.008.005.0479).*

xviii. *On 25 August 2014, Hutchinson attended a meeting of the board of Vocation, held by teleconference (**25 August Board Meeting**) where reference was made to the DEECD investigation (VOC.007.003.0010). <u>Also on 25 August 2014, Hutchinson received from Bonnici a copy of legal advice provided to Vocation on 25 August 2014 that "Given the way this matter is rapidly evolving and the approach adopted by the Department so far, it is very difficult to comment about BAWM's prospects for persuading the Government to release any part of the Funds currently owing to it. On balance it appears quite possible that the Department may not release any further Funds for some time, if at all. ... If the Department continues on the course it is on, it may, politically, have little option but to continue to withhold funds from BAWM and, perhaps terminate the Funding Contract." (VOC.002.001.0010)</u>*

xix. *On 26 August 2014, Hutchinson received correspondence from* *the DEECD (sent by Watts) addressed to Bonnici* ***(26 August Letter)*** *which stated, inter alia, that:*

A. *The Secretary has now directed the DEECD to conduct a review addressing the processes Vocation and its group entities have in place to ensure that all Vocation subsidiaries holding 2014-16 VET Funding Contracts are and have been compliant from 1 January 2014 with their Contracts including by satisfying the Department's published Statement of Expectations (April 2013) and other published Contract Notifications and Variations;*

B. *The Secretary considers that the review is warranted in light of remarks on behalf of Vocation Ltd in written correspondence and in meetings to the effect that:*

    a. *at least some of Vocation group's contracted providers had "systemic" issues resulting in non-compliance with Pre-Training Review requirements under the Contract;*

    b. *there were acknowledged "weaknesses within [Vocation group's] control systems" or that existing controls were "insufficient";*

    c. *there had been a focus on integration activity which had seen Vocation group take its "eye off the ball" on certain Contractual compliance issues;*

C. *Notwithstanding that Vocation has proposed and undertaken some remedial action (including the termination of five specified brokers in relation to BAWM, and one of those brokers in relation to Aspin) the Secretary is very concerned that the rapid growth of the Vocation group may have come at the expense of quality training outcomes;*

D. *The DEECD's present view is that it is premature to vary the current withholding of Funds claimed by BAWM;*

E. *In light of Vocation group's acknowledgements of systemic flaws in its controls, the DEECD now has a reasonable suspicion that Funds claimed and/or paid for courses other than Warehousing and CSP are likely to be affected;*

F. *The DEECD has a reasonable suspicion that Vocation group's brokering arrangements have had systemic flaws, and the DEECD does not yet know the extent to which Vocation group's brokers have been involved in the delivery of Training Services for courses other than Warehousing and CSP;*

G. *The DEECD will now, as part of the broader review notified by this letter, be scrutinising BAWM's brokering arrangements and training delivery across its other courses, and in the event that it ultimately concludes that moneys should not have been claimed and paid in relation to other courses, it reserves the right to recover such moneys from the withheld Funds*

(VOC.001.001.0692 and VOC.001.001.0693).

xx. *On 26 August 2014, Hutchinson attended a further meeting of the Vocation board **(the 26 August Board Meeting)** at which:*

AA Bonnici "explained the issues raised in the 26 August Letter and the effect on Bawm (sic) and Aspin" (as recorded in the minutes of the Board meeting (VOC.003.001.3044)) and there was a discussion between the Board and management regarding the position of the DEECD as advised in the 26 August Letter, including: "restrictions involved in the 26 August Letter"; "that there was confusion between the 26 August Letter and previous discussions with DEECD regarding whether the enrolment suspension related to only the three courses or to all courses for BAWM"; "other RTOs and that these will be subject to review"; "that the reviews now relate to claims from 1 January 2014"; and "that the funds currently being withheld will not be released until the reviews are completed." (VOC.003.001.3044)

A. each of the directors present, including Hutchinson, agreed that students should not be enrolled in CSP, Warehousing or CGEA courses in Vocation's Victoria RTOs other than BAWM and Aspin without first notifying the DEECD;

B. each of the directors present, including Hutchinson, agreed that it was necessary to clarify with the DEECD whether the suspension of enrolments related to only the CSP, Warehousing and CGEA courses or to all courses offered by BAWM;

C. each of the directors present, including Hutchinson, was advised by Vocation Management that the funds currently being withheld by the DEECD would not be released until the DEECD had completed "its reviews";

D. Hutchinson advised his fellow directors present that the impact on Vocation's revenue in the financial year ending 30 June 2015 of complying with the amended business model, lost enrolments and payments of up to $4 million not being received could be significant (VOC.007.003.0013).

xxi. *On 1 September 2014, Hutchinson (and Dawkins) received an email from Tredenick identifying a number of concerns in relation to the withholding of payments by the Victorian government and the impact it was having on Vocation's cashflow position (VOC.003.001.3866).*

xxii. *On 3 September 2014, Hutchinson sent an email to the other directors of Vocation (copied to Grewal) attaching a letter dated 3 September 2014 from Peake to Bonnici advising that the Secretary of the Department had directed that a review be undertaken of all Vocation subsidiaries holding a 2014-2016 Funding Contract (**Peake 3 September Letter**) and attaching the terms of reference for the review that included an identification of* the areas that were the subject of the particular focus of the review (**DEECD Terms of Reference**) together with a copy of the notes prepared by the Department of the 28 August DEECD Meeting (**DEECD 28 August Meeting Notes**) (VOC.003.001.3745; VOC.003.001.3747; VOC.003.001.3748; VOC.003.001.3752).

xxiii. On 4 September 2014, Dawkins responded to Tredenick's email (copying Hutchinson) referring to the need for assurances from the Victorian government that this is a "fact finding exercise and not trying to prove biased assertions" (VOC.003.001.1047).

xxiv. On 5 September 2014, Hutchinson attended a meeting of the board of Vocation, held by teleconference (**5 September Board Meeting**). At the 5 September Board Meeting each of the directors present, including Hutchinson, agreed that further discussion of the DEECD review was required, including in relation to potential disclosure, following a review of correspondence by Dawkins, Hutchinson and the DEECD management, planned for 7 September 2014 (VOC.007.003.0018).

xxv. On 6 September 2014, Hutchinson wrote to Manny Petros (from Macquarie Capital) (**Petros**) and Grewal (copied to others) in which he stated that "[w]e have to be very careful getting more information out there when the actual findings won't be produced until October 31st" (VET.0024.0003.0673).

xxvi. On 6 September 2014, Hutchinson wrote in answer to a question in a proposed D~~d~~ue D~~d~~iligence Q~~q~~uestionnaire provided by Macquarie, "Is this investigation material, should it be disclosed to the market?" that: "Board and Management are happy with current disclosures and extended disclosure that will appear post placement next week. Remember all of the above is STRICTLY commercial in confidence based on our contract with the Department" (VOC.004.007.0055).

xxvii. On 7 September 2014, Hutchinson attended a meeting of the board of Vocation, held by teleconference (**7 September Board Meeting**). At the 7 September Board Meeting Hutchinson advised the other directors present that the overall enrolments for Vocation had not been adversely impacted by the DEECD review and stated that the impact on Vocation's business due to the DEECD review was not material.

xxviiA. On 7 September 2014, Hutchinson wrote an email to Dawkins and Rozsa attaching a draft ASX announcement which originally included the statement that "While the review has had an impact on some of Vocation's Victorian operations and enrolment activity this has been mitigated by organic growth across the group..." (VOC.006.001.6214 and VOC.006.001.6216)

xxviii. On 8 September 2014, Hutchinson and Dawkins attended a meeting with the DEECD (**the 8 September DEECD meeting**), at which:

A. Dawkins informed the DEECD representatives present that

Vocation considered the proposed Independent Review to be unreasonable and suggested that it should be narrowed in scope to focus on the courses the subject of the MMU review;

B. Peake informed Dawkins, Hutchinson and Smith that the DEECD was not relying only on the reports of the MMU review;

C. Bolt informed Dawkins, Hutchinson and Smith that an initial scoping study would be conducted as part of the Independent Review in order to prioritise areas in which further review was required;

D. Bolt stated that, on the basis of the conclusions of the initial scoping study, the DEECD would consider whether there was cause to release any of the withheld funds;

E. Bolt stated that the Independent Review was not confined to the CGEA, CSP and Warehousing courses, and that the initial scoping study would examine whether the review should be limited to those three courses;

F. none of Bolt, Peake or Cowan promised, nor otherwise represented to Dawkins, Hutchinson or Smith that the DEECD would expedite the early release of any funds to Vocation, <u>or that any funds would be released within 7 to 14 days</u> (DEC.100.001.0551).

<u>*xxviiiA. On 8 September 2014, Hutchinson attended a meeting of the Vocation Board, held by teleconference (**8 September Board Meeting**). At the meeting, Dawkins updated the Board on the outcome of the 8 September DEECD meeting (which Hutchinson had attended), but the report of the meeting given to the Board was not accurate, and did not faithfully reflect what had occurred at the 8 September DEECD meeting (as summarised in paragraph xxviii above). Dawkins' report provided to the 8 September Board Meeting inaccurately stated, inter alia that: (a) the review scope was to be narrowed; (b) the review will be expedited and is expected to be completed within 7 to 14 days with a decision made on the release or partial release of withheld funds; and (c) that enrolments in courses offered by BAWM and Aspin other than CSP, Warehousing and CGEA can recommence promptly. (PWC.600.001.4685)*</u>

<u>*xxviiiB. On 9 September 2014, Hutchinson exchanged email correspondence with Peake indicating that Hutchinson was expecting that there would be another meeting with Bolt in the week commencing 29 September 2014, following completion of the initial report, at which time Vocation would be taken through the DEECD's findings in the initial report and given a decision on a partial release (VOC.001.001.0823);*</u>

<u>*xxviiiC. Also on 9 September 2014, Hutchinson and Grewal attended a meeting with representatives of Vocation's banking syndicate at which the DEECD review was discussed, and at which Hutchinson*</u>

and/or Grewal informed the banking syndicate of the 8 September DEECD meeting, and stated that the measures undertaken by the DEECD were "seen as necessary to protect the reputation of the Department, given the size of Vocation", and the review items / issues were still not considered material by Vocation.

xxix. *On 12 September 2014, Hutchinson received an email from Peake attaching a letter from Peake to Hutchinson dated 12 September 2014 concerning the Independent Review and attaching updated terms of reference for the review (**Updated DEECD Terms of Reference**) (VET.0011.0003.0172, VET.0011.0003.0173 and VET.0011.0003.0174). The letter from Peake to Hutchinson and the Updated DEECD Terms of Reference confirmed that:*

a. *that there would be no payment of funds to BAWM or Aspin (whether in respect of the trial or otherwise) until such time as the DEECD had considered the initial report;*
b. *the first phase of the review would be a two week review which would commence on 16 September 2014;*
c. *the Secretary of the DEECD had given a direction that DEECD conduct a review of all of Vocation's RTOs holding VET Funding Contracts from 2014 onwards.*

xxixA. *On 16 September 2014, Hutchinson forwarded email correspondence between he and Peake to the other directors confirming that what Hutchinson referred to as the "2-week review" would start that day and that DEECD would have the recommendations to Vocation within 5 days thereafter. (VOC.003.001.4576)*

xxixB *On 18 September 2014 Simon Daniels (**Daniels**) of ASX sent an email to Grewal, copied to Hutchinson (VOC.006.001.3201) in which he asked Vocation to confirm to ASX that by the 25 August 2014 ASX Announcement, Vocation "intended to communicate that there had been a withholding of all payments to BAWM and the withholding of all payments to Aspin (as opposed to funding just for those contracts). In addition that the Company considers the market sufficiently informed." On the same day Hutchinson responded to Daniels by email (copied to Grewal) stating "we confirm that is correct", and further stating that "DEECD had a concern on a very specific and small cohort of students that had undertaken those three courses and therefore if DEECD took an adverse view of that student cohort (which we still consider the worst case scenario based on our recent ongoing dialogue with DEECD), then that would be not material". (VOC.006.001.3201)*

xxixC *Later on 18 September 2014 (prior to the release of the 18 September 2014 ASX Announcement), Hutchinson sent an email to Kym Peake (**Peake**) of the DEECD attaching the proposed 18 September 2014 ASX Announcement (VOC.004.006.0003). Peake responded by an email to Hutchinson (VOC.002.001.0021) (sent prior to the release of the 18 September 2014 ASX Announcement) which stated: "We could not endorse the content of the ASX announcement. We are concerned that some of the representations are misleading, including:*

- *While the contracts with BAWM and Aspin have not been suspended, significant entitlements under the Contract have been suspended. The announcement refers to suspension of funding but not the entitlement to commence new students who will attract a government subsidy.*

- *The announcement does not accurately reflect that approximately 90 per cent of Vocation's payments from DEECD in 2014 relate to BAWM and Aspin and that the majority of funding that has been withheld relates to the qualifications that are subject to the first phase of the review.*

As previously discussed, any decisions regarding release of funds is subject to the outcomes of the review."

Later that same day Hutchinson forwarded Peake's response to Grewal and Dawkins (amongst others) (VOC.002.001.0021).

xxx. *On 23 September 2014, Hutchinson sent an email to the Board (including Dawkins) which stated "I've had a long chat to John and his opinion, which I agree with now, is that we won't get any concession with Richard Bolt before he has the full report in his hands. Therefore we should get this letter in ASAP" (VOC.003.001.5227).*

xxxi. *On 1 October 2014, Hutchinson sent an email, copied to Dawkins and Grewal, forwarding the DEECD report (email entitled "FW: Final Panel Initial Review Report") (VOC.003.001.5054; VOC.003.001.5056).*

xxxii. *On 2 October 2014, Hutchinson and Dawkins met with the DEECD regarding the DEECD report, at which the DEECD said that the report substantiated its concerns about the quality of Vocation courses and that the DEECD will await the outcome of a second more expansive VRQA review before releasing funds (VOC.002.001.0078; VOC.002.001.0079).*

32. From 4 July 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

    a. any part of the BAWM Conduct Information (as defined in the FACSOC) and BAWM Conduct Risk Information (as defined in the FACSOC) prior to 27 October 2014; and

    b. the balance of ~~that~~ the information referred to in paragraph 31 above at any time during the Relevant Period.

Particulars

Throughout the Relevant Period, Hutchinson, as CEO and a member of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance *with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX. Specifically, PwC refers to the following:*

i. *At the 11 August Board Meeting each of the directors present, including Hutchinson, noted that Hutchinson had received advice from Johnson, Winter and Slattery (**JWS**) that disclosure to the market was not required regarding the withholding of payments at this stage (VOC.007.003.0028).*

ii. *At the 19 August Board Meeting each of the directors present, including Hutchinson:*

   A. *discussed the potential impact of the DEECD audits and the withholding of funding by the DEECD on Vocation's continuous disclosure obligations;*

   B. *agreed that no disclosure was required under Rule 3.1 of the ASX Listing Rules (VOC.007.003.0001).*

iii. *At the 22 August Board Meeting, each of the directors present, including Hutchinson:*

   A. *noted that the DEECD ASX Complaint notified the ASX of the withholding of payments to BAWM and Aspin and the suspension of certain new enrolments;*

   B. *considered whether disclosure of the matters referred to in the DEECD ASX Complaint was required under Rule 3.1 of the ASX Listing Rules; and*

   C. *agreed that no disclosure was required under Rule 3.1 of the ASX Listing Rules (VOC.007.003.0007).*

iv. *At the 25 August Board Meeting, each of the directors present, including Hutchinson:*

   A. *were advised by James Rozsa of Johnson, Winter and Slattery, that he had received an email from the ASX suggesting Vocation provide clarification of the DEECD's investigation and its effect on Vocation's revenues and contracts;*

   B. *agreed to and approved the content of a final draft of an announcement to the market, and agreed that it adequately covered the content suggested by the ASX (as described at (A) above) and:*

      a. *authorised Grewal to release the draft announcement to the ASX; and*

      b. *agreed that no other disclosure was required under Rule 3.1 of the ASX Listing Rules (VOC.007.003.0010).*

v. *At the 26 August Board Meeting each of the directors present,* *including Hutchinson confirmed the Board's previous decision that no disclosure was required under Rule 3.1 of the ASX Listing Rules (VOC.007.003.0013).*

vi. *At the 5 September Board Meeting each of the directors present, including Hutchinson, agreed that further discussion of the DEECD review was required, including in relation to potential disclosure, following a review of correspondence by Dawkins, Hutchinson and the DEECD management, planned for 7 September 2014 (VOC.007.003.0018).*

vii. *On 5 September 2014 Grewal provided Hutchinson and Dawkins (and others) with the VET placement documents including the draft September 2014 Cleansing Notice to be signed by Grewal (and ultimately signed by Grewal and lodged with the ASX on 16 September 2014, see VOC.501.017.0088) which stated: "As at the date of this notice, Vocation has complied with the provisions of Chapter 2M of the Corporations Act and s 674 of the Corporations Act" (VOC.008.003.0990 and VOC.008.003.1010).*

viii. *At the 7 September Board Meeting Hutchinson advised the other directors present that the overall enrolments for Vocation had not been adversely impacted by the DEECD review and stated that the impact on Vocation's business due to the DEECD review was not material and each of the directors present, including Hutchinson:*

A. *agreed that no additional disclosures to the ASX were required in relation to the DEECD review; and*

B. *agreed that the Board would review the need for disclosure to the ASX after the meeting with the DEECD scheduled for 8 September 2014 (VOC.007.003.0021).*

ix. *On 18 September 2014, Hutchinson:*

A. *received an email from Peake concerning the content of a proposed ASX Announcement by Vocation and confirming that any decision regarding release of the funds withheld by the DEECD was subject to the outcome of the DEECD's review (VET.0011.0003.0194) (**Peake 18 September Email**); and*

B. *emailed a copy of the Peake 18 September Email to the other directors of Vocation including Dawkins (VOC.501.005.0575).*

x. *On 8 October 2014, Hutchinson received a draft ASX announcement initially prepared by Dawkins (VOC.015.008.1840).*

xi. *On 15 October 2014, the Board received a pack of material (copied to Hutchinson and Grewal) in advance of the Vocation annual general meeting, including an 'AGM Q&A document (VOC.003.001.5763). That document states "we continue to anticipate that the review and its potential outcome are not material to Vocation".*

xii. *On 22 October 2014, Hutchinson attended a meeting of the board of Vocation (**22 October Board Meeting**). The minutes of the 22 October Board Meeting disclose that the board received an update on the Victorian audits (VOC.007.010.0021).*

xiii. *On 24 October 2014, Hutchinson attended a meeting of the board of Vocation (**24 October Board Meeting**). At the 24 October Board Meeting each of the directors present, including Hutchinson noted that BAWM had entered into an enforceable undertaking with the VRQA and "expressed some concern that this had been signed without the Board discussing first" (VOC.007.010.0023).*

xiv. *On 26 October 2014, Hutchinson forwarded an email to Dawkins (among others) he had received from Peake making comments on Vocation's draft announcement and suggesting amendments to that announcement (VOC.004.005.0096),*

33. By reason of the matters pleaded in paragraphs 30 to 32 above, from at least 4 July 2014 Hutchinson was involved in Vocation's First Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

    a. aided, abetted, counseled or procured; or

    b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

    Vocation's First Continuous Disclosure Contravention.

34. By reason of the matters pleaded in paragraph 33 above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's First Continuous Disclosure Contravention.

35. Hutchinson's contravention of s 674(2A) of the Corporations Act with respect to Vocation's First Continuous Disclosure Contravention was a continuing contravention from at least 4 July 2014 until 27 October 2014 and/or the end of the Relevant Period.

D.1.2 <u>Grewal's involvement in Vocation's First Continuous Disclosure Contravention</u>

36. From at least 4 July 2014, and at all material times thereafter, Grewal was aware of the following information:

    a. the BAWM Conduct Information <u>(as defined in the FACSOC)</u>;

    b. the BAWM Conduct Risk Information <u>(as defined in the FACSOC)</u>;

c. the Systemic Conduct Information (as defined in the FACSOC); and

d. the Systemic Conduct Risk Information (as defined in the FACSOC).

Particulars

Grewal's awareness of the information is evidenced by the following:

i. *The documents and matters (including meetings) referred to in paragraphs (i), (iii), (iv), (v), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xvi), (xviii), (xix), (xx), (xxii), (xxiv), (xxv), (xxvii), (xxviiiA), (xxviiiC), (xxix), (xxixA), (xxixB), (xxixC), and (xxxi) of the particulars subjoined to paragraph 31 above in relation to Hutchinson, which were also received by (or involved or attended by) Grewal. As to the updated terms of reference referred to at (xxix) of the particulars sub-joined to paragraph 31 above, Grewal was in possession of that document by no later than 1 October 2014 (see VOC.003.001.5054 and VOC.003.001.5056).*

ii. *On 5 September 2014, Grewal sent an email attaching a document entitled "Paper to the Banking syndicate in relation to the current audit by ... DEECD". In response to Question 7, which stated "are any further disclosures to ASX expected regarding the audit", the paper stated: "Not at this stage. We are monitoring our continuous disclosure requirements and will update the market accordingly. We have discussed the Victorian situation with our shareholders over the course of our roadshow." (VOC.001.016.8349 and VOC.001.016.8350)*

iii. *On 8 September 2014, Grewal forwarded an email to Petros of Macquarie in which he stated that "Based on our meeting with DEECD (where they have promised to expedite the early release of a proportion of the $22m owing to us), we have assumed the release of $6.5m of this cash on the first Tuesday in October [7 October 2014].." (VOC.008.009.5269). Grewal was aware that, based on the report he received of the 8 September DEECD meeting, that the DEECD had not promised to expedite the early release of a proportion of the withheld funds and the above quoted statement from his email misrepresented what had occurred at the meeting with the DEECD.*

37. From 4 July 2014, Grewal took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any part of the BAWM Conduct Information (as defined in the FACSOC) and BAWM Conduct Risk Information (as defined in the FACSOC) prior to 27 October 2014; and

b. the balance of ~~that~~ the information referred to in paragraph 36 above at any time during the Relevant Period.

Particulars

Pursuant to Vocation's continuous disclosure policy, Grewal was designated as the person responsible for overseeing and coordinating disclosure of information to the ASX and communicating with the ASX. In addition, PwC refers to the following:

i. Grewal attended the 19 August 2014 Board Meeting at which the board of directors:

A. discussed the potential impact of the DEECD audits and the withholding of funding by the DEECD on Vocation's continuous disclosure obligations; and

B. agreed that no disclosure was required under Rule 3.1 of the ASX Listing Rules (VOC.007.003.0001).

ii. On 24 August 2014, Grewal emailed Hutchinson and others about the ASX Announcement and indicated what he proposed to include in it (VOC.001.009.0409).

iii. Grewal attended the 22 August 2014 Board Meeting at which the board of directors:

A. noted that the DEECD ASX Complaint notified the ASX of the withholding of payments to BAWM and Aspin and the suspension of certain new enrolments;

B. considered whether disclosure of the matters referred to in the DEECD ASX Complaint was required under Rule 3.1 of the ASX Listing Rules; and

C. agreed that no disclosure was required under Rule 3.1 of the ASX Listing Rules (VOC.007.003.0007).

iv. On 5 September 2014:

A. Grewal provided Hutchinson and Dawkins (and others) with the VET placement documents including the draft September 2014 Cleansing Notice to be signed by Grewal (and ultimately signed by Grewal and lodged with the ASX on 16 September 2014, see VOC.501.017.0088) which stated: "As at the date of this notice, Vocation has complied with the provisions of Chapter 2M of the Corporations Act and s 674 of the Corporations Act" (VOC.008.003.0990 and VOC.008.003.1010).

B. Grewal signed a management confirmation which provided: "After having made reasonable inquiries, I confirm that I am not aware of any information in respect of the Company which would constitute 'excluded information' requiring disclosure in the Cleansing Notice and that nothing has come to my attention that causes me to believe (and I do not believe) that the draft Cleansing Notice provided to me are false, misleading or deceptive in a material particular." (VET.0012.0001.0224).

38. By reason of the matters pleaded in paragraphs 30, 36 and 37 above, from at least 4 July 2014 Grewal was involved in Vocation's First Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

    a. aided, abetted, counseled or procured; or

    b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

    Vocation's First Continuous Disclosure Contravention.

39. By reason of the matters pleaded in paragraph 38 above, Grewal contravened s 674(2A) of the Corporations Act with respect to Vocation's First Continuous Disclosure Contravention.

40. Grewal's contravention of s 674(2A) of the Corporations Act with respect to Vocation's First Continuous Disclosure Contravention was a continuing contravention from at least 4 July 2014 until 27 October 2014 and/or the end of the Relevant Period.

D.1.3 Dawkins' involvement in Vocation's First Continuous Disclosure Contravention

41. From at least 17 July 2014, and at all material times thereafter, Dawkins was aware of the following information:

    a. the BAWM Conduct Information (as defined in the FACSOC);

    b. the BAWM Conduct Risk Information (as defined in the FACSOC);

    c. the Systemic Conduct Information (as defined in the FACSOC); and

    d. the Systemic Conduct Risk Information (as defined in the FACSOC).

Particulars

Dawkins' awareness of the information is evidenced by the following:

i. The documents and matters (including meetings) referred to in paragraphs (iv), (v), (vi), (vii), (viii), (ix), (xi(B)), (xv), (xvi(B)), (xviii), (xix), (xx), (xxi), (xxii), (xxiii), (xxiv), (xxvii), (xxviiA), (xxviii), (xxviiiA), (xxix), (xxixA), (xxixC), (xxx), (xxxi) and (xxxii) of the particulars subjoined to paragraph 31 above in relation to Hutchinson, which were also received by (or involved or attended by) Dawkins. As to the updated terms of *reference referred to at (xxix) of the particulars sub-joined to paragraph 31, Dawkins was in possession of that document by no later than 1 October 2014 (see VOC.003.001.5054 and VOC.003.001.5056).*

ii. *On 28 August 2014, Dawkins attended a meeting with the DEECD regarding the review of Vocation's RTOs, at which the DEECD identified its concerns with Vocation's programs including in relation to marketing, student recruitment, enrolment of students in inappropriate courses, delivery of training services to third parties, and inadequate training quality (VOC.001.001.0900). Dawkins subsequently wrote to the Board in relation to this meeting (VOC.003.001.2970).*

iii. *On 28 August 2014, Dawkins attended a Board Meeting of Vocation (**28 August Board Meeting**) the minutes of which record Dawkins outlining to the Board "his intention to find a way to secure the release of at least some of the funds in the near term" (PWC.600.003.2015).*

iv. *On 2 September 2014, Dawkins responded to an email received from Tredenick which stated inter alia,*

   A. *in relation to disclosure, that "in the absence of further clarity on where incorrect enrolments have been accepted – and this will have to await the outcome of the review by Vic officials over the next few weeks … we remain of the view that the repayments will be of the order already reported to the board";*

   B. *in relation to the effect on the FY15 budget, that "it is likely that there will be some restrictions on our future activity in Vic … we have already indicated that we are planning to have less reliance in Vic in the future … The policy landscape is changing and with it opportunities are arising" (VOC.003.001.3866).*

v. *On 3 September 2014, Dawkins corresponded by email with Langtree in relation to Vocation's enrolment practices and whether they can be properly characterised by the DEECD as breaches (VOC.016.002.0204).*

vi. *On 3 September 2014, Dawkins was copied on an email from Watts to Bonnici enclosing a letter regarding the Victorian review, the terms of reference for the investigation, and a record of the meeting between the DEECD and Vocation on 28 August 2014 (VOC.001.001.0894; VOC.001.001.0895; VOC.001.001.0896; VOC.001.001.0900).*

vii. *On 18 September 2014, Dawkins spoke with Richard Bolt regarding the funding suspension and the progress of the DEECD investigation (VET.0011.0003.0191).*

viii. *On 2 October 2014, Dawkins and King corresponded by email regarding the DEECD report and possible ways that the concerns identified by the DEECD could be addressed (VOC.016.001.0611).*

42. From at least 17 July 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any part of the BAWM Conduct Information <u>(as defined in the FACSOC)</u> and BAWM Conduct Risk Information <u>(as defined in the FACSOC)</u> prior to 27 October 2014; and

b. the balance of ~~that~~ <u>the</u> information <u>referred to in paragraph 41 above</u> at any time during the Relevant Period.

Particulars

Throughout the Relevant Period, Dawkins, as Chairman of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX.

Specifically, PwC refers to the Board meetings and documents referred to in the particulars subjoined to paragraph 32 above in relation to Hutchinson, each of which was either attended by, or received by, Dawkins. In addition, Dawkins also attended the 28 August Board Meeting.

43. By reason of the matters pleaded in paragraphs 30, 41 and 42 above, from at least 17 July 2014 Dawkins was involved in Vocation's First Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counseled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's First Continuous Disclosure Contravention.

44. By reason of the matters pleaded in paragraph 43 above, Dawkins contravened s 674(2A) of the Corporations Act with respect to Vocation's First Continuous Disclosure Contravention.

45. Dawkins' contravention of s 674(2A) of the Corporations Act with respect to Vocation's First Continuous Disclosure Contravention was a continuing contravention from at least 17 July 2014 until 27 October 2014 and/or the end of the Relevant Period.

D.2 Involvement in Vocation's Second Continuous Disclosure Contravention

46. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 142 to 149 of the FACSOC (including the paragraphs cross-referred to therein).

D.2.1 Hutchinson's involvement in Vocation's Second Continuous Disclosure Contravention

47. From at least 4 July 2014, and at all material times thereafter, Hutchinson was aware of the following information:

a. the BAWM Identified Non-Compliance Information (as defined in the FACSOC);

b. the BAWM Conduct Increased Risk Information (as defined in the FACSOC);

c. the BAWM Investigation Information (as defined in the FACSOC);

d. the BAWM Investigation Risk Information (as defined in the FACSOC);

e. the Victorian Investigation Information (as defined in the FACSOC); and

f. the Victorian Investigation Risk Information (as defined in the FACSOC).

Particulars

Hutchinson's awareness of the information is evidenced by the documents and matters (including meetings) referred to in ~~paragraphs (i), (ii), (v) to (xvi), (xviii) to (xx), and (xxii) to (xxxii) of~~ the particulars subjoined to paragraph 31 above.

48. From 4 July 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any of the BAWM Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) until 25 August 2014;

b. any of the BAWM Identified Non-Compliance Information (as defined in the FACSOC), the BAWM Conduct Increased Risk Information (as defined in the FACSOC), the BAWM Investigation Risk Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Risk Information (as defined in the FACSOC) prior to 27 October 2014; and

c. the balance of the BAWM Identified Non-Compliance Information (as defined in the FACSOC), the BAWM Conduct Increased Risk Information (as defined in the FACSOC), the BAWM Investigation Information (as defined in the

FACSOC) and/or the BAWM Investigation Risk Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Risk Information (as defined in the FACSOC), at any time in the Relevant Period.

Particulars

PwC refers to and repeats particulars subjoined to paragraph 32 above.

49. By reason of the matters pleaded in paragraphs 46 to 48 above, Hutchinson was involved in Vocation's Second Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

    a. aided, abetted, counseled or procured; or

    b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

    Vocation's Second Continuous Disclosure Contravention.

50. By reason of the matters pleaded in paragraph 49 above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Second Continuous Disclosure Contravention.

51. Hutchinson's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Second Continuous Disclosure Contravention was a continuing contravention until 27 October 2014 and/or the end of the Relevant Period.

D.2.2 Grewal's involvement in Vocation's Second Continuous Disclosure Contravention

52. From at least 4 July 2014, and at all material times thereafter, Grewal was aware of the following information:

    a. the BAWM Identified Non-Compliance Information (as defined in the FACSOC);

    b. the BAWM Conduct Increased Risk Information (as defined in the FACSOC);

    c. the BAWM Investigation Information (as defined in the FACSOC);

    d. the BAWM Investigation Risk Information (as defined in the FACSOC);

e. the Victorian Investigation Information <u>(as defined in the FACSOC)</u>; and

f. the Victorian Investigation Risk Information <u>(as defined in the FACSOC)</u>.

Particulars

Grewal's awareness of the information is evidenced by:

i. The documents and matters referred to in paragraphs (i), (v), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xvi), (xix), (xxii), (xxv) and (xxxi) of–the particulars subjoined to paragraph 31 above in relation to Hutchinson, which were also received by (or involved) Grewal.

<u>*iA The documents and matters referred to in the particulars subjoined to paragraph 36 above.*</u>

ii. On 8 August 2014, Bonnici forwarded Grewal a notice received from the DEECD advising that the DEECD is withholding funds to Aspin under cl 16.2(b) of the 2014 Aspin Government Contract (VOC.001.001.0168 and VOC.001.001.0170).

iii. On 15 August 2014, Grewal wrote an email to Langtree and Bonnici regarding the proposed content of Board audit papers and stated: "As permitted under the VTG funding contracts with the Department, the payments due to Vocation in July and August were suspended for the BAWM RTO and suspended for August for the Aspin RTO. The audit for Aspin identified concerns about the delivery of the Cert II General Education for Adult qualification" (VOC.008.020.2021).

iv. On 16 August 2014, Grewal sent audit and risk committee papers to Hutchinson (among others) that referred to the Victorian Investigation (VOC.003.001.2584 and VOC.003.001.2586).

v. On 21 August 2014, Grewal was copied on an email from Hutchinson responding to an email received from Watts on behalf of the DEECD referring to Vocation's continuous disclosure obligations. Hutchinson's email stated that "In the view of Vocation, the investigation and its anticipated outcomes are not material in the context of the whole of Vocation, and therefore do not require disclosure to ASX under Listing Rule 3.1" (VET.0011.0002.0530).

53. From 4 July 2014, Grewal took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any of the BAWM Investigation Information <u>(as defined in the FACSOC)</u> and/or the Victorian Investigation Information <u>(as defined in the FACSOC)</u> until 25 August 2014;

b. any of the BAWM Identified Non-Compliance Information <u>(as defined in the FACSOC)</u>, the BAWM Conduct Increased Risk Information <u>(as defined in the</u>

FACSOC), the BAWM Investigation Risk Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Risk Information (as defined in the FACSOC) prior to 27 October 2014; and

c. the balance of the BAWM Identified Non-Compliance Information (as defined in the FACSOC), the BAWM Conduct Increased Risk Information (as defined in the FACSOC), the BAWM Investigation Information (as defined in the FACSOC) and/or the BAWM Investigation Risk Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Risk Information (as defined in the FACSOC), at any time in the Relevant Period.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 37 above.

54. By reason of the matters pleaded in paragraphs 46, 52 and 53 above, Grewal was involved in Vocation's Second Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counseled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Second Continuous Disclosure Contravention.

55. By reason of the matters pleaded in paragraph 54 above, Grewal contravened s 674(2A) of the Corporations Act with respect to Vocation's Second Continuous Disclosure Contravention.

56. Grewal's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Second Continuous Disclosure Contravention was a continuing contravention until 27 October 2014 and/or the end of the Relevant Period.

D.2.3 Dawkins' involvement in Vocation's ~~Third~~ Second Continuous Disclosure Contravention

57. From at least 17 July 2014, and at all material times thereafter, Dawkins was aware of

the following information:

a. the BAWM Identified Non-Compliance Information (as defined in the FACSOC);

b. the BAWM Conduct Increased Risk Information (as defined in the FACSOC);

c. the BAWM Investigation Information (as defined in the FACSOC);

d. the BAWM Investigation Risk Information (as defined in the FACSOC);

e. the Victorian Investigation Information (as defined in the FACSOC); and

f. the Victorian Investigation Risk Information (as defined in the FACSOC).

Particulars

Dawkins' awareness of the information is evidenced by the following:

i. The documents and matters (including meetings) referred to in paragraphs (iv), (v), (vi), (viii), (ix), (xi(B)), (xv), (xvi(B)), (xviii), (xx), (xxii), (xxiii), (xxiv), (xxvii), (xxviii), (xxx), (xxxi) and (xxxii) of the particulars subjoined to paragraph 31 above in relation to Hutchinson, which were also received by (or involved or attended by) Dawkins.

ii. The documents and matters (including meetings) referred to in ~~paragraphs (ii) and paragraphs (iv) to (viii) of~~ the particulars subjoined to paragraph 41 above.

58. From 17 July 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any of the BAWM Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) until 25 August 2014;

b. any of the BAWM Identified Non-Compliance Information (as defined in the FACSOC), the BAWM Conduct Increased Risk Information (as defined in the FACSOC), the BAWM Investigation Risk Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Risk Information (as defined in the FACSOC) prior to 27 October 2014; and

c. the balance of the BAWM Identified Non-Compliance Information (as defined in the FACSOC), the BAWM Conduct Increased Risk Information (as defined in the FACSOC), the BAWM Investigation Information (as defined in the FACSOC) and/or the BAWM Investigation Risk Information (as defined in the FACSOC) and/or the Victorian Investigation Information (as defined in the FACSOC) and/or the Victorian Investigation Risk Information (as defined in the FACSOC), at any time in the Relevant Period.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 42 above.

59. By reason of the matters pleaded in paragraphs 46, 57 and 58 above, Dawkins was involved in Vocation's Second Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

   a. aided, abetted, counseled or procured; or

   b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

   Vocation's Second Continuous Disclosure Contravention.

60. By reason of the matters pleaded in paragraph 59 above, Dawkins contravened s 674(2A) of the Corporations Act with respect to Vocation's Second Continuous Disclosure Contravention.

61. Dawkins' contravention of s 674(2A) of the Corporations Act with respect to Vocation's Second Continuous Disclosure Contravention was a continuing contravention until 27 October 2014 and/or the end of the Relevant Period.

D.2A Involvement in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention

61A. PwC repeats paragraph 14A above.

D.2A.1 Hutchinson's involvement in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention

61B. In the period from 28 August 2014 to 18 September 2014 Hutchinson was aware of the Withholding and Suspension Information.

Particulars

Hutchinson's awareness of the Withholding and Suspension Information is evidenced by the documents and matters (including meetings) referred to in the particulars subjoined to paragraph 31 above.

61C. In the period from 28 August 2014 to 18 September 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Withholding and Suspension Information.

Particulars

PwC refers to and repeats particulars subjoined to paragraph 32 above. Further, PwC refers to and repeats paragraphs 61D and 61E below.

61D. On 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) of the Corporations Act that Hutchinson contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene (inter alia) s 674(2) of the Corporations Act by not notifying the ASX of the existence of the Withholding and Suspension Information in the period between 28 August 2014 and 18 September 2014.

Particulars

Order 1 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

61E. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that Hutchinson caused or otherwise permitted Vocation to contravene s 674(2) of the Corporations Act by not notifying the ASX of the existence of the Withholding and Suspension Information in the period between 28 August 2014 and 18 September 2014.

61F. By reason of the matters pleaded in paragraphs 61A to 61E above, Hutchinson was involved in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counseled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

that contravention.

61G. By reason of the matters pleaded in paragraph 61F above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Withholding and Suspension Information Continuous Disclosure Contravention.

61H. Hutchinson's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Withholding and Suspension Information Continuous Disclosure Contravention was a continuing contravention between 28 August 2014 and 18 September 2014.

D.2A.2 Grewal's involvement in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention

61I. In the period from 28 August 2014 to 18 September 2014 Grewal was aware of the Withholding and Suspension Information.

Particulars

Grewal's awareness of the Withholding and Suspension Information is evidenced by the documents and matters (including meetings) referred to in the particulars subjoined to paragraph 52 above.

61J. In the period from 28 August 2014 to 18 September 2014, Grewal took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Withholding and Suspension Information.

Particulars

PwC refers to and repeats particulars subjoined to paragraph 37 above.

61K. By reason of the matters pleaded in paragraphs 61A and 61I to 61J above, Grewal was involved in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counseled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly

concerned in, or party to,

that contravention.

61L. By reason of the matters pleaded in paragraph 61K above, Grewal contravened s 674(2A) of the Corporations Act with respect to Vocation's Withholding and Suspension Information Continuous Disclosure Contravention.

61M. Grewal's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Withholding and Suspension Information Continuous Disclosure Contravention was a continuing contravention between 28 August 2014 and 18 September 2014.

D.2A.3 Dawkins' involvement in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention

61N. In the period from 28 August 2014 to 18 September 2014 Dawkins was aware of the Withholding and Suspension Information.

Particulars

Dawkins' awareness of the Withholding and Suspension Information is evidenced by the documents and matters (including meetings) referred to in the particulars subjoined to paragraph 57 above.

61O. In the period from 28 August 2014 to 18 September 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Withholding and Suspension Information.

Particulars

PwC refers to and repeats particulars subjoined to paragraph 42 above. Further, PwC refers to and repeats paragraphs 61P and 61Q below.

61P. On 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) of the Corporations Act that Dawkins contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene s 674(2) of the Corporations Act by not notifying the ASX of the existence of the Withholding and Suspension Information in the period between 28 August 2014 and 18 September 2014.

Particulars

Order 2 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

61Q. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that Dawkins caused or otherwise permitted Vocation to contravene s 674(2) of the Corporations Act by not notifying the ASX of the existence of the Withholding and Suspension Information in the period between 28 August 2014 and 18 September 2014.

61R. By reason of the matters pleaded in paragraphs 61A and 61N to 61Q above, Dawkins was involved in Vocation's Withholding and Suspension Information Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counseled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

that contravention.

61S. By reason of the matters pleaded in paragraph 61R above, Dawkins contravened s 674(2A) of the Corporations Act with respect to Vocation's Withholding and Suspension Information Continuous Disclosure Contravention.

61T. Dawkins' contravention of s 674(2A) of the Corporations Act with respect to Vocation's Withholding and Suspension Information Continuous Disclosure Contravention was a continuing contravention between 28 August 2014 and 18 September 2014.

D.3 Involvement in Vocation's Third Continuous Disclosure Contravention

62. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 150 to 155 of the FACSOC (including the paragraphs cross-referred to therein).

D.3.1 Hutchinson's involvement in Vocation's Third Continuous Disclosure Contravention

63. From at least 3 September 2014, and at all material times thereafter, Hutchinson was aware of the Cash Requirement Information (as defined in the FACSOC).

Particulars

Hutchinson's awareness of the information is evidenced by:

i. *On 21 August 2014, Bonnici wrote to Hutchinson and Grewal attaching letters sent to the DEECD regarding BAWM and Aspin, noting that the letter regarding BAWM referred to the impact that the DEECD's decision to withhold funding from BAWM under the 2014 BAWM Government Contract was having on Vocation's cashflow (VOC.001.001.0276; VOC.001.001.0277; VOC.001.001.0281; VOC.001.001.0284; VOC.001.001.0287; VOC.001.001.0289; VOC.001.001.0292).*

ii. *At the 26 August Board Meeting, attended by Hutchinson, the Board discussed the financial and cash position of Vocation and the potential revenue impact for FY15 of complying with the amended business model (VOC.007.003.0013).*

iii. *On 30 August 2014, Grewal emailed Tredenick, copied to other members of the Board (including Hutchinson and Dawkins) in response to a question regarding cash flow work and bank loans, stating that Grewal had had a meeting with Westpac and NAB the previous day at which an extension of Vocation's facility by $15 million was discussed (VOC.003.001.3890).*

iv. *On 2 September 2014:*

    A. *Hutchinson received, along with the other Vocation directors, a cashflow forecast from Grewal which, on stated assumptions, forecast that Vocation would run out of cash towards the end of November 2014 (VOC.008.003.0045)*

    B. *Hutchinson wrote an email to the Vocation Board, entitled 'Update', which referred to Grewal's cashflow forecast that would see Vocation as "OK from a cash perspective until the end of November" and noted that "we are monitoring cash across the group very carefully" (VOC.003.001.3864)*

v. *On 4 September 2014, Grewal wrote to Hutchinson, Langtree and Bonnici that "[i]t's now apparent that going down the pilot path is not going to give us sufficient cash flow. We need to put a case forward to the department for the release of a meaningful number of around $10 m in order for us to keep running the business". And that: "The banks attribute high degree of comfort to seeing a meaningful payment from the department" (VOC.008.005.0619)*

vi. *On 5 September 2014, Grewal sent Petros (copied to Hutchinson) a completed capital raising management questionnaire in which Grewal wrote, in response to the question of whether there were "any present issues with regard to liquidity or receipt of cash flows vis a vis accounting profit?", that:*

    A. *"The suspension of funding with the Victorian review is starting to impact normal cash flow, however receipt of cash* *flow from all other parts of the business are normal"*

B. *"We are also in discussion with our banking syndicate for a facility extension of $15m" (VOC.008.003.0642 and VOC.008.003.0644).*

vii. *In Federal Court of Australia proceedings NSD 1679 of 2016, Hutchinson gave evidence to the effect that he understood, as at 5 September 2014, that Vocation was facing what was potentially a very significant crisis over the coming weeks, and that unless there was a confirmation from the DEECD that there would be an early release of funds, the banking syndicate was unlikely to extend the existing facility. (Australian Securities and Investments Commission v Vocation Limited (in liquidation) [2019] FCA 80 at [381])*

viii. *Hutchinson attended a meeting of the Vocation Board on 8 September 2014 at which the minutes record that Vocation proposed to conduct an equity capital raising to raise a minimum of $75 million. (PWC.600.001.4685)*

ix. *At a meeting with representatives of Vocation's banking syndicate on 9 September 2014, Hutchinson or Grewal (who were both in attendance) told those present that the purpose of the placement would be to provide Vocation with a "working capital buffer" to assist with future acquisitions.*

x. *On 25 September 2014, Grewal emailed the Board (including Hutchinson and Dawkins) attaching the CFO and Company Secretary report. The report stated inter alia that "The Group's cash balances at 21 September were $70m ... The forecast at this stage assumes $6.5 m payment by DEECD in early October and the repayment of the rest of the outstanding amounts in Nov and Dec." (VOC.003.001.5123; VOC.003.001.5124).*

64. From 3 September 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Cash Requirement Information (as defined in the FACSOC).

Particulars

Throughout the Relevant Period, Hutchinson, as CEO and a member of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX. Specifically, PwC relies on the following:

i. *PwC refers to and repeats paragraphs (vi) to (xii) of the particulars subjoined to paragraph 32 above.*

ii. *On 5 September 2014:*

A. *Hutchinson signed documents (with Grewal) entitled 'Confirmation of Management' in connection with the*

September 2014 Cleansing Notice and a proposed ASX announcement in relation to the Placement (VOC.008.003.1013);

B. *Hutchinson wrote to the Board attaching the proposed "ASX announcement for post placement" (VOC.003.001.3699; VOC.003.001.3700).*

iii. *On 10 September 2014, Hutchinson received an email from Grewal concerning the proposed draft ASX announcement (VET.0014.0001.1561).*

iv. *On 26 October 2014, Hutchinson wrote to Dawkins and the Board suggesting that any comments on the proposed ASX announcement be ready for a scheduled call between Board members to discuss that announcement (VOC.003.001.5867; VOC.003.001.5868).*

v. *Hutchinson is listed on the ASX announcement dated 27 October 2014 as the person for investors and analysts to contact in relation to the announcement.*

65. By reason of the matters pleaded in paragraphs 62 to 64 above, Hutchinson was involved in Vocation's Third Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Third Continuous Disclosure Contravention.

66. By reason of the matters pleaded in paragraph 65 above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Third Continuous Disclosure Contravention.

67. Hutchinson's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Third Continuous Disclosure Contravention was a continuing contravention until the end of the Relevant Period.

D.3.2 Grewal's involvement in Vocation's Third Continuous Disclosure Contravention

68. From at least 3 September 2014, and at all material times thereafter, Grewal was aware of the Cash Requirement Information (as defined in the FACSOC).

Particulars

Grewal's awareness of the information is evidenced by the documents and matters referred to in the particulars subjoined to paragraph 63 above in relation to Hutchinson, each of which was a document either authored or received by Grewal.

69. From 3 September 2014, Grewal took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Cash Requirement Information (as defined in the FACSOC).

Particulars

Pursuant to Vocation's continuous disclosure policy, Grewal was designated as the person responsible for overseeing and coordinating disclosure of information to the ASX and communicating with the ASX.

PwC refers to and repeats paragraph ~~(ix)~~(iv) of the particulars subjoined to paragraph 37 above.

70. By reason of the matters pleaded in paragraphs 62, 68 and 69 above, Grewal was involved in Vocation's Third Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Third Continuous Disclosure Contravention.

71. By reason of the matters pleaded in paragraph 70 above, Grewal contravened s 674(2A) of the Corporations Act with respect to Vocation's Third Continuous Disclosure Contravention.

72. Grewal's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Third Continuous Disclosure Contravention was a continuing contravention until the end of the Relevant Period.

D.3.3 Dawkins' involvement in Vocation's Third Continuous Disclosure Contravention

73. From at least 3 September 2014, and at all material times thereafter, Dawkins was aware of the Cash Requirement Information (as defined in the FACSOC).

Particulars

Dawkins' awareness of the information is evidenced by:

i. The meeting and documents referred to in paragraphs (ii) to (iv) and (vii) of the particulars subjoined to paragraph 63 above in relation to Hutchinson, each of which was a meeting attended by or a document received by Dawkins.

ii. On 31 August 2014, Dawkins received an email from Tredenick forwarding analysis by Bonnici as to the amount of payments withheld by the DEECD under Vocation's Victorian contracts (VOC.003.001.0977).

iii. On 2 September 2014, Dawkins responded to an email received from Tredenick which stated inter alia,

A. in relation to disclosure, that "in the absence of further clarity on where incorrect enrolments have been accepted – and this will have to await the outcome of the review by Vic officials over the next few weeks ... we remain of the view that the repayments will be of the order already reported to the board";

B. in relation to the effect on the FY15 budget, that "it is likely that there will be some restrictions on our future activity in Vic ... we have already indicated that we are planning to have less reliance in Vic in the future ... The policy landscape is changing and with it opportunities are arising" (VOC.003.001.3866).

74. From 3 September 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Cash Requirement Information (as defined in the FACSOC).

Particulars

Throughout the Relevant Period, Dawkins as Chairman of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX. Specifically, PwC relies on paragraphs (vi) to (xii) of the particulars subjoined to paragraph 32 above in relation to Hutchinson, each of which was either attended by, or received by, Dawkins.

75. By reason of the matters pleaded in paragraphs 62, 73 and 74 above, Dawkins was involved in Vocation's Third Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly

concerned in, or party to,

Vocation's Third Continuous Disclosure Contravention.

76. By reason of the matters pleaded in paragraph 75 above, Dawkins contravened s 674(2A) of the Corporations Act with respect to Vocation's Third Continuous Disclosure Contravention.

77. Dawkins' contravention of s 674(2A) of the Corporations Act with respect to Vocation's Third Continuous Disclosure Contravention was a continuing contravention until the end of the Relevant Period.

D.4 Involvement in Vocation's Fourth Continuous Disclosure Contravention

78. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 156 to 161 of the FACSOC (including the paragraphs cross-referred to therein).

D.4.1 Hutchinson's involvement in Vocation's Fourth Continuous Disclosure Contravention

79. From at least 28 September 2014, and at all material times thereafter, Hutchinson was aware of the Restructure Information.

Particulars

Hutchinson's awareness of the information is evidenced by:

i. *On 1 September 2014, Tredenick wrote to Dawkins and Hutchinson an email identifying a number of concerns, including that "our business model will need significant change in Victoria" (VOC.003.001.3866).*

ii. *On 2 September 2014, Hutchinson was copied in to a reply by Dawkins to Tredenick's email of 1 September 2014, stating inter alia that "it is likely that there will be some restrictions on our future activity in Vic ... We have already indicated that we are planning to have less reliance on Vic in the future ... The policy landscape is changing and with it opportunities are arising" (VOC.003.001.3866).*

iii. *On 2 September 2014, Hutchinson wrote to the Board (copied to Grewal) that "Our Solutions business will decline over the next year as we build our internal broking capabilities under MyVocation" (VOC.003.001.3864).*

iv. *On 6 September 2014, Hutchinson wrote in answer to a question in a proposed Due Diligence Questionnaire provided by Macquarie, "Will the investigation impact the business model going forward? If so how?" that: "We have already adjusted our business model to decrease the reliance on our Solutions business by investing in the MyVocation platform to reduce reliance on brokers. We have also said goodbye to 4 Brokers so far" (VOC.004.007.0055).*

v. *On 7 September 2014, Langtree wrote to Hutchinson and Grewal attaching comments on the Due Diligence Questionnaire provided by Macquarie stating: "I have not covered Auspicing as I'm not sure where to start" and the attached document noting that "Vocation has already commenced adjusting its Auspicing business model" (VOC.008.002.0623 and VOC.008.002.0625).*

vi. *On 28 September 2014, Hutchinson wrote an email to Grewal, Bonnici, Langtree and others entitled "VIC 12-months" in which he stated: "We're all having conversations about how VIC will need to look pending HESG review" and among several "[d]ecision points and actions" listed "Org structure and people" and "RTO Edge disappearing as a brand and re-engineered to pure brokering, therefore a Direct business. Or other alternatives?" (VOC.016.001.0773).*

vii. *On 3 October 2014, Hutchinson wrote an email to Grewal, Bonnici, Langtree and others in which he listed, among several action items, "Build a restructured VIC org chart and business structure for FY15" (VOC.016.001.0571).*

viii. *The Vocation AGM Q&A document (draft version circulated to directors including Hutchinson on 15 October 2014) refers to potential questions regarding "BAWM Auspicing partners being 'taken off air'" and states "BAWM has been focusing on reducing its reliance on third parties such as contract trainers and brokers to deliver its services – this is part of our desire generally to deliver these services ourselves so we have more control over the process" (VOC.003.001.5756 and VOC.003.001.5763).*

ix. *On 21 October 2014, Hutchinson wrote an email to Nightingale Communications copying Bonnici, Grewal and others in which he stated "I've had a good think about this and there is no way we will have a good answer on what FY15 looks like after the restructure" (VOC.001.009.0489).*

80. From 28 September 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any part of the Restructure Information prior to 27 October 2014; and

b. the balance of that information at any time during the Relevant Period.

Particulars

Throughout the Relevant Period, Hutchinson, as CEO and a member of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX.

PwC also refers to and repeats paragraphs (iv) and (v) to the *particulars subjoined to paragraph 64 above.*

Further, on 21 October 2014, Hutchinson sent and received emails regarding the draft ASX announcement and stated, inter alia, that "there is no way we will have a good answer on what FY15 looks like after the restructure". (VOC.008.015.9457).

81. By reason of the matters pleaded in paragraphs 78 to 80 above, Hutchinson was involved in Vocation's Fourth Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

    a. aided, abetted, counselled or procured; or

    b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

    Vocation's Fourth Continuous Disclosure Contravention.

82. By reason of the matters pleaded in paragraph 81 above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Fourth Continuous Disclosure Contravention.

D.4.2 Grewal's involvement in Vocation's Fourth Continuous Disclosure Contravention

83. From at least 28 September 2014, and at all material times thereafter, Grewal was aware of the Restructure Information.

Particulars

Grewal's awareness of the information is evidenced by the documents and matters referred to in paragraphs (iii) to (ix) of the particulars subjoined to paragraph 79 above in relation to Hutchinson, each of which was a document either authored or received by Grewal.

84. From 28 September 2014, Grewal took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

    a. any part of the Restructure Information prior to 27 October 2014; and

    b. the balance of that information at any time during the Relevant Period.

Particulars

Pursuant to Vocation's continuous disclosure policy, Grewal was designated as the person responsible for overseeing and coordinating disclosure of information to the ASX and communicating with the ASX.

In addition, PwC refers to the following:

i. On 2 October 2014, Grewal sent an email to Simon Daniels at the ASX denying statements in the press concerning Vocation's VET funding (VOC.006.001.3054).

ii. On 15 October 2014, Grewal signed the Share Purchase Plan booklet announcement made on 15 October 2014, which makes no mention of the Restructure Information.

85. By reason of the matters pleaded in paragraphs 78, 83 and 84 above, Grewal was involved in Vocation's Fourth Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

    a. aided, abetted, counselled or procured; or

    b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

    Vocation's Fourth Continuous Disclosure Contravention.

86. By reason of the matters pleaded in paragraph 85 above, Grewal contravened s 674(2A) of the Corporations Act with respect to Vocation's Fourth Continuous Disclosure Contravention.

D.4.3 <u>Dawkins' involvement in Vocation's Fourth Continuous Disclosure Contravention</u>

87. From at least 28 September 2014, and at all material times thereafter, Dawkins was aware of the Restructure Information.

Particulars

Dawkins' awareness of the information is evidenced by the documents and matters referred to in paragraphs (i) to (iii) and paragraph (viii) of the particulars subjoined to paragraph 79 above in relation to Hutchinson, each of which was a document either authored or received by Dawkins.

88. From 28 September 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

    a. any part of the Restructure Information prior to 27 October 2014; and

    b. the balance of that information at any time during the Relevant Period.

Particulars

Throughout the Relevant Period, Dawkins, as Chairman of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX.

PwC also refers to an email Dawkins (and the other directors) received from Hutchinson on 26 October 2014 suggesting that any comments on the proposed ASX announcement be prepared and ready to be raised on a scheduled call between Board members to discuss that announcement (VOC.003.001.5867; VOC.003.001.5868).

89. By reason of the matters pleaded in paragraphs 78, 87 and 88 above, Dawkins was involved in Vocation's Fourth Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Fourth Continuous Disclosure Contravention.

90. By reason of the matters pleaded in paragraph 89 above, Dawkins contravened s 674(2A) of the Corporations Act with respect to Vocation's Fourth Continuous Disclosure Contravention.

D.5 Involvement in Vocation's Fifth Continuous Disclosure Contravention

91. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 162 to 167 of the FACSOC (including the paragraphs cross-referred to therein).

D.5.1 Hutchinson's involvement in Vocation's Fifth Continuous Disclosure Contravention

92. From at least 27 October 2014, and at all material times thereafter, Hutchinson was aware of the Post-DEECD Settlement Earnings Unreliability Information.

Particulars

Hutchinson's awareness is evidenced by:

i. On 1 September 2014, Tredenick wrote to Dawkins and Hutchinson an email identifying a number of concerns, including that: (a) "our business model will need significant change in Victoria"; (b) "our FY15 *budget will need to be recast"; (c) "we have potential cashflow issues to work through, including securing the bank loans and understanding possible revenue outcomes from vic govt" (VOC.003.001.3866).*

ii. *On 2 September 2014, Hutchinson was copied in to a reply by Dawkins to Tredenick's email of 1 September 2014, stating inter alia that "it is likely that there will be some restrictions on our future activity in Vic ... We have already indicated that we are planning to have less reliance on Vic in the future ... The policy landscape is changing and with it opportunities are arising" (VOC.003.001.3866).*

iii. *On 25 September 2014, Hutchinson attended a meeting of the board of Vocation (**25 September Board Meeting**). The minutes of the 25 September Board Meeting state: "'The Board also enquired about the currency of the Company's accounts payable. MH confirmed that payment to several debtors in Victoria was pending receipt of the funds from the Victorian Government (as per contractual arrangements) and in addition, advance payments of approximately $8-9 million had been made on the assumption that the Government monies would be received. These potentially would be subject to clawback" (VOC.007.010.0009).*

iv. *On 28 September 2014, Hutchinson wrote to Grewal, Bonnici, Langtree and others entitled "VIC 12-months" in which he stated "We're all having conversations about how VIC will need to look pending HESG review" and that "We will need to essentially run the business separately until at least Dec. 31st if not June 30th to ensure we get everything right and still produce a decent figure for FY15." Among several "[d]ecision points and actions" Hutchinson listed "Org structure and people" and "RTO Edge disappearing as a brand and re-engineered to pure brokering, therefore a Direct business. Or other alternatives?" (VOC.016.001.0773).*

v. *The minutes of the 22 October Board Meeting, which Hutchinson attended, disclose that the board received an update on the Victorian audits (VOC.007.010.0021).*

vi. *The minutes of the 24 October Board Meeting, which Hutchinson attended, state: "The Board discussed the financial impact of the proposed settlement with DEECD on Vocation, including direct and indirect impacts" (VOC.007.010.0023).*

vii. *On 30 October 2014, Hutchinson attended a meeting of the board of Vocation (**30 October Board Meeting**). The minutes of the 30 October Board Meeting state: "The Board discussed the Company's financial position and noted the CFO's advice of a strong cash position. The Board noted a meeting will be held with the banks on 3 November 2014 and any issues will be advised to the Board" (VOC.007.003.1719).*

viii. *On 25 November 2014, Hutchinson attended a meeting of the board of Vocation (**25 November Board Meeting**) at which Hutchinson briefed the Board of the flow on effects of the DEECD review (VOC.007.003.1709).*

93. From 27 October 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Post-DEECD Settlement Earnings Unreliability Information until 4 December 2014.

Particulars

Throughout the Relevant Period, Hutchinson, as CEO and a member of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX. PwC specifically refers to the 30 October Board Meeting and the 25 November Board Meeting at which the financial position of Vocation post the DEECD review was specifically discussed.

94. By reason of the matters pleaded in paragraphs 91 to 93 above, Hutchinson was involved in Vocation's Fifth Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Fifth Continuous Disclosure Contravention.

95. By reason of the matters pleaded in paragraph 94 above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Fifth Continuous Disclosure Contravention.

D.5.2 Dawkins' involvement in Vocation's Fifth Continuous Disclosure Contravention

96. From at least 27 October 2014, and at all material times thereafter, Dawkins was aware of the Post-DEECD Settlement Earnings Unreliability Information.

Particulars

Dawkins' awareness of the information is evidenced by the meetings and documents referred to in paragraphs (i) to (iii) and paragraphs (v) to (vii) of the particulars subjoined to paragraph 92 above in relation to Hutchinson, each of which was either attended by, or authored by, or received by, Dawkins.

97. From 27 October 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX the Post-DEECD Settlement Earnings Unreliability

Information until 4 December 2014.

Particulars

Throughout the Relevant Period, Dawkins, as Chairman of the Board, was responsible for determining whether Vocation was aware of material information that required disclosure to the ASX in accordance with Rule 3.1 of the ASX Listing Rules and deciding on the form and content of what Vocation disclosed to the ASX. PwC specifically refers to the 30 October Board Meeting and the 25 November Board Meeting at which the financial position of Vocation post the DEECD review was specifically discussed.

98. By reason of the matters pleaded in paragraphs 91, 96 and 97 above, Dawkins was involved in Vocation's Fifth Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Fifth Continuous Disclosure Contravention.

99. By reason of the matters pleaded in paragraph 98 above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Fifth Continuous Disclosure Contravention.

D.6 Involvement in Vocation's Further Continuous Disclosure Contravention

99A. Further or alternatively to the allegations in Sections D.1 and D.2 above, for the purpose only of this cross-claim PwC repeats paragraphs 14AA to 14AF above.

D.6.1 Hutchinson's involvement in Vocation's Further Continuous Disclosure Contravention

99B. From at least 4 July 2014, and at all material times thereafter, Hutchinson was aware of the Information (as defined in paragraph 14AA above).

Particulars

PwC refers to and repeats the particulars under paragraphs 31 and 47 above.

99C. From 4 July 2014, Hutchinson took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any part of the BAWM Conduct Information (as defined in paragraph 129 of the 2FACSOC, being part of the Information), the BAWM Conduct Non-Compliance Information (as defined in paragraph 129A of the 2FACSOC, being part of the Information), the BAWM Historical Non-Compliance Information (as defined in paragraph 129B of the 2FACSOC, being part of the Information), the BAWM Conduct Risk Information (as defined in paragraph 129C of the 2FACSOC, being part of the Information), the BAWM Conduct Further Risk Information (as defined in paragraph 129D of the 2FACSOC, being part of the Information) or the BAWM Conduct Business Implication Information (as defined in paragraph 129E of the 2FACSOC, being part of the Information) prior to 27 October 2014; and

b. the balance of the Information at any time during the Relevant Period.

Particulars

PwC refers to and repeats the particulars under paragraph 32 above.

99D. By reason of the matters pleaded in paragraphs 99A to 99C above, from at least 4 July 2014 Hutchinson was involved in Vocation's Further Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Further Continuous Disclosure Contravention.

99E. By reason of the matters pleaded in paragraph 99D above, Hutchinson contravened s 674(2A) of the Corporations Act with respect to Vocation's Further Continuous Disclosure Contravention.

99F. Hutchinson's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Further Continuous Disclosure Contravention was a continuing contravention from at least 4 July 2014 until 27 October 2014 and/or the end of the Relevant Period.

D.6.2 Grewal's involvement in Vocation's Further Continuous Disclosure Contravention

99G. From at least 4 July 2014, and at all material times thereafter, Grewal was aware of the Information (as defined in paragraph 14AA above).

Particulars

PwC refers to and repeats the particulars under paragraphs 36 and 52 above.

99H. From 4 July 2014, Grewal took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any part of the BAWM Conduct Information (as defined in paragraph 129 of the 2FACSOC, being part of the Information), the BAWM Conduct Non-Compliance Information (as defined in paragraph 129A of the 2FACSOC, being part of the Information), the BAWM Historical Non-Compliance Information (as defined in paragraph 129B of the 2FACSOC, being part of the Information), the BAWM Conduct Risk Information (as defined in paragraph 129C of the 2FACSOC, being part of the Information), the BAWM Conduct Further Risk Information (as defined in paragraph 129D of the 2FACSOC, being part of the Information) or the BAWM Conduct Business Implication Information (as defined in paragraph 129E of the 2FACSOC, being part of the Information) prior to 27 October 2014; and

b. the balance of the Information at any time during the Relevant Period.

Particulars

PwC refers to and repeats the particulars under paragraph 37 above.

99I. By reason of the matters pleaded in paragraphs 99A, 99G and 99H above, from at least 4 July 2014 Grewal was involved in Vocation's Further Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

Vocation's Further Continuous Disclosure Contravention.

99J. By reason of the matters pleaded in paragraph 99I above, Grewal contravened s 674(2A) of the Corporations Act with respect to Vocation's Further Continuous Disclosure Contravention.

99K. Grewal's contravention of s 674(2A) of the Corporations Act with respect to Vocation's Further Continuous Disclosure Contravention was a continuing contravention from at least 4 July 2014 until 27 October 2014 and/or the end of the Relevant Period.

D.6.3 Dawkins' involvement in Vocation's Further Continuous Disclosure Contravention

99L. From at least 17 July 2014, and at all material times thereafter, Dawkins was aware of the Information (as defined in paragraph 14AA above).

Particulars

PwC refers to and repeats the particulars under paragraphs 41 and 57 above.

99M. From 17 July 2014, Dawkins took no, alternatively no adequate, steps to cause Vocation to disclose to the ASX:

a. any part of the BAWM Conduct Information (as defined in paragraph 129 of the 2FACSOC, being part of the Information), the BAWM Conduct Non-Compliance Information (as defined in paragraph 129A of the 2FACSOC, being part of the Information), the BAWM Historical Non-Compliance Information (as defined in paragraph 129B of the 2FACSOC, being part of the Information), the BAWM Conduct Risk Information (as defined in paragraph 129C of the 2FACSOC, being part of the Information), the BAWM Conduct Further Risk Information (as defined in paragraph 129D of the 2FACSOC, being part of the Information) or the BAWM Conduct Business Implication Information (as defined in paragraph 129E of the 2FACSOC, being part of the Information) prior to 27 October 2014; and

b. the balance of the Information at any time during the Relevant Period.

Particulars

PwC refers to and repeats the particulars under paragraph 42 above.

99N. By reason of the matters pleaded in paragraphs 99A, 99L and 99M above, from at least 17 July 2014 Dawkins was involved in Vocation's Further Continuous Disclosure Contravention within the meaning of s 79 of the Corporations Act, in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly

concerned in, or party to,

Vocation's Further Continuous Disclosure Contravention.

99O. By reason of the matters pleaded in paragraph 99N above, Dawkins contravened s 674(2A) of the Corporations Act with respect to Vocation's Further Continuous Disclosure Contravention.

99P. Dawkins' contravention of s 674(2A) of the Corporations Act with respect to Vocation's Further Continuous Disclosure Contravention was a continuing contravention from at least 4 July 2014 until 27 October 2014 and/or the end of the Relevant Period.

E. HUTCHINSON, GREWAL AND DAWKINS' LIABILITY FOR INVOLVEMENT IN VOCATION'S MISLEADING OR DECEPTIVE CONDUCT CONTRAVENTIONS

E.1 Compliance and Risk Representations

100. For the purposes only of this cross-claim, PwC repeats the allegations in paragraphs 168 to 182 of the FACSOC (including the paragraphs cross-referred to therein and the defined terms used therein, save that the defined terms "the First Prospectus Compliance Representation", "the Second Prospectus Compliance Representation" and "the Prospectus Representations", whenever used in paragraphs 168 to 182 of the FACSOC, should be read as those terms are defined in the 2FACSOC and not as they are defined in the FACSOC, and save further that "the August Compliance Representations" in paragraph 168(b) of the FACSOC should be read as "the August Representations" as defined in the FACSOC).

E.1.1 Hutchinson

101. On 21 August 2014, and at all material times thereafter, Hutchinson was aware:

a. of the matters set out in paragraphs 59 to 64 of the FACSOC.

b. that Vocation did not have reasonable grounds for believing that the outcome of the DEECD review would not be material to Vocation; and

c. that there was a material risk that DEECD Enforcement Action in respect of BAWM Government Contracts might be taken which was likely to, or there was a material risk might, cause or result in:

i. a material adverse effect on revenue which was derived from BAWM (or businesses operated by BAWM); and/or

ii. a material effect on the reputation of BAWM or BAWM's brands.

Particulars

Hutchinson's awareness is evidenced by the meetings, documents and matters referred to in the particulars subjoined to paragraph 31 above.

102. Further:

a. on or around 21 August 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Documents in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the August Compliance Representation, the August Materiality Representation and the August Immaterial Risk Representation;

Particulars

Hutchinson received documents referencing the FY14 results prior to their release (eg, VOC.003.001.2584 and VOC.003.001.2586) and delivered the FY14 Results Presentation, together with Grewal, to investors (VET.1005.0001.0681).

Hutchinson signed the s 295A declaration for the purposes of the FY14 annual report of Vocation which Vocation lodged with the ASX on 2 September 2014 (the ***FY14 Annual Report****) and the FY14 Appendix 4E (VOC.003.001.3035).*

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time the FY14 Results Documents were prepared and lodged with the ASX.

b. on or around 25 August 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 25 August Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the August Compliance Representation, the August Materiality Representation and the August Immaterial Risk Representation;

Particulars

On 25 August 2014, Hutchinson attended the Vocation Board meeting at which a final draft copy of the 25 August Announcement was circulated and it was agreed that a market release be issued noting that: (a) contracts have not been suspended; (b) recent *payments are withheld pending review; (c) anticipating outcomes will not be material (VOC.007.003.0010).*

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time the 25 August Announcement was prepared and lodged with the ASX.

c. on or around 2 September 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Annual Report in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

Hutchinson declared, as a director (and pursuant to a resolution of directors made pursuant to s 295A of the Corporations Act), that the financial statements and notes contained in the FY14 Annual Report complied with the applicable legislation, standards and reporting requirements and gave a true and fair of Vocation's financial position (VET.0003.0013.0001).

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time the FY14 Annual Report was provided to the ASX.

d. on or around 10 September 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 10 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

On 4 September 2014, Hutchinson wrote to the Vocation Board, including Dawkins (copied to Grewal), stating that "I've spoken with all of you regarding my recommendation of a placement early next week" and "JWS and I are drawing up a cleansing statement for your approval tomorrow" (VOC.004.007.0105).

On 5 September 2014, Grewal emailed the "VET placement docs" to the Vocation Board (including Hutchinson and Dawkins) (VOC.008.003.0990 VOC.008.003.0991 VOC.008.003.1004 VOC.008.003.1005 VOC.008.003.1010 VOC.008.003.1012

VOC.008.003.1013).

At the 5 September Board Meeting, which Hutchinson attended, the proposed equity raising was discussed and the Board discussed the draft ASX announcement and requested certain amendments (VOC.006.001.6373).

At the 7 September Board Meeting, which Hutchinson attended, the proposed equity raising was discussed and the Board discussed the draft ASX announcement and requested certain amendments (VOC.007.003.0021).

On 8 September 2014, Hutchinson sent an email to Siobhan Weaver and Dawkins (copied to Grewal and others) attaching a further draft of ASX announcement "based on the conversations with the Department this morning and Board call just completed" (VOC.006.001.5747; VOC.006.001.5752).

Hutchinson, together with Grewal, signed the management confirmation regarding the ASX announcements in relation to the September Placement and related offer materials (VOC.008.003.0990 and VOC.008.003.1013).

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time of the September Placement.

e. on or around 18 September 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 18 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

On 18 September 2014, Hutchinson was party to correspondence attaching draft ASX announcements, and commented on the contents of the 18 September Announcement (VOC.008.009.9177).

PwC refers to and repeats paragraphs (xxixB) and (xxixC) of the particulars subjoined to paragraph 31 above.

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time the 18 September Announcement was made.

f. on or around 16 October 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 16

October Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the 16 October Compliance Representation, the 16 October Materiality Representation and the 16 October Immaterial Risk Representation;

Particulars

On 15 October 2014, Hutchinson received documents in advance of a Board conference call regarding Vocation's annual general meeting, including a 'Q&A' document which stated "we are very confident that our disclosure has reflected the information we have had about the review at all times" (VOC.003.001.5763).

Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time of the 16 October Announcement.

103. By reason of the matters pleaded in paragraphs 100 to 102 above, Hutchinson was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the August Compliance Representation, the September Compliance Representation, the 16 October Compliance Representation, the Continuing Compliance Representation, the August Materiality Representation, the September Materiality Representation, the 16 October Materiality Representation, the Continuing Materiality Representation, the August Immaterial Risk Representation, the September Immaterial Risk Representations, the 16 October Immaterial Risk Representations and the Continuing Immaterial Risk Representation in paragraphs 168 to 179 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that from 21 August 2014 he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.1.2 Grewal

104. On 21 August 2014, and at all material times thereafter, Grewal was aware:

a. of the matters set out in paragraphs 59 to 64 of the FACSOC.

b. that Vocation did not have reasonable grounds for believing that the outcome of the DEECD review would not be material to Vocation; and

c. that there was a material risk that DEECD Enforcement Action in respect of BAWM Government Contracts might be taken which was likely to, or there was a material risk might, cause or result in:

   i. a material adverse effect on revenue which was derived from BAWM (or businesses operated by BAWM); and/or

   ii. a material effect on the reputation of BAWM or BAWM's brands.

Particulars

Grewal's awareness is evidenced by the meetings, documents and matters referred to in the particulars subjoined to paragraph 36 above.

105. Further:

a. on or around 21 August 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Documents in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the August Compliance Representation, the August Materiality Representation and the August Immaterial Risk Representation;

Particulars

Grewal was involved in preparing the FY14 Results Presentation for investors (eg, VOC.008.009.3505, VOC.003.001.2584 and VOC.003.001.2586) and delivered the FY14 Results Presentation, together with Hutchinson, to investors (VET.1005.0001.0681).

Grewal signed the s 295A declaration for the purposes of the FY14 Annual Report and the FY14 Appendix 4E (VOC.003.001.3035).

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time the FY14 Results Documents were prepared and lodged with the ASX.

b. on or around 25 August 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 25 August Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the August Compliance Representation, the August Materiality Representation and the August Immaterial Risk Representation;

Particulars

Grewal attended the 25 August Board Meeting at which a final draft copy of the 25 August Announcement was circulated and it was agreed that a market release be issued noting that: (a) contracts have not been suspended; (b) recent payments are withheld pending review; (c) anticipating outcomes will not be material (VOC.007.003.0010).

The minutes of the meeting record that Grewal was to release the announcement to the ASX.

The minutes of the meeting also record that Grewal informed the Board that Vocation had cash available to meet commitments beyond 12 September 2014.

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time the 25 August Announcement was prepared and lodged with the ASX.

c. on or around 2 September 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Annual Report in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

As Chief Financial Officer, Grewal was responsible for preparing the pro forma consolidated income statements, pro forma adjustments to the statutory income statement and the statement of financial position which were published in the FY14 Annual Report (VET.0003.0013.0001). These financial statements are consistent with the figures contained in the FY14 Appendix 4E signed by Grewal (VOC.008.013.1783).

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time the FY14 Annual Report was provided to the ASX.

d. on or around 10 September 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 10 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

On 4 September 2014, Hutchinson wrote to the Vocation Board, including Dawkins (copied to Grewal), stating that "I've spoken with all of you regarding my recommendation of a placement early next week" and "JWS and I are drawing up a cleansing statement for your approval tomorrow" (VOC.004.007.0105).

On 5 September 2014, Grewal emailed the "VET placement docs" to the Vocation Board (including Hutchinson and Dawkins) (VOC.008.003.0990 VOC.008.003.0991 VOC.008.003.1004 VOC.008.003.1005 VOC.008.003.1010 VOC.008.003.1012 VOC.008.003.1013).

On 8 September 2014, Hutchinson sent an email to Siobhan Weaver and Dawkins (copied to Grewal and others) attaching a further draft of ASX announcement "based on the conversations with the Department this morning and Board call just completed" (VOC.006.001.5747; VOC.006.001.5752).

Grewal, together with Hutchinson, signed the management confirmation regarding the ASX announcements in relation to the September Placement and related offer materials (VOC.008.003.0990 and VOC.008.003.1013).

On 10 September, Grewal sent an email to Emma Lawler stating: "Please find attached the announcements that I have just lodged with the ASX" (VOC.008.003.0009).

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time of the September Placement.

e. on or around 18 September 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 18 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

On 18 September 2014, Grewal was party to correspondence attaching draft ASX announcements (VOC.008.009.9177).

Grewal was also party to the email correspondence exchanged between Daniels from the ASX and Hutchinson referred to in paragraph (xxixB) of the particulars subjoined to paragraph 31 above (and was the initial recipient of the email from Daniels seeking confirmation about certain matters concerning the 25 August Announcement). (VOC.006.001.3201)

Further, PwC refers to and repeats paragraph (xxixC) of the particulars subjoined to paragraph 31 above.

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time the 18 September Announcement was made.

f. on or around 16 October 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 16 October Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the 16 October Compliance Representation, the 16 October Materiality Representation and the 16 October Immaterial Risk Representation;

Particulars

On 15 October 2014, Grewal received documents in advance of a Board conference call regarding Vocation's annual general meeting, including a 'Q&A' document which stated "we are very confident that our disclosure has reflected the information we have had about the review at all times" (VOC.003.001.5763).

Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time of the 16 October Announcement, together with his designated role as the person responsible for overseeing and coordinating disclosure of information to the ASX.

106. By reason of the matters pleaded in paragraphs 100, 104 and 105 above, Grewal was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the August Compliance Representation, the September Compliance Representation, the 16 October Compliance Representation, the Continuing Compliance Representation, the August Materiality Representation, the September Materiality Representation, the 16 October Materiality Representation, the Continuing Materiality Representation, the August Immaterial Risk Representation, the September Immaterial Risk Representations, the 16 October

Immaterial Risk Representations and the Continuing Immaterial Risk Representation in paragraphs 168 to 179 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that from 21 August 2014 he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.1.3 Dawkins

107. On 21 August 2014, and at all material times thereafter, Dawkins was aware:

a. of the matters set out in paragraphs 59 to 64 of the FACSOC.

b. that Vocation did not have reasonable grounds for believing that the outcome of the DEECD review would not be material to Vocation; and

c. that there was a material risk that DEECD Enforcement Action in respect of BAWM Government Contracts might be taken which was likely to, or there was a material risk might, cause or result in:

i. a material adverse effect on revenue which was derived from BAWM (or businesses operated by BAWM); and/or

ii. a material effect on the reputation of BAWM or BAWM's brands.

Particulars

Dawkins' awareness is evidenced by the meetings, documents and matters referred to in the particulars subjoined to paragraph 41 above.

108. Further:

a. on or around 21 August 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Documents in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the August Compliance Representation, the August Materiality

Representation and the August Immaterial Risk Representation;

Particulars

Dawkins received documents referencing the FY14 results prior to their release (eg, VOC.003.001.2584 and VOC.003.001.2586).

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time the FY14 Results Documents were prepared and lodged with the ASX, together with the fact that he subsequently signed the directors' declaration in Vocation's FY14 Annual Report containing those results (provided to the ASX on 2 September 2014) to the effect that the statements complied with relevant legislation and standards and gave a true and fair view (VET.0003.0013.0001).

b. on or around 25 August 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 25 August Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the August Compliance Representation, the August Materiality Representation and the August Immaterial Risk Representation;

Particulars

Dawkins chaired the 25 August Board Meeting at which a final draft copy of the 25 August Announcement was circulated and it was agreed that a market release be issued noting that: (a) contracts have not been suspended; (b) recent payments are withheld pending review; (c) anticipating outcomes will not be material (VOC.007.003.0010). Dawkins signed the minutes of meeting agreeing for the 25 August Announcement to be issued.

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time of the 25 August Announcement.

c. on or around 2 September 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Annual Report in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

Dawkins signed the Directors' Declaration in the FY14 Annual Report declaring that the financial statements and notes contained in the FY14 Annual Report complied with the applicable legislation, standards and reporting requirements and gave a true and fair of Vocation's financial position (VET.0003.0013.0001).

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time the FY14 Annual Report was provided to the ASX.

d. on or around 10 September 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 10 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

On 4 September 2014, Dawkins received an email from Hutchinson (sent to the Vocation Board, copied to Grewal), stating that "I've spoken with all of you regarding my recommendation of a placement early next week" and "JWS and I are drawing up a cleansing statement for your approval tomorrow" (VOC.004.007.0105).

On 5 September 2014, Grewal emailed the "VET placement docs" to the Vocation Board (including Hutchinson and Dawkins) (VOC.008.003.0990 VOC.008.003.0991 VOC.008.003.1004 VOC.008.003.1005 VOC.008.003.1010 VOC.008.003.1012 VOC.008.003.1013).

At the 5 September Board Meeting, attended by Dawkins, the proposed equity raising was discussed and the Board discussed the draft ASX announcement and requested certain amendments (VOC.006.001.6373).

At the 7 September Board Meeting, attended by Dawkins, the proposed equity raising was discussed and the Board discussed the draft ASX announcement and requested certain amendments (VOC.007.003.0021).

On 8 September 2014, Dawkins received an email from Hutchinson (copied to Grewal and others) attaching a further draft of ASX announcement "based on the conversations with the Department this morning and Board call just completed" (VOC.006.001.5747; VOC.006.001.5752).

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time of the September Placement.

e. on or around 18 September 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 18 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Compliance Representation, the September Materiality Representation and the September Immaterial Risk Representation;

Particulars

On 18 September 2014, Dawkins was party to correspondence attaching draft ASX announcements (VOC.008.009.9177).

PwC refers to and repeats paragraph (xxixC) of the particulars subjoined to paragraph 31 above.

On 18 September 2014, Dawkins had a number of telephone conversations with Bolt in which Dawkins, among other things, sought Bolt's agreement to the DEECD and Vocation issuing some form of agreed statement that might be issued by Vocation and which might help calm the market. Bolt indicated that he was not confident that there would be any reason to approve such a statement but that Dawkins should arrange for a draft to be sent to Peake who would then get back to Vocation about it. (DEC.100.001.0584)

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time the 18 September Announcement was made.

f. on or around 16 October 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 16 October Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the 16 October Compliance Representation, the 16 October Materiality Representation and the 16 October Immaterial Risk Representation;

Particulars

On 15 October 2014, Dawkins received documents in advance of a Board conference call regarding Vocation's annual general meeting to be chaired by Dawkins, including a 'Q&A' document which stated "we are very confident that our disclosure has reflected the information we have had about the review at all times" (VOC.003.001.5763).

Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time of the 16 October Announcement.

109. By reason of the matters pleaded in paragraphs 100, 107 and 108 above, Dawkins was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the August Compliance Representation, the September Compliance Representation, the 16 October Compliance Representation, the Continuing Compliance Representation, the August Materiality Representation, the September Materiality Representation, the 16 October Materiality Representation, the Continuing Materiality Representation, the August Immaterial Risk Representation, the September Immaterial Risk Representations, the 16 October Immaterial Risk Representations and the Continuing Immaterial Risk Representation in paragraphs 168 to 179 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that from 21 August 2014 he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.2 August FY14 Results Representations

110. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 180 to 186 of the FACSOC (including the paragraphs cross-referred to therein).

E.2.1 Hutchinson

111. On 21 August 2014, and at all material times thereafter, Hutchinson was aware of the matters set out in paragraphs 59 to ~~67, 71 and~~ 72 of the FACSOC.

Particulars

Hutchinson's awareness of the matters set out in paragraphs 59 to 64 of the FACSOC is evidenced by the documents and matters referred to in paragraphs (i) to (x) of the particulars subjoined to paragraph 31 above.

Hutchinson's awareness of the matters set out in paragraphs 65 to ~~67 and 71 and~~ 72 of the FACSOC is evidenced by:

i. the CFO report prepared by Grewal and circulated to the Board on

25 March 2014 referring to a revenue recognition project being undertaken that will mean Vocation will recognise revenue on an accruals basis (VOC.008.021.1575);

ii. *the materials circulated in relation to the audit and risk committee dated 16 August 2014, which referred to the new revenue recognition policy (as well as the Victorian Funding Investigation) (VOC.003.001.2584 and VOC.003.001.2586).*

112. On or around 21 August 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Documents in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the August FY14 Results Representations.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 102(a) above.

113. Further, or in the alternative to paragraph 112 above, between 21 August 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the August FY14 Results Representations.

114. By reason of the matters pleaded in paragraphs 110 to 113 above Hutchinson was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the August FY14 Results Representations in paragraphs 180 to 186 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.2.2 Grewal

115. On 21 August 2014, and at all material times thereafter, Grewal was aware of the matters set out in paragraphs 59 to ~~67, 71 and~~ 72 of the FACSOC.

Particulars

Grewal's awareness of the matters set out in paragraphs 59 to 64 of the FACSOC is evidenced by the documents and matters referred to in paragraphs (i), (iii), (iv), (v), (vii), (viii), (ix) and (x) of the particulars subjoined to paragraph 31 above in relation to Hutchinson, which also involve Grewal.

Grewal's awareness of the matters set out in paragraphs 65 to ~~67 and 71 and~~ 72 of the FACSOC is evidenced by:

i. *the CFO report prepared by Grewal and circulated to the Board on 25 March 2014 referring to revenue recognition (VOC.008.021.1574 and VOC.008.021.1575);*

ii. *Grewal receiving a draft relating to revenue recognition for comment in April 2014 (VOC.016.013.3444 and VOC.016.013.3445);*

iii. *the materials circulated in relation to the audit and risk committee dated 16 August 2014, which referred to revenue recognition (as well as the Victorian Funding Investigation) (VOC.003.001.2584 and VOC.003.001.2586).*

116. On or around 21 August 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Documents in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the August FY14 Results Representations.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 105(a) above.

117. Further, or in the alternative to paragraph 116 above, between 21 August 2014 and the end of the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the August FY14 Results Representations.

118. By reason of the matters pleaded in paragraphs 110 and 115 to 117 above, Grewal was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the August FY14 Results Representations in paragraphs 180 to 186 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.2.3 Dawkins

119. On 21 August 2014, and at all material times thereafter, Dawkins was aware of the matters set out in paragraphs 59 to ~~67, 71 and~~ 72 of the FACSOC.

Particulars

Dawkins' awareness of the matters set out in paragraphs 59 to 64 of the FACSOC is evidenced by the documents and matters referred to in paragraphs (iv), (v), (vii), (viii) and (ix) of the particulars subjoined to paragraph 31 above in relation to Hutchinson, which also involve Dawkins.

Dawkins' awareness of the matters set out in paragraphs 65 to ~~67 and 71 and~~ 72 of the FACSOC is evidenced by:

i. the CFO report prepared by Grewal and circulated to the Board on 25 March 2014 referring to a revenue recognition project being undertaken that will mean Vocation will recognise revenue on an accruals basis (VOC.008.021.1574 and VOC.008.021.1575);

ii. the materials circulated in relation to the audit and risk committee dated 16 August 2014, which referred to the new revenue recognition policy (as well as the Victorian Funding Investigation) (VOC.003.001.2584 and VOC.003.001.2586).

120. On or around 21 August 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Documents in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the August FY14 Results Representations.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 108(a) above.

121. Further, or in the alternative to paragraph 120 above, between 21 August 2014 and the end of the Relevant Period, Dawkins took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the August FY14 Results

Representations.

122. By reason of the matters pleaded in paragraphs 110 and 119 to 121 above, Dawkins was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the August FY14 Results Representations in paragraphs 180 to 186 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.3 August FY15 Earnings Representations

123. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 187 to 191 of the FACSOC (including the paragraphs cross-referred to therein).

E.3.1 Hutchinson

124. On 21 August 2014, and at all material times thereafter, Hutchinson was aware of the matters set out in paragraphs 59 to ~~67, 71 to~~ 72, 102 to 103, 129 to 130 and 143 of the FACSOC.

Particulars

PwC refers to and repeats the matters in the particulars subjoined to paragraph 31 above.

125. On or around 21 August 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Presentation in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 102(a) above.

126. By reason of the matters pleaded in paragraphs 124 and 125 above, Hutchinson was aware that Vocation did not have reasonable grounds for the August FY15 Earnings Guidance Representation, within the meaning of s 769C(1)(b) of the Corporations Act, s 12BB(1)(b) of the ASIC Act and s 4(1)(b) of the Australian Consumer Law.

127. Further, or in the alternative:

a. between 21 August 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation; and

b. on 10 September 2014, Hutchinson caused Vocation to repeat the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation in the 10 September Announcement which he authorised, or participated in authorising, the making and lodgment of.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 102(d) above.

128. By reason of the matters pleaded in paragraphs 123 to 127 above, Hutchinson was involved in Vocation's Misleading Conduct Contravention alleged in respect of the August FY15 Earnings Guidance Representation and/or the August FY15 Earnings Guidance Basis Representation in paragraphs 187 to 191 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.3.2 Grewal

129. On 21 August 2014, and at all material times thereafter, Grewal was aware of the matters set out in paragraphs 59 to ~~67, 71 to~~ 72, 102 to 103, 129 to 130 and 143 of the FACSOC.

Particulars

PwC refers to and repeats the matters in the particulars subjoined to paragraph 36 above.

130. On or around 21 August 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Presentation in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 105(a) above.

131. By reason of the matters pleaded in paragraphs 129 and 130 above, Grewal was aware that Vocation did not have reasonable grounds for the August FY15 Earnings Guidance Representation, within the meaning of s 769C(1)(b) of the Corporations Act, s 12BB(1)(b) of the ASIC Act and s 4(1)(b) of the Australian Consumer Law.

132. Further, or in the alternative:

a. between 21 August 2014 and the end of the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation; and

b. on 10 September 2014, Grewal caused Vocation to repeat the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation in the 10 September Announcement which he authorised, or participated in authorising, the making and lodgment of.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 105(d) above.

133. By reason of the matters pleaded in paragraphs 123 and 129 to 132 above, Grewal was involved in Vocation's Misleading Conduct Contravention alleged in respect of the August FY15 Earnings Guidance Representation and/or the August FY15 Earnings Guidance Basis Representation in paragraphs 187 to 191 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian

Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.3.3 Dawkins

134. On 21 August 2014, and at all material times thereafter, Dawkins was aware of the matters set out in paragraphs 59 to ~~67, 71 to~~ 72, 102 to 103, 129 to 130 and 143 of the FACSOC.

Particulars

PwC refers to and repeats the matters in the particulars subjoined to paragraph 41 above.

135. On or around 21 August 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the FY14 Results Presentation in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 108(a) above.

136. By reason of the matters pleaded in paragraphs 134 and 135 above, Dawkins was aware that Vocation did not have reasonable grounds for the August FY15 Earnings Guidance Representation, within the meaning of s 769C(1)(b) of the Corporations Act, s 12BB(1)(b) of the ASIC Act and s 4(1)(b) of the Australian Consumer Law.

137. Further, or in the alternative:

a. between 21 August 2014 and the end of the Relevant Period, Dawkins took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation; and

b. on 10 September 2014, Dawkins caused Vocation to repeat the August FY15 Earnings Guidance Representation and the August FY15 Earnings Basis Representation in the 10 September Announcement which he authorised, or participated in authorising, the making and lodgment of.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 108(d) above.

138. By reason of the matters pleaded in paragraphs 123 and 134 to 137 above, Hutchinson was involved in Vocation's Misleading Conduct Contravention alleged in respect of the August FY15 Earnings Guidance Representation and/or the August FY15 Earnings Guidance Basis Representation in paragraphs 187 to 191 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.4 September Placement Representations

139. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 79 to 89, 91 to 96, 100, 101(e) and 192 to 199 of the FACSOC (including the paragraphs cross-referred to therein).

E.4.1 Hutchinson

140. On 10 September 2014, and at all material times thereafter, Hutchinson was aware of the matters set out in paragraphs 79 to ~~87~~ 89 and/or ~~95 and~~ 91 to 96 of the FACSOC.

Particulars

Hutchinson's awareness is evidenced by the documents and matters referred to in the particulars subjoined to paragraph 63 above.

141. On or around 10 September 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 10 September Announcement in the form, or substantially in the form, in which that document was

made and lodged with ASX, including the inclusion therein of the September Placement Representation.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 102(d) above.

142. By reason of the matters pleaded in paragraphs 140 and 141 above, Hutchinson was aware that Vocation did not have reasonable grounds for the September Placement Representation, within the meaning of s 769C(1)(b) of the Corporations Act, s 12BB(1)(b) of the ASIC Act and s 4(1)(b) of the Australian Consumer Law.

143. Further, or in the alternative:

a. between 10 September 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the September Placement Representation;

b. on 11 September 2014, Hutchinson caused Vocation to repeat the substance of the September Placement Representation in Vocation's ASX announcement released that day in relation to the September 2014 institutional placement which he authorised, or participated in authorising, the making and lodgment of;

Particulars

Further, Hutchinson is recorded as the as the person for investors and analysts to contact in relation to the announcement.

Further, Hutchinson received an email from Alex Dignam at UBS on 11 September 2014 attaching the final version of the 11 September announcement to be released that morning (VOC.008.002.0026 and VOC.008.002.0028).

c. on 16 September 2014, Hutchinson caused Vocation to repeat the substance of the September Placement Representation in Vocation's Appendix 3B document filed with the ASX that day, which he authorised, or participated in authorising, the making and lodgment of.

Particulars

Hutchinson attended the 7 September Board Meeting at which Vocation's Appendix 3B document was noted and agreed

(VOC.007.003.0021).

144. By reason of the matters pleaded in paragraphs 139 to 143 above Hutchinson was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the September Placement Representation in paragraphs 192 to 199 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, directly or indirectly was knowingly concerned in, or party to,

those contraventions.

E.4.2 Grewal

145. On 10 September 2014, and at all material times thereafter, Grewal was aware of the matters set out in paragraphs 79 to ~~87~~ 89 and/or ~~95 and~~ 91 to 96 of the FACSOC.

Particulars

Grewal's awareness of the information is evidenced by the documents and matters referred to paragraphs i to vi and x in the particulars subjoined to paragraph 63 above in relation to Hutchinson, each of which was a document either authored or received by Grewal.

Grewal also attended the meetings referred to in paragraphs viii and ix of the particulars subjoined to paragraph 63 above.

146. On 10 September 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 10 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Placement Representation.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 105(d) above.

147. By reason of the matters pleaded in paragraphs 145 and 146 above, Grewal was aware that Vocation did not have reasonable grounds for the September Placement Representation, within the meaning of s 769C(1)(b) of the Corporations Act, s 12BB(1)(b) of the ASIC Act and s 4(1)(b) of the Australian Consumer Law.

148. Further, or in the alternative:

a. between 10 September 2014 and the end of the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the September Placement Representation;

b. on 11 September 2014, Grewal caused Vocation to repeat the substance of the September Placement Representation in Vocation's ASX announcement released that day in relation to the September 2014 institutional placement which he authorised, or participated in authorising, the making and lodgment of;

Particulars

Grewal received an email from Alex Dignam at UBS on 11 September 2014 attaching the final version of the 11 September announcement to be released that morning (VOC.008.002.0026 and VOC.008.002.0028).

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time the 11 September statement was lodged with the ASX, together with his designated role as the person responsible for overseeing and coordinating disclosure of information to the ASX.

c. on 16 September 2014, Grewal caused Vocation to repeat the substance of the September Placement Representation in Vocation's Appendix 3B document filed with the ASX that day (**16 September 2014 Appendix 3B**), which he authorised, or participated in authorising, the making and lodgment of, and which he signed on behalf of Vocation in his capacity as Company Secretary.

Particulars

The 16 September 2014 Appendix 3B filed with the ASX was signed by Grewal. Further, Grewal attended the 7 September Board Meeting at which Vocation's Appendix 3B document was noted and agreed (VOC.007.003.0021).

149. By reason of the matters pleaded in paragraphs 139 and 145 to 148 above Grewal was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the September Placement Representation in paragraphs 192 to 199 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.4.3 Dawkins

150. On 10 September 2014, and at all material times thereafter, Dawkins was aware of the matters set out in paragraphs 79 to ~~87~~ 89 and/or ~~95 and~~ 91 to 96 of the FACSOC.

Particulars

Dawkins' awareness is evidenced by the documents and matters referred to in the particulars subjoined to paragraph 73 above.

151. On or around 10 September 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 10 September Announcement in the form, or substantially in the form, in which that document was made and lodged with ASX, including the inclusion therein of the September Placement Representation.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 108(d) above.

152. By reason of the matters pleaded in paragraphs 150 and 151 above, Dawkins was aware that Vocation did not have reasonable grounds for the September Placement Representation, within the meaning of s 769C(1)(b) of the Corporations Act, s 12BB(1)(b) of the ASIC Act and s 4(1)(b) of the Australian Consumer Law.

153. Further, or in the alternative:

a. between 10 September 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the September Placement Representation;

b. on 11 September 2014, Dawkins caused Vocation to repeat the substance of the September Placement Representation in Vocation's ASX announcement released that day in relation to the September 2014 institutional placement which he authorised, or participated in authorising, the making and lodgment of;

Particulars

Dawkins' authorisation or participation is to be inferred from his position as Chairman of Vocation at the time the 11 September statement was lodged with the ASX together with his involvement in the authorisation or participation in the making and lodgement of the release containing the September Placement Representation (as to which PwC refers to and repeats the particulars subjoined to paragraph 108(b) above.

c. on 16 September 2014, Dawkins caused Vocation to repeat the substance of the September Placement Representation in Vocation's Appendix 3B document filed with the ASX that day, which he authorised, or participated in authorising, the making and lodgment of.

Particulars

Dawkins attended the 7 September Board Meeting at which Vocation's Appendix 3B document was noted and agreed (VOC.007.003.0021).

154. By reason of the matters pleaded in paragraphs 139 and 150 to 153 above Dawkins was involved in Vocation's Misleading Conduct Contraventions and/or Vocation's Section 1041E Contraventions alleged in respect of the September Placement Representation in paragraphs 192 to 199 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, directly or indirectly was knowingly concerned in, or party to,

those contraventions.

E.5 October FY15 Earnings Representations

155. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 200 to 206 of the FACSOC (including the paragraphs cross-referred to therein).

E.5.1 Hutchinson

156. On 27 October 2014, and at all material times thereafter, Hutchinson was aware:

a. of the matters set out in paragraphs 59 to ~~67, 71 and~~ 72 of the FACSOC;

Particulars

PwC refers to and repeats the matters in the particulars subjoined to paragraphs 31 and paragraphs (vi) and (vii) of the particulars subjoined to paragraph 32 above.

b. that Vocation did not have reasonable grounds for the August FY15 Earnings Guidance Representation;

Particulars

The absence of reasonable grounds can be inferred from the terms of:

i. the matters set out in paragraphs 47 to 48, 52 to 53, 59 to 64, 129, 130 and 143 and (so far as the Restructure Decision was made before 21 August 2014) 102 to 103 of the FACSOC;

ii. the fact that the revenue Vocation expected to receive in FY15 from the courses the subject of the Victorian Compliance Investigation was a material component of Vocation's Victorian revenue for FY15;

iii. the matters set out in paragraphs 65 to 67 of the FACSOC;

iv. the conclusions reached by the DEECD following the Victorian Compliance Investigation;

v. the terms of the DEECD Settlement and the other matters referred to by Vocation in the 27 October Announcement;

vi. the 4 December Announcement including a statement that Vocation had incurred "One off costs in excess of $10m (which have impacted the H1 statutory EBITDA) which includes the impact of the DEECD settlement, redundancies and other advisor costs";

vii. Vocation's ASX announcement released on or about 27 January 2015 and titled "Vocation – Financial and Business Update", including the restatement therein by Vocation of its FY14 results.

Sections 12BB(2) of the ASIC Act and/or s 4(2) of the Australian Consumer Law are relied upon.

c. of the Post-DEECD Settlement Earnings Unreliability Information;

Particulars

PwC refers to the particulars subjoined to paragraph 79 above.

d. that by reason of the matters pleaded in paragraph 111 of the FACSOC (which paragraph is repeated for the purpose only of this cross-claim), it was not the case that by the 27 October Announcement, Vocation had disclosed all information of which Vocation was aware about the outcome of the DEECD Review of BAWM and the extent of the material adverse effect on Vocation arising from that DEECD Review;

Particulars

Hutchinson's knowledge in this regard is to be inferred from the disclosures made by Vocation in the 30 October Announcements as referred to in paragraph 111 of the FACSOC and the fact that Hutchinson authorised or participated in authorising the making of those announcements.

PwC also refers to the particulars subjoined to paragraph 157 below.

e. that on and after 27 October 2014, Vocation did not have reasonable grounds for representing that Vocation would achieve EBITDA of between $53 million and $57 million in FY15.

Particulars

The absence of reasonable grounds can be inferred from the terms of the 4 December Announcement. Hutchinson, as CEO and Managing Director, was involved in and aware of the terms of the 27 October Announcement and the 4 December Announcement.

157. On or around:

a. 27 October 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 27 October Announcement in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation and the Late October Representations;

b. 30 October 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 30 October Announcements in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the 30 October FY15 Earnings Guidance Representation the 30 October FY15 Earnings Guidance Basis Representation and the Late October

Representations;

c. 17 November 2014, Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 17 November Announcement in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation and the November Representations;

Particulars

PwC refers to the following:

i. *email sent by Hutchinson to Nightingale Communications and Grewal regarding the draft announcement dated 18 October 2014 (VOC.001.009.0519 and VOC.001.016.3334);*

ii. *email sent from Hutchinson to Nightingale Communications (copied to Grewal) dated 21 October 2014 (VOC.001.009.0489);*

iii. *email from Hutchinson dated 21 October 2014 attaching his 'mark ups' to the draft announcement (VOC.006.001.2534);*

iv. *board meeting attended by Hutchinson on 26 October 2014 (the **26 October Board Meeting**) at which the content and wording of the draft 27 October Announcement was discussed (VOC.007.010.0027);*

v. *email from Hutchinson dated 26 October 2014 forwarding the DEECD's comments on the draft ASX statement (VOC.004.005.0096);*

vi. *email from Hutchinson to Dawkins, Grewal and others dated 26 October 2014 which stated: "We need to include in the ASX document at the top that the $19.6m includes $4.5m already taken into FY14 $4.5m of earned training that affects FY15 $10.6m of forfeited FY15 revenue that is the value of the affected students...This needs to be spelled out in my opinion" (VOC.006.001.2071);*

vii. *email from Hutchinson dated 26 October 2014 attaching draft ASX statement which stated: "Please see latest and greatest ASX version" (VOC.004.005.0039 and VOC.004.005.0040);*

viii. *email received by Hutchinson from Dawkins dated 29 October 2014 attaching partial draft of the first 30 October Announcement (VOC.002.001.0066);*

ix. *email received by Hutchinson attaching final draft of the 17 November Announcement (VOC.008.004.0346, VOC.008.004.0347* *and VOC.008.004.0349);*

x. *Hutchinson is listed on the 17 November Announcement as the person for investors and analysts to contact (VOC.008.004.0349); and*

xi. *board meeting attended by Hutchinson on 18 November 2014 at which the Board resolved to ratify the approval of the 17 November Announcement (amongst others) (the **18 November 2014 Board Meeting**) (VOC.007.003.1707).*

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time the said Announcements were made.

158. Further, or in the alternative to paragraph 157 above, between:

a. 27 October 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation or the Late October Representations;

b. 30 October 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the 30 October FY15 Earnings Guidance Representation and the 30 October FY15 Earnings Guidance Basis Representation; and

c. 17 November 2014 and the end of the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation or the November Representations.

159. By reason of the matters pleaded in paragraphs 155 to 158 above, Hutchinson was involved in the Misleading Conduct Contraventions alleged in respect of the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation, the 30 October FY15 Earnings Guidance Representation, the 30 October FY15 Earnings Guidance Basis Representation, the Late October Representations, the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation and/or the November Representations in paragraphs 200 to 206 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and

s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.5.2 Grewal

160. On 27 October 2014, and at all material times thereafter, Grewal was aware:

a. of the matters set out in paragraphs 59 to ~~67, 71 and~~ 72 of the FACSOC;

Particulars

PwC refers to and repeats the matters in the particulars subjoined to paragraphs 36 and 37 above.

b. that Vocation did not have reasonable grounds for the August FY15 Earnings Guidance Representation;

Particulars

In relation to the August FY15 Earnings Guidance Representation, PwC refers to and repeats the particulars subjoined to paragraph 156(b) above.

c. of the Post-DEECD Settlement Earnings Unreliability Information; and

Particulars

PwC refers to paragraphs (iii) to (ix) of the particulars subjoined to 79 above in relation to Hutchinson, each of which was a document either authored or received by Grewal.

d. that by reason of the matters pleaded in paragraph 111 of the FACSOC (which paragraph is repeated for the purpose only of this cross-claim), it was not the case that by the 27 October Announcement, Vocation had disclosed all information of which Vocation was aware about the outcome of the DEECD Review of BAWM and the extent of the material adverse effect on Vocation arising from that DEECD Review;

Particulars

Grewal's knowledge in this regard is to be inferred from the disclosures made by Vocation in the 30 October Announcements as referred to in paragraph 111 of the FACSOC and the fact that Grewal authorised or participated in authorising the making of those announcements.

PwC also refers to the particulars subjoined to paragraph 161 below.

e. that on and after 27 October 2014, Vocation did not have reasonable grounds for representing that Vocation would achieve EBITDA of between \$53 million and \$57 million in FY15.

Particulars

The absence of reasonable grounds can be inferred from the terms of the 4 December Announcement. As Chief Financial Officer and Company Secretary of Vocation, was involved in and aware of the terms of the 27 October Announcement and the 4 December Announcement.

161. On or around:

a. 27 October 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 27 October Announcement in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, and the 27 October FY15 Earnings Guidance Basis Representation;

b. 30 October 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 30 October Announcements in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the 30 October FY15 Earnings Guidance Representation and the 30 October FY15 Earnings Guidance Basis Representation;

c. 17 November 2014, Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 17 November Announcement in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the November FY15 Earnings Guidance Representation and the

November FY15 Earnings Guidance Basis Representation;

Particulars

PwC refers to the following:

i. *email Grewal received from Hutchinson regarding the draft announcement dated 18 October 2014 (VOC.001.009.0519 and VOC.001.016.3334);*

ii. *emails from Grewal attaching his comments on the draft ASX announcement dated 26 October 2014 (VOC.006.001.2186 and VOC.006.001.2188);*

iii. *emails from Grewal discussing the content of the draft announcement dated 26 October 2014 (VOC.003.001.5887, VOC.003.001.5895);*

iv. *the 26 October Board Meeting, which Grewal attended, at which the content and wording of the draft ASX statement planned for release on 27 October 2014 were discussed (VOC.007.010.0027);*

v. *email from Grewal attaching his further edits on the draft ASX announcement dated 26 October 2014 (VOC.006.001.2053 and VOC.006.001.2054);*

vi. *email from Grewal to Luxmy Wigneswaran from the ASX on 27 October 2014 attaching Vocation's request for a voluntary suspension of trading (VOC.006.001.1890 and VOC.006.001.1891);*

vii. *email from Grewal to Simon Daniels from the ASX on 30 October 2014 attaching Vocation's response to the 'ASX Aware Query' (VOC.008.004.0358 and VOC.008.004.0356);*

viii. *email from Grewal to Simon Daniels from the ASX attaching the first 30 October Announcement (titled 'Clarification of ASX release lodged 27 October') and requesting immediate lodgment (VOC.008.004.0962 and VOC.008.004.0963);*

ix. *email from Grewal to the Vocation board on 30 October attaching the first 30 October Announcement as lodged (VOC.008.019.5780 and VOC.008.019.5781);*

x. *email received by Grewal attaching final draft of the 17 November Announcement (VOC.008.004.0346, VOC.008.004.0347 and VOC.008.004.0349).*

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation, together with his designated role as the person responsible for overseeing and coordinating disclosure of information to the ASX and communicating with the ASX.

162. Further, or in the alternative to paragraph 161 above, between:

a. 27 October 2014 and the end of the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, and the 27 October FY15 Earnings Guidance Basis Representation;

b. 30 October 2014 and the end of the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the 30 October FY15 Earnings Guidance Representation and the 30 October FY15 Earnings Guidance Basis Representation; and

c. 17 November 2014 and the end of the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the November FY15 Earnings Guidance Representation and the November FY15 Earnings Guidance Basis Representation.

163. By reason of the matters pleaded in paragraphs 155 and 160 to 162 above, Grewal was involved in the Misleading Conduct Contraventions alleged in respect of the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation, the 30 October FY15 Earnings Guidance Representation, the Late October Representations, the 30 October FY15 Earnings Guidance Basis Representation, the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation and/or the November Representations in paragraphs 200 to 206 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, was knowingly concerned in, or party to,

those contraventions.

E.5.3 Dawkins

164. On 27 October 2014, and at all material times thereafter, Dawkins was aware:

a. of the matters set out in paragraphs 59 to ~~67, 71 and~~ 72 of the FACSOC;

Particulars

PwC refers to and repeats the matters in the particulars subjoined to paragraphs 41 and 42 above.

b. that Vocation did not have reasonable grounds for the August FY15 Earnings Guidance Representation;

Particulars

In relation to the August FY15 Earnings Guidance Representation, PwC refers to and repeats the particulars subjoined to paragraph 156(b) above.

c. of the Post-DEECD Settlement Earnings Unreliability Information;

Particulars

Dawkins' awareness of the information is evidenced by the documents and matters referred to in paragraphs (i) to (iii) and paragraph (viii) of the particulars subjoined to paragraph 79 above in relation to Hutchinson, each of which was a document either authored or received by Dawkins.

d. that by reason of the matters pleaded in paragraph 111 of the FACSOC (which paragraph is repeated for the purpose only of this cross-claim), it was not the case that by the 27 October Announcement, Vocation had disclosed all information of which Vocation was aware about the outcome of the DEECD Review of BAWM and the extent of the material adverse effect on Vocation arising from that DEECD Review;

Particulars

Dawkins' knowledge in this regard is to be inferred from the disclosures made by Vocation in the 30 October Announcements as referred to in paragraph 111 of the FACSOC and the fact that Dawkins authorised or participated in authorising the making of those announcements.

PwC also refers to the particulars subjoined to paragraph 165 below.

e. that on and after 27 October 2014, Vocation did not have reasonable grounds for representing that Vocation would achieve EBITDA of between $53 million and $57 million in FY15.

165. On or around:

a. 27 October 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 27 October Announcement in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation and the Late October Representations;

b. 30 October 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 30 October Announcements in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the 30 October FY15 Earnings Guidance Representation, the 30 October FY15 Earnings Guidance Basis Representation and the Late October Representations;

c. 17 November 2014, Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the 17 November Announcement in the form, or substantially in the form, in which those documents were made and lodged with ASX, including the inclusion therein of the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation and the November Representations;

Particulars

PwC refers to the following:

i. *email chain between Dawkins and other Board members dated 26 October 2014 in which Dawkins writes: "We are doing what we can. We had a hook up this morning and I was not happy that the draft represented the Bd's views. JWS culled any negative reference to the Vic team. The rewrite is proceeding under J Hurst and will be circulated ASAP" (VOC.003.001.1429).*

ii. *the 26 October Board Meeting, which Dawkins attended, and at which the content and wording of the draft 27 October Announcement was discussed (VOC.007.010.0027);*

iii. *email from Hutchinson to Dawkins, Grewal and others dated 26 October 2014 which stated: "We need to include in the ASX document at the top that the $19.6m includes $4.5m already taken into FY14 $4.5m of earned training that affects FY15 $10.6m of forfeited FY15 revenue that is the value of the affected* *students...This needs to be spelled out in my opinion" (VOC.006.001.2071);*

iv. *email sent by Dawkins to Vocation directors dated 29 October 2014 attaching partial draft of the first 30 October Announcement (VOC.002.001.0066);*

v. *email received by Dawkins from Grewal on 30 October 2014 confirming that "ASX statement just lodged" (VOC.003.001.6615);*

vi. *email chain between Dawkins, Hutchinson and Peake on 30 October 2014 in which Peake states that she is "very disappointed that despite my advice that any statement to the market should be a statement from Vocation not from the Department that you have attributed this morning's statement as from the Department" (DEC.100.001.0821);*

vii. *the 18 November 2014 Board Meeting attended by Dawkins at which the Board resolved to ratify the approval of the 17 November Announcement (amongst others) (VOC.007.003.1707).*

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time the said Announcements were made.

166. Further, or in the alternative to paragraph 165 above, between:

a. 27 October 2014 and the end of the Relevant Period, Dawkins took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the 27 October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation or the Late October Representations;

b. 30 October 2014 and the end of the Relevant Period, Dawkins took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the 30 October FY15 Earnings Guidance Representation and the 30 October FY15 Earnings Guidance Basis Representation; and

c. 17 November 2014 and the end of the Relevant Period, Dawkins took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation or the November Representations.

167. By reason of the matters pleaded in paragraphs 155 and 164 to 166 above, Dawkins was involved in the Misleading Conduct Contraventions alleged in respect of the 27

October Disclosure Representation, the 27 October FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Basis Representation, the 30 October FY15 Earnings Guidance Representation, the 30 October FY15 Earnings Guidance Basis Representation, the Late October Representations, the November FY15 Earnings Guidance Representation, the November FY15 Earnings Guidance Basis Representation and/or the November Representations in paragraphs 200 to 206 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.6 Continuous Disclosure Representations

168. For the purpose only of this cross-claim, PwC repeats the allegations in paragraphs 207 to 210 of the FACSOC (including the paragraphs cross-referred to therein).

E.6.1 Hutchinson

169. From:

a. 4 July 2014, and all material times thereafter, Hutchinson was aware of the matters set out in paragraph 31 above;

b. 4 July 2014, and all material times thereafter, Hutchinson was aware of the matters set out in paragraph 47 above;

ba. 28 August 2014, and all material times thereafter, Hutchinson was aware of the matters set out in paragraph 61B above;

c. 3 September 2014, and all material times thereafter, Hutchinson was aware of the matters set out in paragraph 63 above;

d. 28 September 2014, and all material times thereafter, Hutchinson was aware of the matters set out in paragraph 79 above;

e. 27 October 2014, and at all material times thereafter, Hutchinson was aware of the matters set out in paragraph 92 above.

Particulars

Hutchinson's awareness is evidenced by the matters referred to in the particulars subjoined to the (respective) paragraphs referred to in (a) to (e) above.

170. Hutchinson authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the documents pleaded by the Applicant in support of the Continuous Disclosure Representations in paragraph 207 of the FACSOC.

Particulars

i. As to the 25 August Announcement, PwC refers to and repeats paragraph 102(b) above and the particulars subjoined to that paragraph. See also, VET.0011.0002.0530 and VOC.006.001.3415;

ii. As to the 10 September Announcement, PwC refers to and repeats paragraph 102(d) above and the particulars subjoined to that paragraph. See also, VOC.008.018.6937 and VET.0014.0001.1483;

iii. As to Vocation's FY14 Annual Report, PwC refers to and repeats paragraph 102(c) above and the particulars subjoined to that paragraph. See also the statements made concerning Vocation's corporate governance practices at pages 22 to 30 (see VET.0003.0013.0001);

iv. As to the September 2014 Cleansing Notice (as defined in paragraph 97(b) of the FACSOC), which included the statement: "As at the date of this notice, Vocation... has complied with the provisions of Chapter 2M of the Corporations Act and section 674 of the Corporations Act" (VOC.008.003.1010), that notice was approved by the Board of Vocation at its meeting on 7 September 2014, attended by Hutchinson;

v. As to the 18 September Announcement, PwC refers to and repeats paragraph 102(e) above and the particulars subjoined to that paragraph. That announcement included the statement: "Vocation takes its disclosure obligations seriously and remains comfortable that it has complied with these obligations at all times...";

vi. As to Vocation's response to the "ASX aware query" dated 28 October 2014, which was published by Vocation on the ASX on 30 October 2014, PwC refers to and repeats paragraph 157(b) above;

vii. As to Vocation's ASX market release dated 2 November 2014, which included the statement attributed to Hutchinson: "Vocation's disclosure in respect of the size of the settlement with the DEECD, once that became apparent, was completely appropriate", that market release was ratified at the 18 November 2014 Board Meeting, which was attended by Hutchinson;

viii. As to Vocation's ASX market release dated 14 November 2014, that market release was ratified at the 18 November 2014 Board Meeting, which was attended by Hutchinson;

ix. As to Vocation's ASX market release dated 17 November 2014 (lodged with the title, "Vocation response to speculation"), PwC refers to and repeats paragraph 157(c) above and the particulars subjoined to that paragraph. That ASX market release included the statement: "As previously announced, Vocation refutes allegations of any impropriety in its disclosure surrounding the DEECD review and will vigorously defend any claim of that kind if it was to be commenced"; and

x. As to Vocation's ASX market release dated 27 November 2014 (lodged with the title, "Vocation response to a claim"), which included the statement: "Vocation denies the claims [set out in a Writ issued by the Supreme Court of Victoria at the request of Victorian Solicitor, Mark Elliott] and believes they lack any proper foundation. Vocation will vigorously defend the proceeding", that market release was approved at a Board meeting of Vocation held on 27 November 2014 attended by Hutchinson.

Further, Hutchinson's authorisation or participation is to be inferred from his position as Managing Director and Chief Executive Officer of Vocation at the time the said documents were made and lodged.

171. Further, or in the alternative to paragraph 170 above, at all material times during the Relevant Period, Hutchinson took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the Continuous Disclosure Representations.

172. By reason of the matters pleaded in paragraphs 168 to 171 above, Hutchinson was involved in Vocation's Misleading Conduct Contraventions alleged in respect of the Continuous Disclosure Representations in paragraphs 207 to 210 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.6.2 Grewal

173. From:

a. 4 July 2014, and all material times thereafter, Grewal was aware of the matters set out in paragraph 36 above;

b. 4 July 2014, and all material times thereafter, Grewal was aware of the matters set out in paragraph 52 above;

ba. 28 August 2014, and all material times thereafter, Grewal was aware of the matters set out in paragraph 61G above;

c. 3 September 2014, and all material times thereafter, Grewal was aware of the matters set out in paragraph 68 above;

d. 28 September 2014, and all material times thereafter, Grewal was aware of the matters set out in paragraph 83 above.

Particulars

Grewal's awareness is evidenced by the matters referred to in the particulars subjoined to the (respective) paragraphs referred to in (a) to (d) above.

174. Grewal authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the documents pleaded by the Applicant in support of the Continuous Disclosure Representations in paragraph 207 of the FACSOC.

Particulars

i. As to the 25 August Announcement, PwC refers to and repeats paragraph 105(b) above and the particulars subjoined to that paragraph. See also, VET.0011.0002.0530 and VOC.006.001.3415;

ii. As to the 10 September Announcement, PwC refers to and repeats paragraph 105(d) above and the particulars subjoined to that paragraph. See also VET.0014.0001.1591: "The Board has designated the Company Secretary (Manvinder Grewal) as the person responsible for overseeing and coordinating disclosure of information to the ASX and communicating with the ASX" at page 12;

iii. As to Vocation's FY14 Annual Report, PwC refers to and repeats paragraph 105(c) and the particulars subjoined to that paragraph. See also the statements made concerning Vocation's corporate governance practices at pages 22 to 30 (see VET.0003.0013.0001);

iv. As to the September 2014 Cleansing Notice (as defined in paragraph 97(b) of the FACSOC), which included the statement: "As at the date of this notice, Vocation... has complied with the provisions of Chapter 2M of the Corporations Act and section 674 of the Corporations Act", PwC refers to and repeats paragraph 37 above and the particulars subjoined to that paragraph;

v. *As to the 18 September Announcement, PwC refers to and repeats paragraph 105(e) above and the particulars subjoined to that paragraph. That announcement included the statement: "Vocation takes its disclosure obligations seriously and remains comfortable that it has complied with these obligations at all times...";*

vi. *As to Vocation's response to the "ASX aware query" dated 28 October 2014, which was published by Vocation on the ASX on 30 October 2014, PwC refers to and repeats paragraph 161(b) above;*

vii. *As to Vocation's ASX market release dated 2 November 2014, that market release was ratified at the 18 November 2014 Board Meeting, which was attended by Grewal;*

viii. *As to Vocation's ASX market release dated 14 November 2014, that market release was ratified at the 18 November 2014 Board Meeting, which was attended by Grewal;*

ix. *As to Vocation's ASX market release dated 17 November 2014 (lodged with the title, "Vocation response to speculation"), PwC refers to and repeats paragraph 161(c) above and the particulars subjoined to that paragraph. That ASX market release included the statement: "As previously announced, Vocation refutes allegations of any impropriety in its disclosure surrounding the DEECD review and will vigorously defend any claim of that kind if it was to be commenced"; and*

x. *As to Vocation's ASX market release dated 27 November 2014 (lodged with the title, "Vocation response to a claim"), which included the statement: "Vocation denies the claims [set out in a Writ issued by the Supreme Court of Victoria at the request of Victorian Solicitor, Mark Elliott] and believes they lack any proper foundation. Vocation will vigorously defend the proceeding", that market release was signed by Grewal on behalf of Vocation.*

Further, Grewal's authorisation or participation is to be inferred from his position as Chief Financial Officer and Company Secretary of Vocation at the time the said documents were made and lodged.

175. Further, or in the alternative to paragraph 174 above, at all material times during the Relevant Period, Grewal took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the Continuous Disclosure Representations.

176. By reason of the matters pleaded in paragraphs 168 and 173 to 175 above, Grewal was involved in the Misleading Conduct Contraventions alleged in respect of the Continuous Disclosure Representations in paragraphs 207 to 210 the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.6.3 Dawkins

177. From:

a. 17 July 2014, and all material times thereafter, Dawkins was aware of the matters set out in paragraph 41 above;

b. 17 July 2014, and all material times thereafter, Dawkins was aware of the matters set out in paragraph 57 above;

ba. 28 August 2014, and all material times thereafter, Dawkins was aware of the matters set out in paragraph 61L above;

c. 3 September 2014, and all material times thereafter, Dawkins was aware of the matters set out in paragraph 73 above;

d. 28 September 2014, and all material times thereafter, Dawkins was aware of the matters set out in paragraph 87 above;

e. 27 October 2014, and at all material times thereafter, Dawkins was aware of the matters set out in paragraph 96 above.

Particulars

Dawkins' awareness is evidenced by the matters referred to in the particulars subjoined to the (respective) paragraphs referred to in (a) to (e) above.

178. Dawkins authorised, or participated in authorising, the making and lodgement by Vocation with the ASX of the documents pleaded by the Applicant in support of the Continuous Disclosure Representations in paragraph 207 of the FACSOC.

Particulars

i. As to the 25 August Announcement, PwC refers to and repeats paragraph 108(b) above and the particulars subjoined to that paragraph. See also, PWC.600.001.5188;

ii. As to the 10 September Announcement, PwC refers to and repeats *paragraph 108(d) above and the particulars subjoined to that paragraph. See also, VOC.008.003.0990, VOC.008.003.1004, VOC.007.003.0021 and PWC.600.003.2058;*

iii. *As to Vocation's FY14 Annual Report, PwC refers to and repeats paragraph 108(c) above and the particulars subjoined to that paragraph. See also the statements made concerning Vocation's corporate governance practices at pages 22 to 30 (see VET.0003.0013.0001);*

iv. *As to the September 2014 Cleansing Notice (as defined in paragraph 97(b) of the FACSOC), which included the statement: "As at the date of this notice, Vocation... has complied with the provisions of Chapter 2M of the Corporations Act and section 674 of the Corporations Act." (VOC.008.003.1010), that notice was approved by the Board of Vocation at its meeting on 7 September 2014, attended by Dawkins;*

v. *As to the 18 September 2014 Announcement, PwC refers to and repeats paragraph 108(e) above and the particulars subjoined to that paragraph. That announcement included the statement: "Vocation takes its disclosure obligations seriously and remains comfortable that it has complied with these obligations at all times...";*

vi. *As to Vocation's response to the "ASX aware query" dated 28 October 2014, which was published by Vocation on the ASX on 30 October 2014, PwC refers to and repeats paragraph 165(b)above;*

vii. *As to Vocation's ASX market release dated 2 November 2014, that market release was ratified at the 18 November 2014 Board Meeting, which was attended by Dawkins;*

viii. *As to Vocation's ASX market release dated 14 November 2014, that market release was ratified at the 18 November 2014 Board Meeting, which was attended by Dawkins; and*

ix. *As to Vocation's ASX market release dated 17 November 2014 (lodged with the title, "Vocation response to speculation"), PwC refers to and repeats paragraph 165(c) above and the particulars subjoined to that paragraph. That market release included the statement: "As previously announced, Vocation refutes allegations of any impropriety in its disclosure surrounding the DEECD review and will vigorously defend any claim of that kind if it was to be commenced".*

Further, Dawkins' authorisation or participation is to be inferred from his position as Chairman of the Board of Vocation at the time the said documents were made and lodged.

179. Further, or in the alternative to paragraph 178 above, at all material times during the Relevant Period, Dawkins took no, alternatively no adequate, steps to cause Vocation to withdraw or otherwise correct the Continuous Disclosure Representations.

180. By reason of the matters pleaded in paragraphs 168 and 177 to 179 above, Dawkins

was involved in Vocation's Misleading Conduct Contraventions alleged in respect of the Continuous Disclosure Representations in paragraphs 207 to 210 of the FACSOC within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.7 No Suspension Representation, Reasonable Grounds Representation and Continuing Representation

E.7.1 Hutchinson

180A. PwC repeats paragraphs 14B to 14F above.

180B. PwC repeats paragraph 102(b) above.

180C. PwC repeats paragraphs 31 and 101 above.

180CA. On 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) of the Corporations Act that Hutchinson contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene (inter alia) s 1041H of the Corporations Act by making the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation.

Particulars

Order 1 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

180CB. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that Hutchinson caused or otherwise permitted Vocation to contravene s 1041H of the Corporations Act by making the First No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation.

180D. By reason of the matters pleaded in paragraphs 180B to 180CB above, Hutchinson was involved in Vocation's Further August Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.7.2 Grewal

180E. PwC repeats paragraphs 14B to 14F above.

180F. PwC repeats paragraph 105(b) above.

180G. PwC repeats paragraphs 36 and 104 above.

180H. By reason of the matters pleaded in paragraphs 180F and 180G above, Grewal was involved in Vocation's Further August Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.7.3 Dawkins

180I. PwC repeats paragraphs 14B to 14F above.

180J. PwC repeats paragraph 108(b) above.

180K. PwC repeats paragraphs 41 and 107 above.

180L. By reason of the matters pleaded in paragraphs 180J and 180K above, Dawkins was involved in Vocation's Further August Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.8 First Review Scope Representation, Second Review Scope Representation, Second No Suspension Representation, Second Reasonable Grounds Representation and Second Continuing Representation

E.8.1 Hutchinson

180M. PwC repeats paragraphs 14G to 14K above.

180N. PwC repeats paragraph 102(d) above.

180O. PwC repeats paragraphs 31 and 101 above.

180P. By reason of the matters pleaded in paragraphs 180N and 180O above, Hutchinson was involved in Vocation's Further 10 September Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.8.2 Grewal

180Q. PwC repeats paragraphs 14G to 14K above.

180R. PwC repeats paragraph 105(d) above.

180S. PwC repeats paragraphs 36 and 104 above.

180T. By reason of the matters pleaded in paragraphs 180R and 180S above, Grewal was involved in Vocation's Further 10 September Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.8.3 Dawkins

180U. PwC repeats paragraphs 14G to 14K above.

180V. PwC repeats paragraph 108(d) above.

180W. PwC repeats paragraphs 41 and 107 above.

180X. By reason of the matters pleaded in paragraphs 180V and 180W above, Dawkins was involved in Vocation's Further 10 September Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.9 Third Review Scope Representation, Third No Suspension Representation, Third Reasonable Grounds Representation and Third Continuing Representation

E.9.1 Hutchinson

180Y. PwC repeats paragraphs 14L to 14P above.

180Z. PwC repeats paragraph 102(e) above.

180ZA. PwC repeats paragraphs 31 and 101 above.

180ZB. By reason of the matters pleaded in paragraphs 180Z and 180ZA above, Hutchinson was involved in Vocation's Further 18 September Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.9.2 Grewal

180ZC. PwC repeats paragraphs 14L to 14P above.

180ZD. PwC repeats paragraph 105(e) above.

180ZE. PwC repeats paragraphs 36 and 104 above.

180ZF. By reason of the matters pleaded in paragraphs 180ZD and 180ZE above, Grewal was involved in Vocation's Further 18 September Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly concerned in, or party to,

those contraventions.

E.9.3 Dawkins

180ZG. PwC repeats paragraphs 14L to 14P above.

180ZH. PwC repeats paragraph 108(e) above.

180ZI. PwC repeats paragraphs 41 and 107 above.

180ZJ. By reason of the matters pleaded in paragraphs 180ZH and 180ZI above, Dawkins was involved in Vocation's Further 18 September Contraventions within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

a. aided, abetted, counselled or procured; or

b. alternatively, by his acts or omissions, was directly or indirectly knowingly

concerned in, or party to,

those contraventions.

F. FY14 ANNUAL REPORT CONTRAVENTIONS OF HUTCHINSON, DAWKINS, TUCKER, TREDENICK, HALLEY AND VOCATION

F.1 Compliance requirements and legal duties

181. At all material times, Vocation was required:

a. pursuant to section 286 of the Corporations Act, to keep written financial records that:

i. correctly record and explain its transactions and financial position and performance; and

ii. enable true and fair financial statements to be prepared and audited;

b. pursuant to section 292 of the Corporations Act, to prepare a financial report and a directors' report for each financial year;

c. pursuant to section 295 of the Corporations Act, to ensure that its financial report for a financial year contains:

i. the financial statements for the year;

ii. the notes to the financial statements; and

iii. the directors' declaration about the statements and notes;

d. pursuant to section 296 of the Corporations Act, to ensure that its financial report for a financial year complies with the accounting standards; and

e. pursuant to section 297 of the Corporations Act, to ensure that its financial statements and notes for a financial year give a true and fair view of the financial position and performance of Vocation.

182. At all material times, and by reason of the matters pleaded in paragraphs 2, 4, 5, 6 and 7 above, Hutchison, Dawkins, Tucker, Tredenick and Halley (collectively, the **Directors**) each owed Vocation:

a. a duty to exercise his powers and discharge his duties with the degree of care and diligence that a reasonable person would exercise if they:

i. were a director or officer of a corporation in Vocation's circumstances;

ii. occupied the office held by, and had the same responsibilities within Vocation, as Hutchinson, Dawkins, Tucker, Tredenick and Halley; and/or

b. a general law duty to act with the care and skill that an ordinary prudent person of business would exercise in conducting Vocation's business as if it were his or her own.

Particulars

Those duties arise under section 180 of the Corporations Act and at general law.

F.2 PwC's retainer with Vocation

183. On or about 20 May 2014, Vocation retained PwC for the purpose of auditing, as required by s 301 of the Corporations Act, the Financial Report to be included in Vocation's FY2014 Annual Report (**PwC Retainer**).

Particulars

The terms of the PwC Retainer were set out in a letter dated 20 May 2014 from PwC to the Directors and attached Terms of Business (PWC.500.001.0001).

184. At all material times, the relevant terms of the PwC Retainer included the following terms:

a. PwC would undertake, inter alia, statutory audits of the annual financial report prepared by Vocation with the objective of expressing an opinion about whether:

i. the financial report presented to PwC by the directors is in accordance with the Corporations Act;

ii. any additional information included to give a true and fair view of the financial performance was necessary for that purpose;

iii. PwC had been given all the information, explanations and assistance necessary to conduct the audit;

iv. the directors had kept financial records sufficient to enable the financial report to be prepared and audited; and

v. whether the directors had kept other records and registers as required by the Corporations Act.

Particulars

PwC Retainer pp. 1 and 2.

b. the directors of Vocation were responsible for, inter alia:

i. ensuring that Vocation keeps accounting records which at any time disclose with reasonable accuracy the financial position of the company;

ii. establishing and maintaining an internal control structure;

iii. preparing a financial report which gave a true and fair view of Vocation's financial position and performance in accordance with the Corporations Act; and

iv. providing PwC with access, on an unrestricted basis, to all the records, information and explanations PwC considers necessary in connection with the audit.

Particulars

PwC Retainer p 1.

c. the statutory audit of the financial reports would be conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report was free from material misstatement; and

Particulars

PwC Retainer p 2.

d. as part of the statutory audit, Vocation's directors or senior management, would provide upon request from PwC written confirmation concerning representations made to PwC in connection with the audit.

Particulars

PwC Retainer pp. 3 and 4.

F.3 Directors' FY14 Accounts Representations

185. On 2 September 2014, Vocation lodged with the ASX its Annual Report for FY14 containing Vocation's FY14 financial statements (**FY14 Financial Statements**) and a directors' declaration (**Directors' Declaration**) by which the Directors declared (inter alia) that:

a. the FY14 Financial Statements and notes thereto *"comp[lied] with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements"*;

b. the FY14 Financial Statements and notes thereto gave *"a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the financial year ended on that date"; and*

c. *"there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable".*

Particulars

Page 75 of the FY14 Annual Report. The declaration was made by Dawkins on behalf of himself and each of the other Directors.

186. By reason of the matters pleaded in paragraph 185 above, the Directors and each of them represented to the market of investors and potential investors in Vocation that:

a. the FY14 Financial Statements in the FY14 Annual Report had been prepared in accordance with the Australian Accounting Standards and the Corporations Act;

b. the FY14 Financial Statements in the FY14 Annual Report gave a true and fair view of the financial position and performance of Vocation as at 30 June 2014; and

c. there were reasonable grounds to believe that Vocation would be able to pay its debts as and when they become due and payable, (the **Directors' FY14 Accounts Representations**).

187. In the alternative to paragraph 186 above, if (which is denied) the Directors' FY14 Accounts Representations were representations of opinion, then by reason of the matters pleaded in paragraph 185 above, the Directors and each of them represented to the market of investors and potential investors in Vocation that they had reasonable grounds for making the Directors' FY14 Accounts Representations (**Directors' FY14 Accounts Reasonable Grounds Representation**).

F.4 Vocation's FY14 Accounts Representations

188. By lodging with the ASX on 2 September 2014 its Annual Report for FY14 containing Vocation's FY14 Financial Statements and the Directors' Declaration, Vocation represented to the market of investors and potential investors in Vocation that:

a. the FY14 Financial Statements in the FY14 Annual Report had been prepared in accordance with the Australian Accounting Standards and the Corporations Act;

b. the FY14 Financial Statements in the FY14 Annual Report gave a true and fair view of the financial position and performance of Vocation as at 30 June 2014; and

c. there were reasonable grounds to believe that Vocation would be able to pay its debts as and when they become due and payable,

(**Vocation's FY14 Accounts Representations**).

189. In the alternative to paragraph 188 above, if (which is denied) Vocation's FY14 Accounts Representations were representations of opinion, then by reason of the matters pleaded in paragraph 185 above, Vocation represented to the market of investors and potential investors in Vocation that it had reasonable grounds for making Vocation's FY14 Accounts Representations (**Vocation's FY14 Accounts Reasonable Grounds Representation**).

F.5 Allegations made by the Applicant in the 2FACSOC regarding the FY14 Financial Statements

190. In paragraphs 349 to 392 of the 2FACSOC, the Applicant has alleged that:

a. Vocation's FY14 Financial Statements ought (inter alia) to have:

i. disclosed the New Revenue Recognition Policy as a change in accounting policy from the Prospectus Revenue Recognition Policy;

ii. provided a justification for the adoption of the New Revenue Recognition Policy, having regard to the matters pleaded at paragraphs 350(b)(i) and 371(b)(i) of the 2FACSOC;

iii. applied the change in accounting policy from the Prospectus Revenue Recognition Policy to the New Revenue Recognition Policy retrospectively by restating the comparative accounts;

iv. made all disclosures required by AASB 109, paragraph 29 in relation to the adoption of the New Revenue Recognition Policy, including the nature, reasons and quantification of the effect of the policy change;

v. disclosed, in the Contingent Liabilities note to the financial report, the breaches of contract claimed by the DEECD and indicated that a reasonable estimate of expected loss had been take up as a provision in the financial report and that any further amount is a contingent liability and if determinable ought to have indicated an estimate of the maximum possible financial consequences and/or effect of the breaches;

vi. contained a Subsequent Events note which indicated that the DEECD had suspended payments of claims by Vocation from June 2014 and that the DEECD had instructed BAWM and Aspin to suspend the acceptance of new enrolments and suspend the commencement of training delivery; and

vii. written off the goodwill of $15 million pertaining to Aspin on the basis that the requirement to cease taking new enrolments and to cease the delivery of training meant that the carrying value of Aspin goodwill could no longer be justified and that goodwill was impaired under AASB 136;

viii. (as at 3 September 2014) disclosed that there was material uncertainty as to whether, by reason of the Victorian Funding Suspensions and the Victorian Enrolment Suspensions, Vocation was able to continue as a going concern, within the meaning of AASB 101;

b. by reason of the matters referred to in sub-paragraph (a) above, Vocation's

FY14 Financial Statements were not prepared in compliance with Accounting Standards and/or did not give a true and fair view of Vocation's financial position and performance as at that date;

c. by reason of the matters referred to in sub-paragraphs (a) and (b) above and by reason of the other matters alleged in paragraphs 349 to 392 of the 2FACSOC, PwC engaged in the PwC August Misleading Conduct Contravention, the PwC August s 1041E Contravention, the PwC September Misleading Conduct Contravention and the September PwC s 1041E Contravention.

F.6 Directors' contraventions in respect of FY14 Accounts

191. By making the Directors' FY14 Accounts Representations and the Directors' FY14 Accounts Reasonable Grounds Representation, the Directors and each of them engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

192. If (which is denied) PwC engaged in contravening conduct as alleged in paragraphs 349 to 392 ~~357 and 370 to 378~~ of the 2FACSOC, then the Directors and each of them engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making the Directors' FY14 Accounts Representations;

b. making the Directors' FY14 Accounts Reasonable Grounds Representation;

c. failing to correct or qualify the Directors' FY14 Accounts Representations; and/or

d. failing to correct or qualify the Directors' Accounts Reasonable Grounds Representation.

193. By reason of the matters pleaded in paragraph 192 above, each of the Directors contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(each, a **Directors' FY14 Accounts Contravention**).

F.7 Vocation's contraventions in respect of FY14 Accounts

194. By making Vocation's FY14 Accounts Representations and Vocation's FY14 Accounts Reasonable Grounds Representation, Vocation engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

195. If (which is denied) PwC engaged in contravening conduct as alleged in paragraphs 349 to 392 ~~357 and 370 to 378~~ of the 2FACSOC, then Vocation engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Vocation's FY14 Accounts Representations;

b. making Vocation's FY14 Accounts Reasonable Grounds Representation;

c. failing to correct or qualify the Vocation's FY14 Accounts Representations; and/or

d. failing to correct or qualify Vocation's Accounts Reasonable Grounds Representation.

196. By reason of the matters pleaded in paragraph 195 above, Vocation contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Vocation's FY14 Accounts Contraventions**).

G. HUTCHINSON'S COMPLIANCE, IMMATERIAL RISK AND MATERIALITY CONTRAVENTIONS

197. PwC repeats paragraphs 100 to 103 above.

198. Each of the 25 August Announcement, the 10 September Announcement, the 18 September Announcement and the 16 October Announcement was issued by Vocation in the name of Hutchinson in his capacity as Managing Director and Group Chief Executive Officer of Vocation, and with his authority.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 102 above.

199. Further, Hutchinson made the FY14 Results Presentation.

200. Further, the FY14 Results Announcement was issued by Vocation in the name of Hutchinson in his capacity as Managing Director of Vocation, and with his authority.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 102(a) above.

201. By reason of the matters pleaded in paragraphs 197 to 200 above, Hutchinson made each of the August Compliance Representation, the September Compliance Representation, the 16 October Compliance Representation, the Continuing Compliance Representation, the August Immaterial Risk Representation, the September Immaterial Risk Representation, the 16 October Immaterial Risk Representation, the Continuing Immaterial Risk Representation, the August Materiality Representation, the September Materiality Representation, the 16 October Materiality Representation and the Continuing Materiality Representation (**Hutchinson's Compliance, Immaterial Risk and Materiality Representations**).

202. By making each of Hutchinson's Compliance, Immaterial Risk and Materiality Representations, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

203. By reason of the matters pleaded in paragraphs 197 to 202 above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of Hutchinson's Compliance, Immaterial Risk and Materiality Representations; and

b. failing to correct or qualify each of Hutchinson's Compliance, Immaterial Risk and Materiality Representations.

204. By reason of the matters pleaded in paragraphs 203 above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Hutchinson's Compliance, Immaterial Risk and Materiality Contraventions**).

G1. HUTCHINSON'S FURTHER AUGUST CONTRAVENTIONS, FURTHER 10 SEPTEMBER CONTRAVENTIONS AND FURTHER 18 SEPTEMBER CONTRAVENTIONS

204A. PwC repeats paragraphs 14B to 14P and 198 above.

204B. By reason of the matters pleaded in paragraph 204A above, Hutchinson made each of the No Suspension Representation, the Reasonable Grounds Representation, the Continuing Representation, the First Review Scope Representation, the Second Review Scope Representation, the Second No Suspension Representation, the Second Reasonable Grounds Representation, the Second Continuing Representation, the Third Review Scope Representation, the Third No Suspension Representation, the Third Reasonable Grounds Representation and the Third Continuing Representation

(Hutchinson's No Suspension, Reasonable Grounds, Continuing and Review Scope Representations).

204C. By making each of Hutchinson's No Suspension, Reasonable Grounds, Continuing and Review Scope Representations, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

204CA. Further, on 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) of the Corporations Act that Hutchinson contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene (inter alia) s 1041H of the Corporations Act by making the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation.

Particulars

Order 1 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

240CB. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that each of the No Suspension Representation, the Reasonable Grounds Representation and the Continuing Representation was conduct in relation to a financial product or a financial service that was misleading or deceptive or likely to mislead or deceive.

204D. By reason of the matters pleaded in paragraphs 204A to 204CB above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of Hutchinson's No Suspension, Reasonable Grounds, Continuing and Review Scope Representations; and

b. failing to correct or qualify each of Hutchinson's No Suspension, Reasonable Grounds, Continuing and Review Scope Representations.

204E. By reason of the matters pleaded in paragraph 204D above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(Hutchinson's Further August and September Contraventions).

H. HUTCHINSON'S FY14 RESULTS CONTRAVENTIONS

205. PwC repeats paragraphs 110 to 114 and 199 to 200 above.

206. By reason of the matters pleaded in paragraph 205 above, Hutchinson made the August FY14 Results Representations (**Hutchinson's FY14 Results Representations**).

207. By making Hutchinson's FY14 Results Representations, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

208. By reason of the matters pleaded in paragraphs 205 to 207 above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Hutchinson's FY14 Results Representations; and

b. failing to correct or qualify Hutchinson's FY14 Results Representations.

209. By reason of the matters pleaded in paragraph 208 above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Hutchinson's FY14 Results Contraventions**).

I. HUTCHINSON'S FY15 EARNINGS GUIDANCE AND BASIS CONTRAVENTIONS

210. PwC repeats paragraphs 123 to 128 and 198 to 200 above.

211. By reason of the matters pleaded in paragraph 210 above, Hutchinson made the August FY15 Earnings Guidance Representation and the August FY15 Earnings Guidance Basis Representation (**Hutchinson's FY15 Earnings Guidance and Basis Representations**).

212. By making Hutchinson's FY15 Earnings Guidance and Basis Representations, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

213. By reason of the matters pleaded in paragraphs 210 to 212 above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Hutchinson's FY15 Earnings Guidance and Basis Representations; and

b. failing to correct or qualify Hutchinson's FY15 Earnings Guidance and Basis Representations.

214. By reason of the matters pleaded in paragraphs 213 above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Hutchinson's FY15 Earnings Guidance and Basis Contraventions**).

I1. VOCATION'S DUE DILIGENCE QUESTIONNAIRE CONTRAVENTIONS

214A. At the 7 September Board Meeting, the Vocation board:

a. was considering a proposed institutional share placement (being the proposed September Placement);

b. asked Hutchinson and Grewal a number of questions regarding answers set out in the Due Diligence Questionnaire issued by Macquarie in connection with the proposed September Placement, which Macquarie was considering underwriting; and

c. agreed certain amendments to the answers to be given by Vocation in the Macquarie Due Diligence Questionnaire.

Particulars

Minutes of meeting of 7 September Board Meeting (PWC.600.001.4682)

214B. On 8 September 2014, Macquarie's involvement and participation in the proposed September Placement ceased, because Macquarie was not prepared to underwrite the placement.

214C. On 8 September 2014, following Macquarie's withdrawal as underwriter for the proposed September Placement, Hutchinson made contact with Mr Fitzgibbon and Mr Dignam of UBS and enquired as to whether UBS would be prepared to underwrite the proposed placement.

214D. By an email sent at 7.04 am on 9 September 2014, Grewal sent a copy of the Macquarie Due Diligence Questionnaire (which included Vocation's unsigned answers to the questions in the questionnaire) to Mr FitzGibbon and Mr Dignam of UBS.

Particulars

VET.0014.0001.1508; VET.0014.0001.1509.

214E. By an email sent at 9.14 pm on 9 September 2014, Mr Dignam of UBS sent Grewal a "final" version of the Due Diligence Questionnaire, which was addressed jointly to Macquarie and UBS, rather than just Macquarie, and stated that *"we will have a hardcopy ready for you to sign tomorrow in our office"*.

Particulars

VET.0014.0001.1590; VET.0014.0001.1591; VET.0014.0001.1614.

214F. On the morning of 10 September 2014, Hutchinson and Grewal attended UBS's offices and signed and provided to UBS, for and on behalf of Vocation, a hard copy of the Due Diligence Questionnaire addressed to UBS which contained Vocation's answers to the questions in the questionnaire (**UBS DDQ**).

Particulars

VET.0012.0001.0283.

214G. The UBS DDQ contained a declaration signed by Hutchinson and Grewal for and on behalf of Vocation which declared, *inter alia*, that:

a. each of the persons participating in the UBS DDQ and providing the information had been authorised by Vocation, as Issuer, to do so and that Vocation assumed full responsibility for the UBS DDQ and the conduct of its representatives;

b. the answers provided in the UBS DDQ were, having made all necessary enquiries of Vocation's directors, officers and employees and advisers, and having considered any relevant documentation and other information, true and correct and complete and not misleading or deceptive (whether by omission or otherwise);

c. Vocation had released all information required by Listing Rule 3.1 and was in compliance with all provisions of the ASX Listing Rules and the continuous disclosure requirements of the Corporations Act;

d. by completing, signing and returning the UBS DDQ to UBS, Vocation acknowledged that UBS would:

i. be relying on the answers provided to the questions as being complete, true and correct and not misleading or deceptive; and

ii. use and rely on the information in connection with the scope and terms of its engagement without having independently verified the information.

214H. The UBS DDQ included questions which specifically related to the DEECD investigation and the suspension of Vocation's funding and ascertaining whether that investigation was material to Vocation.

Particulars

See UBS DDQ, pp 6, 7, 8 and 10.

214I. The UBS DDQ conveyed to UBS, *inter alia*, the following representations:

a. the focus of the DEECD's concerns regarding its investigation into Vocation was the extent to which school leavers were undertaking particular courses offered by BAWM and Aspin (the **School Leavers Representation**);

Particulars

The School Leavers Representation was partly in writing and partly to be implied. In so far as it was in writing it was contained in the following words on p. 7 of the UBS DDQ: "based on all communication we [Vocation] *have with the Department on what exactly they have issues with, that is focused on a very small issue of 'school leaver' definitions around particular students brokered into our solutions line". (VET.0012.0001.0283)*

To the extent it was implied, the School Leavers Representation arose from the context in which the words extracted above appeared in the UBS DDQ.

b. the loss of revenue to Vocation from suspensions in enrolments in courses offered by BAWM and Aspin had been offset by enrolling students in qualifications offered by Vocation's other Victorian RTOs (the **Offsetting Representation**); and

Particulars

The Offsetting Representation was partly in writing and partly to be implied. In so far as it was in writing it was contained in the following words on p.8 of the UBS DDQ: "the impact in August/September is being is being [sic] made up through enrolments in our other RTO's in Victorian [sic] that remain able to enrol and receive funding". (VET.0012.0001.0283)

To the extent it was implied, the Offsetting Representation arose from the context in which the words extracted above appeared in the UBS DDQ.

c. DEECD had indicated to Vocation a willingness to pay a substantial portion of the currently withheld funds within 7 to 14 days (the **Expedited Payment Representation**);

Particulars

The Expedited Payment Representation was partly in writing and partly to be implied. In so far as it was in writing it was contained in the following words on p.10 of the UBS DDQ: "DEECD indicated on 8 September their willingness to pay a substantial part of the withheld funds in the next 7–14 days". (VET.0012.0001.0283)

To the extent it was implied, the Expedited Payment Representation arose from the context in which the words extracted above appeared in the UBS DDQ.

d. the answers provided in the UBS DDQ were true and correct and complete and not misleading or deceptive (whether by omission or otherwise) (the **Fourth DDQ Representation**);

Particulars

The Fourth DDQ Representation was partly in writing and partly to be implied. In so far as it was in writing it was contained in the following words on p.10 of the UBS DDQ, p. 16: "The answers provided in this document are, having made all necessary enquiries of its directors, officers, employees, representatives and advisers, and having considered any relevant documentation and other information, true and correct and complete and not misleading or deceptive (whether by omission or otherwise)." (VET.0012.0001.0283)

To the extent it was implied, the Fourth DDQ Representation arose from the context in which the words extracted above appeared in the UBS DDQ.

e. Vocation had released all information required by Listing Rule 3.1 and was in compliance with all provisions of the ASX Listing Rules and the continuous disclosure requirements of the Corporations Act (the **Fifth DDQ Representation**).

Particulars

The Fifth DDQ Representation was in writing, and was contained in the following words on p.16 of the UBS DDQ: "The Issuer [Vocation] has released all information required by Listing Rule 3.1 and the Issuer is in compliance with all provisions of the ASX Listing Rules and the continuous disclosure requirements of the Corporations Act in making the Offer".

(together, the **DDQ Representations**).

214J. By reason of the following matters, the DDQ Representations were, separately and together, misleading or deceptive, or likely to mislead or deceive:

a. to say that the DEECD's concerns were focused on the issue of the extent to which school leavers were undertaking particular courses offered by BAWM and Aspin was not an accurate or reasonable characterisation of the concerns that had been communicated by the DEECD to Vocation both orally and in writing by that date;

Particulars

See: (a) Letter dated 26 August 2014, from the DEECD (sent by Watts) addressed to Bonnici which Hutchinson received. (VOC.001.001.0692 and VOC.001.001.0693); (b) email sent on 3 September 2014 by Hutchinson to the other directors of Vocation (copied to Grewal) attaching a letter dated 3 September 2014 from Peake to Bonnici and the DEECD Terms of Reference (VOC.003.001.3745; VOC.003.001.3747; VOC.003.001.3748; VOC.003.001.3752).

b. the loss of revenue to Vocation from suspensions in enrolments in courses offered by BAWM and Aspin had not, at the time the UBS DDQ was signed by Hutchinson and Grewal and issued to UBS, been offset by enrolling students in qualifications offered by Vocation's other Victorian RTOs;

c. the DEECD had not, at the time the UBS DDQ was signed by Hutchinson and Grewal and issued to UBS, indicated to Vocation a willingness to pay a substantial portion of the then withheld funds within 7 to 14 days;

d. the answers provided in the UBS DDQ were not true and correct and complete and were misleading or deceptive;

Particulars

PwC refers to and repeats sub-paragraph (a)-(c) above.

e. at the time the UBS DDQ was signed by Hutchinson and Grewal and issued to UBS, Vocation had not released all information required by Listing Rule 3.1 and was not in compliance with all provisions of the ASX Listing Rules and the continuous disclosure requirements of the Corporations Act.

Particulars

PwC refers to and repeats paragraph 14 above.

214K. By reason of the matters pleaded in paragraphs 214F and/or 214G above, Vocation made each of the DDQ Representations to UBS.

214L. By making each of the DDQ Representations to UBS, Vocation engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H(1) and 1041H(2)(b) of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA(1) of the ASIC Act; and/or

c. in trade or commerce, within the meaning of section 18 of the Australian Consumer Law.

214M. By reason of the matters pleaded in paragraphs 214A to 214L above, Vocation engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of the DDQ Representations to UBS; and

b. failing to correct or qualify each of the DDQ Representations.

214MA. Further or alternatively, on 1 November 2019 Nicholas J made declarations of contravention in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* (as required by s 1317E of the Corporations Act), which by virtue of the operation of s 1317F of the Corporations Act are conclusive evidence inter alia that Vocation contravened s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

Particulars

Orders 1 and 3 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

214N. By reason of the matters pleaded in paragraphs 214M and/or 214MA above, Vocation contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(Vocation's DDQ Contraventions).

214O. On 10 September 2014, UBS executed an underwriting agreement in connection with the September Placement in reliance on the DDQ Representations.

214P. If Vocation had not made the DDQ Representations, UBS would not have agreed to underwrite the September Placement and the September Placement would not have proceeded.

I2. HUTCHINSON'S DUE DILIGENCE QUESTIONNAIRE CONTRAVENTIONS

214Q. PwC repeats paragraphs 214A to 214J and 214 MA above.

214R. Hutchinson made each of the DDQ Representations to UBS.

Particulars

Hutchinson signed the UBS DDQ. PwC refers to and repeats paragraphs 214F and 214G above. The Declaration in the UBS DDQ signed by Hutchinson stated that "by signing this document on behalf of the Issuer [Vocation], *each of the following authorised representatives of the Issuer* [viz, Hutchinson and Grewal] *undertakes and represents to LM* [UBS] *that …"*

214S. By making each of the DDQ Representations to UBS, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

214SA Further, on 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) of the Corporations Act that Hutchinson contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene (inter alia) s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

Particulars

Order 1 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

214SB. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that each of the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation was conduct in relation to a financial product or a financial service that was misleading or deceptive or likely to mislead or deceive.

214T. By reason of the matters pleaded in paragraphs 214Q to 214SB above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of the DDQ Representations to UBS; and

b. failing to correct or qualify each of the DDQ Representations.

214U. By reason of the matters pleaded in paragraph 214T above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(Hutchinson's DDQ Contraventions).

214V. PwC repeats paragraph 214O above.

214W. If Hutchinson had not made the DDQ Representations, UBS would not have agreed to underwrite the September Placement and the September Placement would not have proceeded.

I3. HUTCHINSON'S INVOLVEMENT IN VOCATION'S DDQ CONTRAVENTIONS

214X. PwC refers to and repeats paragraphs 214A to 214P above.

214Y. In addition to signing the UBS DDQ, Hutchinson:

a. participated in preparing answers to the questions in the UBS DDQ; and

b. authorised the answers given to the questions in the UBS DDQ in his capacity as Managing Director of Vocation.

214Z. As at 8 to 10 September 2014, Hutchinson was aware:

a. that it was imperative that Vocation source additional cash to fund a projected negative cash balance of over $1 million in the event that the DEECD did not make a payment to Vocation before 19 September 2014;

b. the only realistic prospect of sourcing additional cash was to proceed with the September Placement; and

c. the September Placement was the only available source of cash that would see Vocation through until the completion of the first phase of the DEECD's review on 19 September 2014.

Particulars

Hutchinson's awareness is evidenced by the matters referred to in paragraphs i to ix in paragraph 63 above together with the fact that, at the meeting attended by Hutchinson with representatives of Vocation's banking syndicate on 9 September 2014, Vocation *withdrew its application for a $15 million extension of Vocation's facility in the face of resistance from the banking syndicate.*

214ZA. On 8 September 2014 Grewal sent an email to Hutchinson attaching the unsigned Macquarie Due Diligence Questionnaire and answers (VOC.008.019.9312) and also attaching a document entitled "Summary of Victorian Review" (VOC.008.019.9309), in which Grewal stated that *"Manny suggested we send this* [ie the DDQ] *to UBS"*, and that he had *"tweaked the DDQ in a number of places to try to reflect latest thinking on VIC + outcome of 8 September meeting"* and that *"I propose not to send the VIC specific paper* [VOC.008.019.9309] *to UBS as it overemphasises the VIC issue that was a mistake last time round with MAC* [Macquarie]*".*

Particulars

VOC.008.019.9308.

214ZB. On 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) that Hutchinson contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene (inter alia) s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

Particulars

Order 1 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

214ZC. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that Hutchinson caused or otherwise permitted Vocation to contravene s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

214ZD. By reason of:

a. Hutchinson's conduct as pleaded in paragraphs 214X, 214Y, 214ZB and 214ZC above; and
b. Hutchinson's knowledge as pleaded in paragraphs 31, 47, 63, 101, 111, 124, 140, 214Z, 214ZA, 214ZB and/or 214ZC above,

<u>Hutchinson was involved in Vocation's DDQ Contraventions, within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:</u>

<u>i aided, abetted, counselled or procured; or</u>

<u>ii alternatively, by his acts or omissions, directly or indirectly was knowingly concerned in, or party to,</u>

<u>those contraventions.</u>

J. HUTCHINSON'S SEPTEMBER PLACEMENT CONTRAVENTION

215. PwC repeats paragraphs 139 to 144 and 198 above.

216. By reason of the matters alleged in paragraph 215 above, Hutchinson made the September Placement Representation (**Hutchinson's September Placement Representation**).

217. By making Hutchinson's September Placement Representation, Hutchinson engaged in conduct:

   a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

   b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

   c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

218. By reason of the matters pleaded in paragraphs 215 to 217 above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

   a. making Hutchinson's September Placement Representation; and

   b. failing to correct or qualify Hutchinson's September Placement Representation.

219. By reason of the matters pleaded in paragraphs 218 above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Hutchinson's September Placement Contravention**).

K. HUTCHINSON'S CONTINUING FY15 EARNINGS GUIDANCE AND BASIS CONTRAVENTIONS

220. PwC repeats paragraphs 155 to 159 and 211 above.

221. The 27 October Announcement was issued by Vocation in the name of Hutchinson in his capacity as Managing Director of Vocation, and with his authority.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 157 above.

222. By reason of the matters pleaded in paragraphs 220 to 221 above, Hutchinson made each of the August FY15 Earnings Guidance Representation, the 27 October FY15 Earnings Guidance Representation, the Continuing FY15 Earnings Guidance Representation, the August FY15 Earnings Guidance Basis Representation, the 27 October FY15 Earnings Guidance Basis Representation and the Continuing FY15 Earnings Guidance Basis Representation (**Hutchinson's Continuing FY15 Earnings Guidance and Basis Representations**).

223. By making each of Hutchinson's Continuing FY15 Earnings Guidance and Basis Representations, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

224. By reason of the matters pleaded in paragraphs 220 to 223 above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive

by:

a. making each of Hutchinson's Continuing FY15 Earnings Guidance and Basis Representations; and

b. failing to correct or qualify each of Hutchinson's Continuing FY15 Earnings Guidance and Basis Representations.

225. By reason of the matters pleaded in paragraphs 224 above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Hutchinson's Continuing FY15 Earnings Guidance and Basis Contraventions**).

L. HUTCHINSON'S CONTINUOUS DISCLOSURE REPRESENTATIONS CONTRAVENTIONS

226. PwC repeats paragraphs 168 to 172 and 198 above.

227. By reason of the matters pleaded in paragraph 226 above, Hutchinson made the Continuous Disclosure Representations (**Hutchinson's Continuous Disclosure Representations**).

228. By making Hutchinson's Continuous Disclosure Representations, Hutchinson engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

229. By reason of the matters pleaded in paragraphs 226 to 228 above, Hutchinson engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Hutchinson's Continuous Disclosure Representations; and

b. failing to correct or qualify Hutchinson's Continuous Disclosure Representations.

230. By reason of the matters pleaded in paragraphs 229 above, Hutchinson contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Hutchinson's Continuous Disclosure Representations Contraventions**).

M. GREWAL'S COMPLIANCE, IMMATERIAL RISK AND MATERIALITY CONTRAVENTIONS

231. PwC repeats paragraphs 100 and 104 to 106 above.

232. Grewal:

a. made and/or participated in the FY14 Results Presentation; and

b. signed the FY14 Appendix 4E in his capacity as Chief Financial Officer of Vocation.

233. Further, the FY14 Results Announcement was issued by Vocation in the name of Grewal in his capacity as Chief Financial Officer of Vocation, and with his authority.

Particulars

PwC refers to and repeats the particulars subjoined to paragraph 105(a) above.

234. By reason of the matters pleaded in paragraphs 231 to 233 above, Grewal made the August Compliance Representation, the August Immaterial Risk Representation and the August Materiality Representation (**Grewal's Compliance, Immaterial Risk and Materiality Representations**).

235. By making each of Grewal's Compliance, Immaterial Risk and Materiality Representations, Grewal engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

236. By reason of the matters pleaded in paragraphs 231 to 235 above, ~~Hutchinson~~ Grewal engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Grewal's Compliance, Immaterial Risk and Materiality Representations; and

b. failing to correct or qualify Grewal's Compliance, Immaterial Risk and Materiality Representations.

237. By reason of the matters pleaded in paragraphs 236 above, Grewal contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Grewal's Compliance, Immaterial Risk and Materiality Contraventions**).

N. GREWAL'S FY14 RESULTS CONTRAVENTIONS

238. PwC repeats paragraphs 110, 115 to 118 and 232 to 233 above.

239. By reason of the matters pleaded in paragraph 238 above, Grewal made the August FY14 Results Representations (**Grewal's FY14 Results Representations**).

240. By making Grewal's FY14 Results Representations, Grewal engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

241. By reason of the matters pleaded in paragraphs 238 to 240 above, Grewal engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Grewal's FY14 Results Representations; and

b. failing to correct or qualify Grewal's FY14 Results Representations.

242. By reason of the matters pleaded in paragraph 241 above, Grewal contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Grewal's FY14 Results Contraventions**).

O. GREWAL'S FY15 EARNINGS GUIDANCE AND BASIS CONTRAVENTIONS

243. PwC repeats paragraphs 123, 129 to 133 and 232 to 233 above.

244. By reason of the matters pleaded in paragraph 243 above, Grewal made the August FY15 Earnings Guidance Representation and the August FY15 Earnings Guidance Basis Representation (**Grewal's FY15 Earnings Guidance and Basis Representations**).

245. By making Grewal's FY15 Earnings Guidance and Basis Representations, Grewal engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

246. By reason of the matters pleaded in paragraphs 243 to 245 above, Grewal engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Grewal's FY15 Earnings Guidance and Basis Representations; and

b. failing to correct or qualify Grewal's FY15 Earnings Guidance and Basis Representations.

247. By reason of the matters pleaded in paragraphs 246 above, Grewal contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Grewal's FY15 Earnings Guidance and Basis Contraventions**).

O1. GREWAL'S DUE DILIGENCE QUESTIONNAIRE CONTRAVENTIONS

247A. PwC repeats paragraphs 214A to 214J and 214MA above.

247B. Grewal made each of the DDQ Representations to UBS.

Particulars

Grewal signed the UBS DDQ. PwC refers to and repeats paragraphs 214F and 214G above. The Declaration in the UBS DDQ signed by Grewal stated that "by signing this document for and on behalf of the Issuer [Vocation], *each of the following authorised representatives of the Issuer* [viz, Grewal and Hutchinson] *undertakes and represents to the LM* [UBS] *that ..." (VET.0012.0001.0283)*

247C. By making each of the DDQ Representations to UBS, Grewal engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

247CA. Further, on 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) of the Corporations Act that Grewal contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene (inter alia) s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

Particulars

Order 3 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

247CB. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that each of the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation was conduct in relation to a financial product or a financial service that was misleading or deceptive or likely to mislead or deceive.

247D. By reason of the matters pleaded in paragraphs 247A to 247CB above, Grewal engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making each of the DDQ Representations to UBS; and

b. failing to correct or qualify each of the DDQ Representations.

247E. By reason of the matters pleaded in paragraph 247D above, Grewal contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Grewal's DDQ Contraventions**).

247F. PwC repeats paragraph 214O above.

247G. If Grewal had not made the DDQ Representations, UBS would not have agreed to underwrite the September Placement and the September Placement would not have proceeded.

O2. GREWAL'S INVOLVEMENT IN VOCATION'S DDQ CONTRAVENTIONS

247H. PwC refers to and repeats paragraphs 214A-214P above.

247I. In addition to signing the UBS DDQ, Grewal:

a. participated in preparing answers to the questions in the UBS DDQ; and

b. authorised the answers given to the questions in the UBS DDQ in his capacity as Chief Financial Officer of Vocation.

247J. As at 8 to 10 September 2014, Grewal was aware:

a. that it was imperative that Vocation source additional cash to fund a projected negative cash balance of over $1 million in the event that the DEECD did not make a payment to Vocation before 19 September 2014;

b. the only realistic prospect of sourcing additional cash was to proceed with the September Placement; and

c. the September Placement was the only available source of cash that would see Vocation through until the completion of the first phase of the DEECD's review on 19 September 2014.

Particulars

Grewal's awareness is evidenced by the matters referred to in paragraph 145 above together with the fact that, at the meeting attended by Grewal with representatives of Vocation's banking syndicate on 9 September 2014, Vocation withdrew its application for a $15 million extension of Vocation's facility in the face of resistance from the banking syndicate.

247K. On 8 September 2014 Grewal sent an email to Hutchinson attaching the unsigned Macquarie Due Diligence Questionnaire and answers (VOC.008.019.9312) and also attaching a document entitled "Summary of Victorian Review" (VOC.008.019.9309), in which Grewal stated that *"Manny suggested we send this* [ie the DDQ] *to UBS"*, and that he had *"tweaked the DDQ in a number of places to try to reflect latest thinking on VIC + outcome of 8 September meeting"* and that *"I propose not to send the VIC specific paper* [VOC.008.019.9309] *to UBS as it overemphasises the VIC issue that was a mistake last time round with MAC* [Macquarie]*".*

Particulars

VOC.008.019.9308.

247KA. On 1 November 2019 Nicholas J made a declaration in *Australian Securities and Investments Commission v Vocation Limited (in liquidation)* pursuant to s 1317E(1) that Grewal contravened s 180(1) of the Corporations Act by causing or otherwise permitting Vocation to contravene s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

Particulars

Order 3 of the Orders made by Nicholas J on 1 November 2019 in Australian Securities and Investments Commission v Vocation Limited (in liquidation).

247KB. By reason of s 1317F of the Corporations Act, that declaration is conclusive evidence of the fact that Grewal caused or otherwise permitted Vocation to contravene s 1041H of the Corporations Act by making the School Leavers Representation, the Offsetting Representation and the Expedited Payment Representation.

247L. By reason of:

a. Grewal's conduct as pleaded in paragraphs 247H, 247I, 247KA and 247KB above; and
b. Grewal's knowledge as pleaded in paragraphs 36, 52, 68, 104, 115, 129, 145, 247J, 247K, 247KA and/or 247KB above,

Grewal was involved in Vocation's DDQ Contraventions, within the meaning of s 79 of the Corporations Act, the ASIC Act and s 2 of the Australian Consumer Law in that he:

i aided, abetted, counselled or procured; or

ii alternatively, by his acts or omissions, directly or indirectly was knowingly concerned in, or party to,

those contraventions.

P. GREWAL'S SEPTEMBER PLACEMENT CONTRAVENTION

248. PwC repeats paragraphs 139 and 145 to 149 above.

249. By signing the 16 September 2014 Appendix 3B on behalf of Vocation, Grewal repeated the September Placement Representations to the market of investors and potential investors in Vocation (**Grewal's September Placement Representations**).

250. By making Grewal's September Placement Representations, Grewal engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

251. By reason of the matters alleged in paragraphs 248 to 250 above, Grewal engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Grewal's September Placement Representations; and

b. failing to correct or qualify Grewal's September Placement Representations.

252. By reason of the matters pleaded in paragraphs 251 above, Grewal contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Grewal's September Placement Contravention**).

Q. GREWAL'S CONTINUOUS DISCLOSURE REPRESENTATIONS CONTRAVENTIONS

253. PwC repeats paragraphs 168 and 173 to 176 above.

254. Grewal:

a. signed the September 2014 Cleansing Notice in his capacity as Company Secretary of Vocation;

b. signed Vocation's response dated 30 October 2014 to the "ASX aware query", published by Vocation on the ASX on 30 September 2014, in his capacity as Company Secretary of Vocation

c. signed Vocation's ASX Announcement dated 14 November 2014 in his capacity as Company Secretary of Vocation;

d. signed Vocation's ASX Announcement dated 17 November 2014 (lodged with the title "Vocation responds to speculation") in his capacity as Company Secretary of Vocation; and

e. signed Vocation's ASX market release dated 27 November 2014 (lodged with the title "Vocation response to a claim") in his capacity as Company Secretary of Vocation.

255. By reason of the matters pleaded in paragraphs 253 to 254 above, Grewal made the Continuous Disclosure Representations (**Grewal's Continuous Disclosure Representations**).

256. By making Grewal's Continuous Disclosure Representations, Grewal engaged in conduct:

a. in relation to a financial product or a financial service within the meaning of section 1041H of the Corporations Act;

b. in trade or commerce in relation to financial services within the meaning of section 12DA of the ASIC Act; and/or

c. in trade or commerce within the meaning of section 18 of the Australian Consumer Law.

257. By reason of the matters pleaded in paragraphs 253 to 256 above, Grewal engaged in conduct which was misleading or deceptive, or likely to mislead or deceive by:

a. making Grewal's Continuous Disclosure Representations; and

b. failing to correct or qualify Grewal's Continuous Disclosure Representations.

258. By reason of the matters pleaded in paragraphs 257 above, Grewal contravened:

a. section 1041H of the Corporations Act;

b. section 12DA of the ASIC Act; and/or

c. section 18 of the Australian Consumer Law,

(**Grewal's Continuous Disclosure Representations Contraventions**).

Q1. FURTHER OR ALTERNATIVE LIABILITY OF HUTCHINSON, GREWAL AND DAWKINS AS ALLEGED IN THE 2FACSOC

258A. Further or in the alternative, for the purposes only of this cross-claim, PwC repeats paragraphs 404 to 540 of the 2FACSOC.

R. RELIEF

R.1 Claims for contribution and/or indemnity

259. For the purposes of this cross-claim, Vocation's contraventions as pleaded in paragraphs 14, 14AF, 14A, 14F, 14K, 14P, and 214N above are referred to collectively as **Vocation's Contraventions**.

260. If PwC contravened ss 1041H and/or 1041E of the Corporations Act, s 12DA of the ASIC Act and/or s 18 of the Australian Consumer Law as alleged by the Applicant in the FACSOC (which is denied), and if those contraventions caused the Applicant's and Group Members' Loss and Damage as alleged in the FACSOC (which is also denied), then each of:

a. Vocations Contraventions;

b. Hutchinson's contraventions of s 674(2A) of the Corporations Act pleaded in Section D above;

c. Grewal's contraventions of s 674(2A) of the Corporations Act pleaded in Section D above;

d. Dawkins' contraventions of s 674(2A) of the Corporations Act pleaded in Section D above;

e. the Directors' FY14 Accounts Contraventions pleaded in Section F above;

f. Vocation's FY14 Accounts Contraventions pleaded in Section F above;

g. Hutchinson's Compliance, Immaterial Risk and Materiality Contraventions pleaded in Section G above;

gi. Hutchinson's Further August and September Contraventions pleaded in Section G1 above;

h. Hutchinson's FY14 Results Contraventions pleaded in Section H above;

i. Hutchinson's FY15 Earnings Guidance and Basis Contraventions pleaded in Section I above;

ia. Hutchinson's DDQ Contraventions pleaded in Section I2 above;

j. Hutchinson's September Placement Contravention pleaded in Section J above;

k. Hutchinson's Continuing FY15 Earnings Guidance and Basis Contraventions pleaded in Section K above;

l. Hutchinson's Continuous Disclosure Representations Contraventions pleaded in Section L above;

m. Grewal's Compliance, Immaterial Risk and Materiality Contraventions pleaded in Section M above;

n. Grewal's FY14 Results Contraventions pleaded in Section N above;

na. Grewal's DDQ Contraventions pleaded in Section O1 above;

o. Grewal's FY15 Earnings Guidance and Basis Contraventions pleaded in Section O above;

p. Grewal's September Placement Contravention pleaded in Section P above; ~~and/or~~

q. Grewal's Continuous Disclosure Representations Contraventions pleaded in Section Q above;

r. Hutchinson's contraventions pleaded in Section Q1 above;

s. Grewal's contraventions pleaded in Section Q1 above; and/or

t. Dawkins contraventions pleaded in Section Q1 above,

caused and/or contributed to the Applicant's and Group Members' Loss and Damage, and Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and/or Vocation are liable to the Applicant and Group Members for that same loss and damage pursuant to s 1041I and/or 1325 of the Corporations Act, ss 12GF and/or 12GM of the ASIC Act and/or s 236 of the Australian Consumer Law.

Particulars

In addition to their liability for their own contraventions pleaded in paragraph 260 above, each of Hutchinson, Grewal and Dawkins is liable for the loss and damage suffered by the Applicant and Group Members because of Vocation's Contraventions, by reason of his involvement in those contraventions as pleaded in Sections D and E above <u>and (in respect of Hutchinson) Section I3 above and (in respect of Grewal) Section O2 above</u>.

261. Further or alternatively, each of Hutchinson, Dawkins, Tucker, Tredenick and Halley is liable to the Applicant and Group Members for the Applicant's and Group Members' Loss and Damage suffered by them by reason of Vocation's Prospectus Contraventions, by reason of the matters pleaded in Section C above.

262. By reason of the matters pleaded in paragraphs 259 and/or 261 above, if PwC is liable to the Applicant and Group Members for the Applicant's and Group Members' Loss and Damage as alleged in the FACSOC (which is denied), then:

   a. Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and/or Vocation are also liable to the Applicant and Group Members for that same loss and damage; and

   b. PwC, in respect of any non-apportionable claim made against it in the FACSOC:

      i. is entitled to contribution and/or indemnity from Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and/or Vocation pursuant to Part IV of the *Wrongs Act 1958* (Vic) on the basis that it is just and equitable that Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and/or Vocation make contribution and/or give such an indemnity; further or alternatively

      ii. is entitled to equitable contribution from Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and/or Vocation.

S. RESERVATION OF RIGHTS

263. In reliance on the privilege against self-incrimination or privilege against exposure to penalty, and to guard against the risk that to do so might constitute a waiver of those privileges, PwC does not at this time cross-claim for damages suffered by PwC by reason of the conduct of Hutchinson, Grewal, Dawkins, Tucker, Tredenick, Halley and Vocation, but reserve their right to do so (by amending this cross claim or otherwise) at an appropriate time.

Date: ~~20 July 2018~~ 12 March 2020

Signed by Damian Grave
Herbert Smith Freehills
Lawyer for the Second Respondent / Cross-claimant by second cross claim

This pleading was prepared by Kane Loxley of Counsel and settled by Michael Garner of Counsel.

Certificate of lawyer

I Damian Grave certify to the Court that, in relation to the statement of claim filed on behalf of the Cross Claimant by third cross claim, the factual and legal material available to me at present provides a proper basis for each allegation in the pleading.

Date: ~~20 July 2018~~ 12 March 2020

Signed by Damian Grave

Herbert Smith Freehills

Lawyer for the Second Respondent / Cross-claimant by Second and Third cross-claims

Schedule

No. VID 434 of 2015
Federal Court of Australia
District Registry: Victoria
Division: General

Applicant	Cheryl Whittenbury
First Respondent	Vocation Limited (ACN 166 631 330)
Second Respondent:	PricewaterhouseCoopers (a firm) (ABN 52 780 433 757)
<u>Third Respondent</u>	<u>Mark Edward Hutchinson</u>
<u>Fourth Respondent</u>	<u>Manvinder Grewal</u>
<u>Fifth Respondent</u>	<u>John Sydney Dawkins</u>

Details of all cross-claims in the proceeding

First Cross-claim

Cross-claimant

Cross-claimant by
First Cross-claim: Vocation Limited (ACN 166 631 330)

Cross-respondent

Cross-respondent by
First Cross-claim: The Partners of Johnson Winter & Slattery

Second Cross-claim

Cross-claimant

Cross-claimant by
Second Cross-claim: PricewaterhouseCoopers (a firm) (ABN 52 780 433 757)

Cross-respondent

Cross-respondent by
Second Cross-claim: The Partners of Johnson Winter & Slattery

Third Cross-claim

Cross-claimant

Cross-claimant by Third Cross-claim:	PricewaterhouseCoopers (A Firm) (ABN 52 780 433 757)

Cross-respondents

First Cross-respondent by Third Cross-claim:	Mark Edward Hutchinson
Second Cross-respondent by Third Cross-claim:	Manvinder Grewal
Third Cross-respondent by Third Cross-claim:	John Sydney Dawkins
Fourth Cross-respondent by Third Cross-claim:	Stephen John Tucker
Fifth Cross-respondent by Third Cross-claim:	Michelle Kim Tredenick
Sixth Cross-respondent by Third Cross-claim:	Douglas James Halley
Seventh Cross-respondent by Third Cross-claim:	Vocation Limited (ACN 166 631 330)