Defence to statement of cross-claim (third cross-claim) (Mr Hutchinson's defence)

Federal Court of Australia
District Registry: Victoria
Division: General

VID 434 of 2015

Cheryl Whittenbury

Applicant

Vocation Limited (in liq.)

First respondent / cross-claimant by first cross-claim / cross-respondent by third cross-claim

PricewaterhouseCoopers (a firm)

Second respondent / cross-claimant by second and third cross-claims

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

The first cross-respondent to the third cross-claim (**Mr Hutchinson**) pleads as follows to the allegations contained in the Statement of Cross-claim filed 20 July 2018 (**SOCC**):

1. Mr Hutchinson admits paragraph 1.

2. Mr Hutchinson admits paragraph 2.

3. Mr Hutchinson admits paragraph 3.

4. Mr Hutchinson admits paragraph 4.

Filed on behalf of: **Mark Edward Hutchinson**, the first cross-respondent to the third cross-claim

Prepared by:	Richard Glenn Harris	
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5. Mr Hutchinson admits paragraph 5.

6. Mr Hutchinson admits paragraph 6.

7. Mr Hutchinson admits paragraph 7, save to say that Mr Halley was a director of Vocation until 16 December 2015 (not 6 December 2015).

8. Mr Hutchinson admits paragraph 8.

9. Mr Hutchinson admits paragraph 9 in respect of the period on and after 6 November 2013 and otherwise denies the paragraph.

10. Mr Hutchinson admits paragraph 10.

11. Mr Hutchinson admits paragraph 11.

12. Mr Hutchinson admits paragraph 12.

13. In answer to paragraph 13, Mr Hutchinson:

    (a) denies the claims against him referred to in that paragraph;

    (b) does not admit the claims against others referred to in that paragraph;

    (c) otherwise admits the paragraph.

B. Vocation's alleged contraventions

14. In answer to paragraph 14:

    14.120 Mr Hutchinson admits paragraph 120 of the FACSOC.

    14.121 Mr Hutchinson admits paragraph 121 of the FACSOC.

    14.122 Mr Hutchinson denies paragraph 122 of the FACSOC.

    14.123 Mr Hutchinson denies paragraph 123 of the FACSOC.

    14.124 Mr Hutchinson denies paragraph 124 of the FACSOC.

    14.125 Mr Hutchinson denies paragraph 125 of the FACSOC.

    14.126 Mr Hutchinson denies paragraph 126 of the FACSOC.

    14.127 Mr Hutchinson denies paragraph 127 of the FACSOC.

    14.128 Mr Hutchinson denies paragraph 128 of the FACSOC.

    14.129 Mr Hutchinson denies paragraph 129 of the FACSOC.

    14.130 Mr Hutchinson denies paragraph 130 of the FACSOC.

    14.131 Mr Hutchinson denies paragraph 131 of the FACSOC.

14.132 Mr Hutchinson denies paragraph 132 of the FACSOC.

14.133 Mr Hutchinson denies paragraph 133 of the FACSOC.

14.134 Mr Hutchinson denies paragraph 134 of the FACSOC.

14.135 Mr Hutchinson denies paragraph 135 of the FACSOC.

14.136 Mr Hutchinson denies paragraph 136 of the FACSOC.

14.137 Mr Hutchinson denies paragraph 137 of the FACSOC.

14.138 In answer to paragraph 138 of the FACSOC, Mr Hutchinson:

a. denies the existence of the BAWM Conduct Information and the BAWM Conduct Risk Information;

b. admits that, if (which is denied) the BAWM Conduct Information and the BAWM Conduct Risk Information existed, then that information was not generally available (but without admitting that parts of it were not generally available);

c. otherwise denies the paragraph.

14.139 Mr Hutchinson denies paragraph 139 of the FACSOC.

14.140 Mr Hutchinson denies paragraph 140 of the FACSOC.

14.141 Mr Hutchinson denies paragraph 141 of the FACSOC.

14.142 Mr Hutchinson denies paragraph 142 of the FACSOC.

14.143 In answer to paragraph 143 of the FACSOC, Mr Hutchinson:

a. admits that Vocation was aware at all times in the period 3 July 2014 to 27 October 2014 that the DEECD was withholding payments to BAWM under its funding contract;

b. admits that Vocation was aware at all times in the period 5 August 2014 to 27 October 2014 that the DEECD was withholding payments to Aspin under its funding contract;

c. admits that Vocation was aware from 28 August 2014 that the DEECD had directed each of BAWM and Aspin to suspend the acceptance of all enrolments and suspend the commencement of training delivery to individuals who had enrolled but not yet commenced training;

d. otherwise denies the paragraph.

14.144 In answer to paragraph 144 of the FACSOC, Mr Hutchinson:

a. admits that Vocation was aware at all times in the period 5 August 2014 to 27 October 2014 that the DEECD was withholding payments to BAWM under its funding contract;

b. admits that Vocation was aware at all times in the period 5 August 2014 to 27 October 2014 that the DEECD was withholding payments to Aspin under its funding contract;

c. admits that Vocation was aware from 28 August 2014 that the DEECD had directed each of BAWM and Aspin to suspend the acceptance of all enrolments and suspend the commencement of training delivery to individuals who had enrolled but not yet commenced training;

d. otherwise denies the paragraph.

14.145 Mr Hutchinson denies paragraph 145 of the FACSOC.

14.146 In answer to paragraph 146 of the FACSOC, Mr Hutchinson:

a. denies the existence of the BAWM Identified Non-Compliance Information and the BAWM Conduct Increased Risk Information;

b. says that, if (which is denied) the BAWM Identified Non-Compliance Information and the BAWM Conduct Increased Risk Information existed, then parts of that information were disclosed by Vocation to ASX in, and was generally available by virtue of, the announcements made by Vocation on:

i. 25 August 2014;

ii. 10 September 2014;

iii. 18 September 2014;

iv. 16 October 2014;

v. 27 October 2014;

vi. 30 October 2014;

c. otherwise admits that, if (which is denied) the BAWM Identified Non-Compliance Information and the BAWM Conduct Increased Risk

Information existed, then that information was not generally available (but without admitting that parts of it were not generally available);

d. otherwise denies the paragraph.

14.147 Mr Hutchinson denies paragraph 147 of the FACSOC.

14.148 In answer to paragraph 148 of the FACSOC, Mr Hutchinson:

a. denies the existence of the BAWM Investigation Information, the Victorian Investigation Information, the BAWM Identified Non-Compliance Information, the BAWM Conduct Increased Risk Information, the BAWM Investigation Risk Information, the Victorian Investigation Information and the Victorian Investigation Risk Information;

b. says that, if (which is denied) the BAWM Investigation Information, the Victorian Investigation Information, the BAWM Identified Non-Compliance Information, the BAWM Conduct Increased Risk Information, the BAWM Investigation Risk Information, the Victorian Investigation Information and the Victorian Investigation Risk Information existed, then parts of that information were disclosed by Vocation to ASX in the announcements made by Vocation on:

i. 25 August 2014;

ii. 10 September 2014;

iii. 18 September 2014;

iv. 16 October 2014;

v. 27 October 2014;

c. otherwise admits that, if (which is denied) the BAWM Investigation Information, the Victorian Investigation Information, the BAWM Identified Non-Compliance Information, the BAWM Conduct Increased Risk Information, the BAWM Investigation Risk Information, the Victorian Investigation Information and the Victorian Investigation Risk Information existed, then that information was not told by Vocation to the ASX prior to 27 October 2014;

d. otherwise denies the paragraph.

14.149 Mr Hutchinson denies paragraph 149 of the FACSOC.

14.150 Mr Hutchinson denies paragraph 150 of the FACSOC.

14.151 Mr Hutchinson denies paragraph 151 of the FACSOC.

14.152 Mr Hutchinson denies paragraph 152 of the FACSOC.

14.153 In answer to paragraph 153 of the FACSOC, Mr Hutchinson:

a. denies the existence of the Cash Requirement Information;

b. admits that, if (which is denied) the Cash Requirement Information existed, then Vocation did not disclose it at any time during the Relevant Period;

c. otherwise denies the paragraph.

14.154 Mr Hutchinson denies paragraph 154 of the FACSOC.

14.155 Mr Hutchinson denies paragraph 155 of the FACSOC.

14.156 Mr Hutchinson denies paragraph 156 of the FACSOC.

14.157 Mr Hutchinson denies paragraph 157 of the FACSOC.

14.158 In answer to paragraph 158 of the FACSOC, Mr Hutchinson:

a. denies the existence of the Restructure Information;

b. admits that, if (which is denied) the Restructure Information existed, then it was not generally available prior to 27 October 2014 (but without admitting that parts of it were not generally available);

c. otherwise denies the paragraph.

14.159 Mr Hutchinson denies paragraph 159 of the FACSOC.

14.160 In answer to paragraph 160 of the FACSOC, Mr Hutchinson:

a. denies the existence of the Restructure Information;

b. admits that, if (which is denied) the Restructure Information existed, then it was not disclosed by Vocation before 27 October 2014;

c. says that, if (which is denied) the Restructure Information existed, then it was disclosed, alternatively disclosed in part, by Vocation on 27 October 2014;

d. otherwise denies the paragraph.

14.161 Mr Hutchinson denies paragraph 161 of the FACSOC.

14.162 Mr Hutchinson denies paragraph 162 of the FACSOC.

14.163 Mr Hutchinson denies paragraph 163 of the FACSOC.

14.164 In answer to paragraph 164 of the FACSOC, Mr Hutchinson:

a. denies the existence of the Post-DEECD Review Earnings Unreliability Information;

b. admits that, if (which is denied) the Post-DEECD Review Earnings Unreliability Information existed, then it was not generally available between 27 October 2014 and 4 December 2014 (but without admitting that parts of it were not generally available);

c. otherwise denies the paragraph.

14.165 Mr Hutchinson denies paragraph 165 of the FACSOC.

14.166 In answer to paragraph 166 of the FACSOC, Mr Hutchinson:

a. denies the existence of the Post-DEECD Review Earnings Unreliability Information;

b. admits that, if (which is denied) the Post-DEECD Review Earnings Unreliability Information existed, then Vocation did not disclose it to ASX prior to 4 December 2014;

c. otherwise denies the paragraph.

14.167 Mr Hutchinson denies paragraph 167 of the FACSOC.

14.168 Mr Hutchinson denies paragraph 168 of the FACSOC.

14.169 Mr Hutchinson denies paragraph 169 of the FACSOC.

14.170 Mr Hutchinson denies paragraph 170 of the FACSOC.

14.171 Mr Hutchinson denies paragraph 171 of the FACSOC.

14.172 Mr Hutchinson denies paragraph 172 of the FACSOC.

14.173 Mr Hutchinson denies paragraph 173 of the FACSOC.

14.174 Mr Hutchinson denies paragraph 174 of the FACSOC.

14.175 Mr Hutchinson denies paragraph 175 of the FACSOC.

14.176 Mr Hutchinson denies paragraph 176 of the FACSOC.

14.177 Mr Hutchinson denies paragraph 177 of the FACSOC.

14.178 Mr Hutchinson denies paragraph 178 of the FACSOC.

14.179 Mr Hutchinson denies paragraph 179 of the FACSOC.

14.180 Mr Hutchinson denies paragraph 180 of the FACSOC.

14.181 Mr Hutchinson denies paragraph 181 of the FACSOC.

14.182 Mr Hutchinson denies paragraph 182 of the FACSOC.

14.183 Mr Hutchinson denies paragraph 183 of the FACSOC.

14.184 Mr Hutchinson denies paragraph 184 of the FACSOC.

14.185 Mr Hutchinson denies paragraph 185 of the FACSOC.

14.186 Mr Hutchinson denies paragraph 186 of the FACSOC.

14.187 Mr Hutchinson denies paragraph 187 of the FACSOC.

14.188 Mr Hutchinson denies paragraph 188 of the FACSOC.

14.189 Mr Hutchinson denies paragraph 189 of the FACSOC.

14.190 Mr Hutchinson denies paragraph 190 of the FACSOC.

14.191 Mr Hutchinson denies paragraph 191 of the FACSOC.

14.192 Mr Hutchinson denies paragraph 192 of the FACSOC.

14.193 Mr Hutchinson denies paragraph 193 of the FACSOC.

14.194 In answer to paragraph 194 of the FACSOC, Mr Hutchinson:

a. denies that Vocation made the September Placement Representation;

b. says that Vocation had reasonable grounds for the statements made in its 10 September 2014 ASX announcement;

c. otherwise denies the paragraph.

14.195 Mr Hutchinson denies paragraph 195 of the FACSOC.

14.196 Mr Hutchinson denies paragraph 196 of the FACSOC.

14.197 Mr Hutchinson denies paragraph 197 of the FACSOC.

14.198 Mr Hutchinson denies paragraph 198 of the FACSOC.

14.199 Mr Hutchinson denies paragraph 199 of the FACSOC.

14.200 Mr Hutchinson denies paragraph 200 of the FACSOC.

14.201 Mr Hutchinson denies paragraph 201 of the FACSOC.

14.202 Mr Hutchinson denies paragraph 202 of the FACSOC.

14.203 Mr Hutchinson denies paragraph 203 of the FACSOC.

14.204 Mr Hutchinson denies paragraph 204 of the FACSOC.

14.205 Mr Hutchinson denies paragraph 205 of the FACSOC.

14.206 Mr Hutchinson denies paragraph 206 of the FACSOC.

14.207 Mr Hutchinson denies paragraph 207 of the FACSOC.

14.208 Mr Hutchinson denies paragraph 208 of the FACSOC.

14.209 Mr Hutchinson denies paragraph 209 of the FACSOC.

14.210 Mr Hutchinson denies paragraph 210 of the FACSOC (on the assumption that "paragraph 0 to 0" is intended to refer to "paragraphs 207 to 209").

C. Liability of Hutchinson and others for Vocation's alleged prospectus contraventions

C.1 Hutchinson

15. In answer to paragraph 15:

    (a) Mr Hutchinson admits paragraph 6 of the FACSOC.

    (b) Mr Hutchinson admits paragraph 7 of the FACSOC.

    (c) Mr Hutchinson admits paragraph 8 of the FACSOC.

    (d) Mr Hutchinson repeats his answers to paragraphs 120 to 135 of the FACSOC pleaded at paragraph 14 above.

16. Mr Hutchinson admits paragraph 16.

17. In answer to paragraph 17, Mr Hutchinson:

    (a) denies the paragraph;

    (b) repeats paragraph 134 of the First Respondent's Amended Defence to the FACSOC (**Vocation's Defence**);

    (c) says that he made all inquiries that were reasonable in the circumstances;

(d) says that, after the conduct of the due diligence pleaded in paragraph 134 of Vocation's Defence and the making of those inquiries, Mr Hutchinson believed on reasonable grounds that:

(i) none of the statements in the Replacement Prospectus was misleading or deceptive; and

(ii) there was no omission from the Replacement Prospectus of any matter required by law;

(e) says that, by virtue of the matters pleaded in (b)-(d) above and ss. 731 and 733 of the Corporations Act, he is not liable to any person pursuant to s. 729 of the Corporations Act.

C.2 Dawkins

18. In answer to paragraph 18:

(a) Mr Hutchinson admits paragraph 6 of the FACSOC.

(b) Mr Hutchinson admits paragraph 7 of the FACSOC.

(c) Mr Hutchinson admits paragraph 8 of the FACSOC.

(d) Mr Hutchinson repeats his answers to paragraphs 120 to 135 of the FACSOC pleaded at paragraph 0 above.

19. Mr Hutchinson admits paragraph 19.

20. Mr Hutchinson denies paragraph 20.

C.3 Tucker

21. In answer to paragraph 21:

(a) Mr Hutchinson admits paragraph 6 of the FACSOC.

(b) Mr Hutchinson admits paragraph 7 of the FACSOC.

(c) Mr Hutchinson admits paragraph 8 of the FACSOC.

(d) Mr Hutchinson repeats his answers to paragraphs 120 to 135 of the FACSOC pleaded at paragraph 0 above.

22. Mr Hutchinson admits paragraph 22.

23. Mr Hutchinson denies paragraph 23.

C.4 Tredenick

24. In answer to paragraph 24:

    (a) Mr Hutchinson admits paragraph 6 of the FACSOC.

    (b) Mr Hutchinson admits paragraph 7 of the FACSOC.

    (c) Mr Hutchinson admits paragraph 8 of the FACSOC.

    (d) Mr Hutchinson repeats his answers to paragraphs 120 to 135 of the FACSOC pleaded at paragraph 0 above.

25. Mr Hutchinson admits paragraph 25.

26. Mr Hutchinson denies paragraph 26.

C.5 Halley

27. In answer to paragraph 27:

    (a) Mr Hutchinson admits paragraph 6 of the FACSOC.

    (b) Mr Hutchinson admits paragraph 7 of the FACSOC.

    (c) Mr Hutchinson admits paragraph 8 of the FACSOC.

    (d) Mr Hutchinson repeats his answers to paragraphs 120 to 135 of the FACSOC pleaded at paragraph 0 above.

28. Mr Hutchinson admits paragraph 28.

29. Mr Hutchinson denies paragraph 29.

D Involvement by Hutchinson, Grewal and Dawkins in Vocation's alleged continuous disclosure contraventions

D.1 First alleged continuous disclosure contravention

30. In answer to paragraph 30, Mr Hutchinson repeats his answers to paragraphs 136 to 141 of the FACSOC pleaded at paragraph 14 above.

<u>Hutchinson</u>

31. Mr Hutchinson denies paragraph 31.

32. In answer to paragraph 32, Mr Hutchinson:

    (a) denies the existence of the BAWM Conduct Information and the BAWM Conduct Risk Information;

(b) says that:

(i) Mr Hutchinson discussed the DEECD's letter of 4 July 2014 with Mr Langtree on or around the date it was received. Mr Langtree was an employee of the Vocation group with experience and expertise in the vocational training sector in Victoria, including in dealing with the DEECD and DEECD reviews. Mr Hutchinson was told by Mr Langtree that the suspension of funds was not uncommon, was nothing to be concerned about, was essentially a procedural step and that the suspended payments were likely to be paid in full in due course.

(ii) At around 4 July 2014, Mr Hutchinson was also told by Mr Langtree that the largest amount of money that had ever been forfeited to the Victorian government by a registered training organisation (**RTO**) was $2 million, and that even that amount had subsequently been repaid to the RTO.

(iii) On 10 July 2014, Mr Hutchinson received a briefing from Ms Bonnici that supported what he had been told by Mr Langtree. Ms Bonnici was another employee of the Vocation group with experience and expertise in the vocational training sector in Victoria, including in dealing with the DEECD and DEECD reviews. Ms Bonnici described the suspension of payments as business as usual.

(iv) From 4 July 2014 onwards, Mr Hutchinson received regular updates from Ms Bonnici, Ms King and Mr Langtree that all or nearly all of the funds would be released, that no serious breaches had occurred and the DEECD's concerns were being addressed.

(v) On 29 July 2014, Mr Hutchinson and the other Board members received an update on the DEECD review from Ms King, in which she said that the DEECD's actions were unwarranted, that BAWM had addressed the issues raised by the DEECD and, in any event, those issues only related to about 20% of the funds being withheld. Ms King was another employee of the Vocation group with experience and expertise in the vocational training sector in Victoria, including in dealing with the DEECD and DEECD reviews.

(vi) Around 20 August 2014, Mr Hutchinson was told by Mr Langtree that the total revenue generated by the cohort of students referred by the five brokers about whom the DEECD had expressed concerns was just over $2 million. He was advised by Mr Langtree that that cohort comprised roughly 300 school-leavers.

(vii) As soon as Mr Hutchinson received the DEECD's 21 August 2014 letter enclosing the complaint to the ASX he sought advice from JWS.

(viii) Mr Hutchinson obtained advice from Mr Rozsa about Vocation's disclosure obligations arising from the DEECD's correspondence and was advised, after Mr Rozsa had been informed about the circumstances of the company, including its current and future financial performance, revenue, the DEECD review and the information he had received from the BAWM management team about the DEECD's concerns, that if Vocation expected that all or most of the withheld funds would be paid in due course, then the withholding of the funds was not required to be disclosed.

(ix) On 21 August 2014, Mr Hutchinson received an analysis from Mr Langtree, which stated that, of the funds currently withheld from BAWM, just over $2 million related to students referred by the five brokers about whom the DEECD had expressed concerns.

(x) As a consequence of the article concerning Vocation published by the AFR on 25 August 2014, the Vocation Board met and Mr Hutchinson participated by phone from Singapore and advice was provided by JWS as to ASX disclosure, including that no disclosure was necessary.

(xi) As a consequence of the DEECD's 26 August 2014 letter, the Vocation Board met by teleconference and Mr Rozsa and Mr Koster also attended and they advised that no further disclosure to ASX was necessary.

(xii) On 26 August 2014, following receipt of the DEECD's letter of the same date notifying the expanded review, Mr Hutchinson and the other Board members received advice from Ms Bonnici and Mr Langtree that their assessment remained that the funds that would be permanently withheld were around $2 million. Ms Bonnici and Mr Langtree also advised that the problems identified by the DEECD with BAWM and Aspin's courses were not broad-based and they did not expect other significant issues to come to light as a result of the expanded review.

(xiii) At the same Board meeting (of 26 August 2014), following a Board discussion in which a potential permanent withholding of $4 million-$10 million was assumed, Ms Bonnici and Mr Langtree said that they did not see it as in any way likely that an amount in the upper end of that range would be permanently withheld.

(xiv) On 27 August 2014, Mr Hutchinson received an email from Mr Langtree, containing a detailed analysis of the revenue that was at risk as a result of the DEECD's contractual measures. That analysis indicated a prospective repayment to the DEECD of $4.7 million and a worst case scenario of $7.6 million.

(xv) On 6 September 2014, Mr Hutchinson received advice from Mr Langtree that: July 2014 enrolments in Victoria had not been impacted; August 2014 enrolments had been impacted by the DEECD's review, but not in an amount that was material; although early September 2014 enrolments were being impacted, Vocation was engaging in various strategies to mitigate that impact; and, Mr Langtree believed that enrolment activity across Vocation as a whole would not be materially impacted by the Victorian review.

(xvi) Throughout the period from 4 July 2014 onwards, Mr Hutchinson received regular updates from Ms Bonnici, Ms King and Mr Langtree on the DEECD review, several times a week and sometimes more than once on a single day. In those updates, Mr Hutchinson was repeatedly told that all or nearly all of the withheld funds would be released by the DEECD; there was no serious breach by BAWM or Aspin of their funding contracts; and, from around 11 or 12 August 2014 onwards, that BAWM and Aspin had implemented rectifications that had addressed all the concerns that had been raised by the DEECD. Mr Hutchinson took steps to ensure that BAWM and Aspin were taking the action required to satisfy the DEECD's concerns.

(xvii) In addition to seeking advice from Ms Bonnici, Mr Langtree and Ms King, Mr Hutchinson also sought advice from Mr Ross Robinson (another Vocation employee with experience in the Victorian regulatory environment), which supported the advice that Mr Hutchinson had received from the Victorian management team.

(xviii) Mr Hutchinson sought advice from experienced corporate lawyers at JWS about whether Vocation was required to disclose information about the DEECD's contractual actions and was repeatedly advised that it did not.

(xix) On the weekend of 6-7 September 2014, Mr Hutchinson received advice from Mr Peter Coyne, who was an expert in vocational training and the Victorian RTO industry. Mr Coyne reviewed the correspondence with the DEECD and gave advice to the effect that he could see no basis for prolonging the withholding of payments and the suspension of enrolments. Mr Hutchinson received advice from Mr Coyne that, if it was possible to have a discussion with the DEECD, it should be possible to resolve the DEECD's issues quickly.

(xx) On 7 September 2014, Mr Hutchinson received an email from JWS which suggested deleting a statement from the draft ASX announcement to the effect that Vocation was providing the information as part of its continuous disclosure regime.

(xxi) Mr Hutchinson participated in numerous Board meetings at which the question of continuous disclosure was discussed at length and carefully considered by the Board as a whole and ensured the Board was provided with external legal advice (from JWS) about Vocation's disclosure obligations.

(xxii) Mr Hutchinson immediately sought JWS' advice in relation to the inquiry from the ASX following the publication of the AFR article on 18 September 2014.

(xxiii) On 19 September 2014, Mr Hutchinson received advice (both orally and by email) from JWS to the effect that Vocation was not required to make a further disclosure in response to the AFR article and that if the amount of withheld funds was disclosed, it might confuse investors as to the significance of this amount.

(xxiv) On that same day (19 September 2014), Mr Hutchinson received an email from Mr Koster, which advised that an ASX representative had reviewed the AFR article and confirmed that a further disclosure was not required. Later that day, Mr Hutchinson was copied on an email from the ASX to JWS confirming that ASX's view was that no ASX disclosure was required.

(xxv) Mr Hutchinson immediately sought JWS' advice in relation to the publication of a further AFR article on 22 September 2014.

(xxvi) On that same day (22 September 2014), Mr Hutchinson received advice from Mr Koster that disclosure was not required because Vocation's ASX announcement on 18 September 2014 had addressed the issues raised in the new AFR article. Mr Koster also said he had spoken to an ASX representative who confirmed that no further ASX announcement was necessary.

(xxvii) On 25 September 2014, Mr Hutchinson and the other Board members received an update on the DEECD review from Ms Bonnici, in which she said that there had been no developments which warranted ASX disclosure. At that same Board meeting, following discussion of the potential impact of the DEECD review, the Board agreed that consistent with the advice received from JWS, and as the expected outcome of the review was that only a relatively small amount of funding would be affected, which was not material in the context of Vocation's business, that additional ASX disclosure was not necessary.

(xxviii) At a Board meeting on 15 October 2014, the Vocation Board agreed that no market disclosure was required, as the DEECD review was still in progress, with outcomes yet to be resolved and remaining uncertain.

(xxix) On 25 October 2014, Mr Hutchinson received an email from Mr Koster about a draft ASX announcement, in which Mr Koster advised him not to refer to the impact of the withheld funds on the Victorian business in the draft ASX announcement.

(xxx) On 17 November 2014, JWS confirmed that it had no comments in relation to a proposed ASX announcement by Vocation concerning restructuring.

(xxxi) At a Board meeting on 18 November 2014, all members of the Board agreed there were no new matters which the Board members were aware of that required disclosure or further disclosure to the ASX.

(xxxii) At a Board meeting on 25 November 2014, all members of the Board agreed that there were no new matters which required disclosure or further disclosure to the ASX, and that the issue of updating material guidance would be reviewed once a revised forecast was available.

(xxxiii) Mr Hutchinson, together with the other members of the Vocation Board, caused Vocation to make disclosures to the ASX on:

(A) 25 August 2014;

(B) 10 September 2014;

(C) 18 September 2014;

(D) 16 October 2014;

(E) 27 October 2014;

(F) 30 October 2014;

(xxxiv) says that he took all steps that were reasonable in the circumstances to ensure that Vocation disclosed to ASX information that Vocation was required to disclose, complied with Listing Rule 3.1 and complied with its obligations under s. 674(2) of the Corporations Act;

(xxxv) says that, at all material times, he believed on reasonable grounds that Vocation was complying with its obligations under Listing Rule 3.1 and under s. 674(2) of the Corporations Act;

(c) otherwise denies the paragraph.

33. Mr Hutchinson denies paragraph 33.

34. Mr Hutchinson denies paragraph 34 and says further that, if (which is denied) his conduct would otherwise have constituted a contravention of s. 674(2A) of the Corporations Act, then by reason of the matters pleaded in paragraph 32(b) above and s 674(2B) of the Corporations Act, he did not contravene s 674(2A) with respect to Vocation's First Continuous Disclosure Contravention.

35. Mr Hutchinson denies paragraph 35.

<u>Grewal</u>

36. Mr Hutchinson does not know and therefore cannot admit paragraph 36.

37. Mr Hutchinson does not know and therefore cannot admit paragraph 37.

38. Mr Hutchinson denies paragraph 38.

39. Mr Hutchinson denies paragraph 39.

40. Mr Hutchinson denies paragraph 40.

Dawkins

41. Mr Hutchinson does not know and therefore cannot admit paragraph 41.

42. Mr Hutchinson does not know and therefore cannot admit paragraph 42.

43. Mr Hutchinson denies paragraph 43.

44. Mr Hutchinson denies paragraph 44.

45. Mr Hutchinson denies paragraph 45.

D.2 Second alleged continuous disclosure contravention

46. In answer to paragraph 46, Mr Hutchinson repeats his answers to paragraphs 142 to 149 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

47. Mr Hutchinson denies paragraph 47.

48. In answer to paragraph 48, Mr Hutchinson:

    (a) denies the existence of the BAWM Identified Non-Compliance Information, the BAWM Conduct Increased Risk Information, the BAWM Investigation Information, the BAWM Investigation Risk Information, the Victorian Investigation Information and the Victoria Investigation Risk Information;

    (b) repeats paragraph 32(b) above;

    (c) says that he took adequate steps to cause Vocation to disclose information that Vocation was required to disclose to ASX;

    (d) otherwise denies the paragraph.

49. Mr Hutchinson denies paragraph 49.

50. Mr Hutchinson denies paragraph 50 and says further that, if (which is denied) his conduct would otherwise have constituted a contravention of s. 674(2A) of the Corporations Act, then by reason of the matters pleaded in 32(b) above and s 674(2B) of the Corporations Act, he did not contravene s 674(2A) with respect to Vocation's Second Continuous Disclosure Contravention.

51. Mr Hutchinson denies paragraph 51.

Grewal

52. Mr Hutchinson does not know and therefore cannot admit paragraph 52.

53. Mr Hutchinson does not know and therefore cannot admit paragraph 53.

54. Mr Hutchinson denies paragraph 54.

55. Mr Hutchinson denies paragraph 55.

56. Mr Hutchinson denies paragraph 56.

Dawkins

57. Mr Hutchinson does not know and therefore cannot admit paragraph 57.

58. Mr Hutchinson does not know and therefore cannot admit paragraph 58.

59. Mr Hutchinson denies paragraph 59.

60. Mr Hutchinson denies paragraph 60.

61. Mr Hutchinson denies paragraph 61.

D.3 Third alleged continuous disclosure contravention

62. In answer to paragraph 62, Mr Hutchinson repeats his answers to paragraphs 150 to 155 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

63. Mr Hutchinson denies paragraph 63.

64. In answer to paragraph 64, Mr Hutchinson:

    (a) denies the existence of the Cash Requirement Information;

    (b) repeats paragraph 32(b) above;

    (c) says that he took adequate steps to cause Vocation to disclose information that Vocation was required to disclose to ASX;

    (d) otherwise denies the paragraph.

65. Mr Hutchinson denies paragraph 65.

66. Mr Hutchinson denies paragraph 66 and says further that, if (which is denied) his conduct would otherwise have constituted a contravention of s. 674(2A) of the Corporations Act, then by reason of the matters pleaded in paragraph 32(b) above and s 674(2B) of the Corporations Act, he did not contravene s 674(2A) with respect to Vocation's Third Continuous Disclosure Contravention.

67. Mr Hutchinson denies paragraph 67.

Grewal

68. Mr Hutchinson does not know and therefore cannot admit paragraph 68.

69. Mr Hutchinson does not know and therefore cannot admit paragraph 69.

70. Mr Hutchinson denies paragraph 70.

71. Mr Hutchinson denies paragraph 71.

72. Mr Hutchinson denies paragraph 72.

Dawkins

73. Mr Hutchinson does not know and therefore cannot admit paragraph 73.

74. Mr Hutchinson does not know and therefore cannot admit paragraph 74.

75. Mr Hutchinson denies paragraph 75.

76. Mr Hutchinson denies paragraph 76.

77. Mr Hutchinson denies paragraph 77.

D.4 Fourth alleged continuous disclosure contravention

78. In answer to paragraph 78, Mr Hutchinson repeats his answers to paragraphs 156 to 161 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

79. Mr Hutchinson denies paragraph 79.

80. In answer to paragraph 80, Mr Hutchinson:

    (a) denies the existence of the Restructure Information;

    (b) repeats paragraph 32(b) above;

    (c) says that he took adequate steps to cause Vocation to disclose information that Vocation was required to disclose to ASX;

    (d) otherwise denies the paragraph.

81. Mr Hutchinson denies paragraph 81.

82. Mr Hutchinson denies paragraph 82 and says further that, if (which is denied) his conduct would otherwise have constituted a contravention of s. 674(2A) of the Corporations Act, then by reason of the matters pleaded in paragraph 32(b) above and s 674(2B) of the Corporations Act, he did not contravene s 674(2A) with respect to Vocation's Fourth Continuous Disclosure Contravention.

Grewal

83. Mr Hutchinson does not know and therefore cannot admit paragraph 83.

84. Mr Hutchinson does not know and therefore cannot admit paragraph 84.

85. Mr Hutchinson denies paragraph 85.

86. Mr Hutchinson denies paragraph 86.

Dawkins

87. Mr Hutchinson does not know and therefore cannot admit paragraph 87.

88. Mr Hutchinson does not know and therefore cannot admit paragraph 88.

89. Mr Hutchinson denies paragraph 89.

90. Mr Hutchinson denies paragraph 90.

D.5 Fifth alleged continuous disclosure contravention

91. In answer to paragraph 91, Mr Hutchinson repeats his answers to paragraphs 162 to 167 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

92. Mr Hutchinson denies paragraph 92.

93. In answer to paragraph 93, Mr Hutchinson:

    (a) denies the existence of the Post-DEECD Settlement Earnings Unreliability Information;

    (b) repeats paragraph 32(b) above;

    (c) says that he took adequate steps to cause Vocation to disclose information that Vocation was required to disclose to ASX;

    (d) otherwise denies the paragraph.

94. Mr Hutchinson denies paragraph 94.

95. Mr Hutchinson denies paragraph 95 and says further that, if (which is denied) his conduct would otherwise have constituted a contravention of s. 674(2A) of the Corporations Act, then by reason of the matters pleaded in paragraph 32(b) above and s 674(2B) of the Corporations Act, he did not contravene s 674(2A) with respect to Vocation's Fifth Continuous Disclosure Contravention.

Dawkins

96. Mr Hutchinson does not know and therefore cannot admit paragraph 96.

97. Mr Hutchinson does not know and therefore cannot admit paragraph 97.

98. Mr Hutchinson denies paragraph 98.

99. Mr Hutchinson denies paragraph 99.

E Vocation's alleged misleading or deceptive conduct contraventions

E.1 The alleged compliance and risk representations

100. In answer to paragraph 100, Mr Hutchinson repeats his answers to paragraphs 168 to 182 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

101. Mr Hutchinson denies paragraph 101.

102. Mr Hutchinson denies paragraph 102.

103. Mr Hutchinson denies paragraph 103.

Grewal

104. Mr Hutchinson does not know and therefore cannot admit paragraph 104.

105. Mr Hutchinson denies paragraph 105.

106. Mr Hutchinson denies paragraph 106.

Dawkins

107. Mr Hutchinson does not know and therefore cannot admit paragraph 107.

108. Mr Hutchinson denies paragraph 108.

109. Mr Hutchinson denies paragraph 109.

E.2 The alleged August FY14 Results Representations

110. In answer to paragraph 110, Mr Hutchinson repeats his answers to paragraphs 180 to 186 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

111. Mr Hutchinson denies paragraph 111.

112. In answer to paragraph 112, Mr Hutchinson:

(a) admits that he participated in authorising the making and lodgement by Vocation with the ASX of the FY14 Results Documents pleaded at paragraph 69 of the FACSOC in substantially the form in which those documents were made and lodged with ASX;

(b) denies that those documents included the August FY14 Results Representations pleaded at paragraph 76 of the FACSOC;

(c) otherwise denies the paragraph.

113. In answer to paragraph 113, Mr Hutchinson:

(a) repeats paragraph 32(b) above;

(b) otherwise denies the paragraph.

114. Mr Hutchinson denies paragraph 114.

Grewal

115. Mr Hutchinson does not know and therefore cannot admit paragraph 115.

116. In answer to paragraph 116, Mr Hutchinson:

(a) admits that Mr Grewal participated in authorising the making and lodgement by Vocation with the ASX of the FY14 Results Documents pleaded at paragraph 69 of the FACSOC in substantially the form in which those documents were made and lodged with ASX;

(b) denies that those documents included the August FY14 Results Representations pleaded at paragraph 76 of the FACSOC;

(c) otherwise denies the paragraph.

117. Mr Hutchinson does not know and therefore cannot admit paragraph 117.

118. Mr Hutchinson denies paragraph 118.

Dawkins

119. Mr Hutchinson does not know and therefore cannot admit paragraph 119.

120. In answer to paragraph 120, Mr Hutchinson:

(a) admits that Mr Dawkins participated in authorising the making and lodgement by Vocation with the ASX of the FY14 Results Documents pleaded at paragraph 69 of the FACSOC in substantially the form in which those documents were made and lodged with ASX;

(b) denies that those documents included the August FY14 Results Representations pleaded at paragraph 76 of the FACSOC;

(c) otherwise denies the paragraph.

121. Mr Hutchinson does not know and therefore cannot admit paragraph 121.

122. Mr Hutchinson denies paragraph 122.

E.3 The alleged August FY15 Results Representations

123. In answer to paragraph 123, Mr Hutchinson repeats his answers to paragraphs 187 to 191 of the FACSOC pleaded at paragraph 14 above.

<u>Hutchinson</u>

124. Mr Hutchinson denies paragraph 124.

125. In answer to paragraph 125, Mr Hutchinson:

(a) admits that he participated in authorising the making and lodgement by Vocation with the ASX of the presentation of Vocation's FY14 results in substantially the form in which that document was made and lodged with ASX;

(b) denies that that document included the FY15 Earnings Guidance Representation and the FY15 Earnings Basis Representation pleaded at paragraph 78 of the FACSOC;

(c) otherwise denies the paragraph.

126. Mr Hutchinson denies paragraph 126.

127. In answer to paragraph 127, Mr Hutchinson:

(a) repeats paragraph 32(b) above;

(b) otherwise denies the paragraph.

128. Mr Hutchinson denies paragraph 128.

<u>Grewal</u>

129. Mr Hutchinson does not know and therefore cannot admit paragraph 129.

130. In answer to paragraph 130, Mr Hutchinson:

(a) admits that Mr Grewal participated in authorising the making and lodgement by Vocation with the ASX of the presentation of Vocation's FY14 results in substantially the form in which that document was made and lodged with ASX;

(b) denies that that document included the FY15 Earnings Guidance Representation and the FY15 Earnings Basis Representation pleaded at paragraph 78 of the FACSOC;

(c) otherwise denies the paragraph.

131. Mr Hutchinson does not know and therefore cannot admit paragraph 131.

132. Mr Hutchinson does not know and therefore cannot admit paragraph 132.

133. Mr Hutchinson denies paragraph 133.

Dawkins

134. Mr Hutchinson does not know and therefore cannot admit paragraph 134.

135. In answer to paragraph 135, Mr Hutchinson:

(a) admits that Mr Dawkins participated in authorising the making and lodgement by Vocation with the ASX of the presentation of Vocation's FY14 results in substantially the form in which that document was made and lodged with ASX;

(b) denies that that document included the FY15 Earnings Guidance Representation and the FY15 Earnings Basis Representation pleaded at paragraph 78 of the FACSOC;

(c) otherwise denies the paragraph.

136. Mr Hutchinson does not know and therefore cannot admit paragraph 136.

137. Mr Hutchinson does not know and therefore cannot admit paragraph 137.

138. Mr Hutchinson denies paragraph 138.

E.4 The alleged September Placement Representations

139. In answer to paragraph 139, Mr Hutchinson repeats his answers to paragraphs 192 to 199 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

140. Mr Hutchinson denies paragraph 140.

141. In answer to paragraph 141, Mr Hutchinson:

(a) admits that he participated in authorising the making and lodgement by Vocation with the ASX of the 10 September Announcement pleaded at paragraph 91 of the FACSOC in substantially the form in which that document was made and lodged with ASX;

(b) denies that that document included the September Placement Representation pleaded at paragraph 101(e) of the FACSOC;

(c) otherwise denies the paragraph.

142. Mr Hutchinson denies paragraph 142.

143. In answer to paragraph 143, Mr Hutchinson:

(a) repeats paragraph 32(b) above;

(b) otherwise denies the paragraph.

144. Mr Hutchinson denies paragraph 144.

Grewal

145. Mr Hutchinson does not know and therefore cannot admit paragraph 145.

146. In answer to paragraph 146, Mr Hutchinson:

(a) admits that Mr Grewal participated in authorising the making and lodgement by Vocation with the ASX of the 10 September Announcement pleaded at paragraph 91 of the FACSOC in substantially the form in which that document was made and lodged with ASX;

(b) denies that that document included the September Placement Representation pleaded at paragraph 101(e) of the FACSOC;

(c) otherwise denies the paragraph.

147. Mr Hutchinson does not know and therefore cannot admit paragraph 147.

148. Mr Hutchinson does not know and therefore cannot admit paragraph 148.

149. Mr Hutchinson denies paragraph 149.

Dawkins

150. Mr Hutchinson does not know and therefore cannot admit paragraph 150.

151. In answer to paragraph 151, Mr Hutchinson:

(a) admits that Mr Dawkins participated in authorising the making and lodgement by Vocation with the ASX of the 10 September Announcement pleaded at paragraph 91 of the FACSOC in substantially the form in which that document was made and lodged with ASX;

(b) denies that that document included the September Placement Representation pleaded at paragraph 101(e) of the FACSOC;

(c) otherwise denies the paragraph.

152. Mr Hutchinson does not know and therefore cannot admit paragraph 152.

153. Mr Hutchinson does not know and therefore cannot admit paragraph 153.

154. Mr Hutchinson denies paragraph 154.

E.5 The alleged October FY15 Earnings Representations

155. In answer to paragraph 155, Mr Hutchinson repeats his answers to paragraphs 200 to 206 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

156. Mr Hutchinson denies paragraph 156.

157. In answer to paragraph 157, Mr Hutchinson:

(a) admits that he participated in authorising the making and lodgement by Vocation with the ASX of the 27 October Announcement, the 30 October Announcement and the 17 November 2017 Announcement, in each case in substantially the form in which that document was made and lodged with ASX;

(b) denies that those documents included the Representations pleaded in paragraph 157 of the SOCC;

(c) otherwise denies the paragraph.

158. In answer to paragraph 158, Mr Hutchinson:

(a) repeats paragraph 32(b) above;

(b) otherwise denies the paragraph.

159. Mr Hutchinson denies paragraph 159.

Grewal

160. Mr Hutchinson does not know and therefore cannot admit paragraph 160.

161. In answer to paragraph 161, Mr Hutchinson:

(a) admits that Mr Grewal participated in authorising the making and lodgement by Vocation with the ASX of the 27 October Announcement, the 30 October

Announcement and the 17 November 2017 Announcement, in each case in substantially the form in which that document was made and lodged with ASX;

(b) denies that those documents included the Representations pleaded in paragraph 161 of the SOCC;

(c) otherwise denies the paragraph.

162. Mr Hutchinson does not know and therefore cannot admit paragraph 162.

163. Mr Hutchinson denies paragraph 163.

Dawkins

164. Mr Hutchinson does not know and therefore cannot admit paragraph 164.

165. In answer to paragraph 165, Mr Hutchinson:

(a) admits that Mr Dawkins participated in authorising the making and lodgement by Vocation with the ASX of the 27 October Announcement, the 30 October Announcement and the 17 November 2017 Announcement, in each case in substantially the form in which that document was made and lodged with ASX;

(b) denies that those documents included the Representations pleaded in paragraph 165 of the SOCC;

(c) otherwise denies the paragraph.

166. Mr Hutchinson does not know and therefore cannot admit paragraph 166.

167. Mr Hutchinson denies paragraph 167.

E.6 The alleged Continuous Disclosure Representations

168. In answer to paragraph 168, Mr Hutchinson repeats his answers to paragraphs 207 to 210 of the FACSOC pleaded at paragraph 14 above.

Hutchinson

169. Mr Hutchinson denies paragraph 169.

170. In answer to paragraph 170, Mr Hutchinson:

(a) admits that he participated in authorising the making and lodgement by Vocation with the ASX of the 25 August Announcement, the 10 September Announcement, the FY14 Annual Report, the 18 September Announcement and the 16 October Announcement;

(b) denies that those documents included the Continuous Disclosure Representations;

(c) otherwise denies the paragraph.

171. In answer to paragraph 171, Mr Hutchinson:

(a) repeats paragraph 32(b) above;

(b) otherwise denies the paragraph.

172. Mr Hutchinson denies paragraph 172.

<u>Grewal</u>

173. Mr Hutchinson does not know and therefore cannot admit paragraph 173.

174. In answer to paragraph 174, Mr Hutchinson:

(a) admits that Mr Grewal participated in authorising the making and lodgement by Vocation with the ASX of the 25 August Announcement, the 10 September Announcement, the FY14 Annual Report, the 18 September Announcement and the 16 October Announcement;

(b) denies that those documents included the Continuous Disclosure Representations;

(c) otherwise denies the paragraph.

175. Mr Hutchinson does not know and therefore cannot admit paragraph 175.

176. Mr Hutchinson denies paragraph 176.

<u>Dawkins</u>

177. Mr Hutchinson does not know and therefore cannot admit paragraph 177.

178. In answer to paragraph 178, Mr Hutchinson:

(a) admits that Mr Dawkins participated in authorising the making and lodgement by Vocation with the ASX of the 25 August Announcement, the 10 September Announcement, the FY14 Annual Report, the 18 September Announcement and the 16 October Announcement;

(b) denies that those documents included the Continuous Disclosure Representations;

(c) otherwise denies the paragraph.

179. Mr Hutchinson does not know and therefore cannot admit paragraph 179.

180. Mr Hutchinson denies paragraph 180.

F Alleged FY14 Annual Report contraventions

F.1 Compliance requirements and legal duties

181. Mr Hutchinson admits paragraph 181.

182. Mr Hutchinson admits paragraph 182.

F.2 PwC's retainer with Vocation

183. Mr Hutchinson admits paragraph 183.

184. In answer to paragraph 184, Mr Hutchinson:

    (a) will rely on the terms of the PwC Retainer for their full effect;

    (b) otherwise denies the paragraph.

F.3 Directors' FY14 Accounts Representations

185. In answer to paragraph 185, Mr Hutchinson:

    (a) admits that Vocation lodged its Annual Report for FY14 with the ASX on 2 September 2014;

    (b) denies that the Directors declared the matters pleaded in paragraphs 185(a)-185(c) of the SOCC;

    (c) says that the declarations made by the directors in the FY14 Annual Report were declarations of their opinion;

    (d) otherwise denies the paragraph.

186. Mr Hutchinson denies paragraph 186.

187. Mr Hutchinson denies paragraph 187.

F.4 Vocation's FY14 Accounts Representations

188. Mr Hutchinson denies paragraph 188.

189. Mr Hutchinson denies paragraph 189.

F.5 Allegations made by the Applicant in the FACSOC regarding the FY14 Financial Statements

190. In answer to paragraph 190, Mr Hutchinson:

(a) admits the applicant makes allegations in the FACSOC to the effect summarised at paragraph 190 of the SOCC;

(b) otherwise denies the paragraph.

F.6 Directors' alleged contraventions in respect of the FY14 accounts

191. Mr Hutchinson denies paragraph 191.

192. Mr Hutchinson denies paragraph 192.

193. Mr Hutchinson denies paragraph 193.

F.7 Vocation's alleged contraventions in respect of the FY14 accounts

194. Mr Hutchinson denies paragraph 194.

195. Mr Hutchinson denies paragraph 195.

196. Mr Hutchinson denies paragraph 196.

G Hutchinson's alleged compliance, immaterial risk and materiality contraventions

197. In answer to paragraph 197, Mr Hutchinson repeats his answers to paragraphs 100-103 of the SOCC, pleaded above.

198. In answer to paragraph 198, Mr Hutchinson:

(a) admits that Vocation made each of the 25 August Announcement, the 10 September Announcement, the 18 September Announcement and the 16 October Announcement (but in doing so does not admit that those Announcements contained the representations pleaded in paragraphs 74, 91, 100 and 104 of the FACSOC);

(b) admits that Hutchinson approved each of the 25 August Announcement, the 10 September Announcement, the 18 September Announcement and the 16 October Announcement and says further that those Announcements were made with the authority of the Board and not just Mr Hutchinson;

(c) otherwise denies the paragraph.

199. In answer to paragraph 199, Mr Hutchinson:

  (a) admits that Mr Hutchinson, together with Mr Grewal, made the FY14 Results Presentation on 21 August 2014 (but in doing so does not admit that the FY14 Results Presentation contained the representations pleaded in paragraph 68 or that those representations were made by Mr Hutchinson);

  (b) otherwise denies the paragraph.

200. In answer to paragraph 200, Mr Hutchinson:

  (a) admits that the FY14 Results Presentation was issued by Vocation;

  (b) admits that Hutchinson approved the FY14 Results Presentation and says further that the FY14 Results Presentation was made with the authority of the Board and not just Mr Hutchinson;

  (c) otherwise denies the paragraph.

201. Mr Hutchinson denies paragraph 201.

202. Mr Hutchinson denies paragraph 202.

203. Mr Hutchinson denies paragraph 203.

204. Mr Hutchinson denies paragraph 204.

H Hutchinson's alleged FY14 Results contraventions

205. In answer to paragraph 205, Mr Hutchinson repeats his answers to paragraphs 110-114 and 199-200 of the SOCC, pleaded above.

206. Mr Hutchinson denies paragraph 206.

207. Mr Hutchinson denies paragraph 207.

208. Mr Hutchinson denies paragraph 208.

209. Mr Hutchinson denies paragraph 209.

I Hutchinson's alleged FY15 earnings guidance and basis representations

210. In answer to paragraph 210, Mr Hutchinson repeats his answers to paragraphs 123-128 and 198-200 of the SOCC, pleaded above.

211. Mr Hutchinson denies paragraph 211.

212. Mr Hutchinson denies paragraph 212.

213. Mr Hutchinson denies paragraph 213.

214. Mr Hutchinson denies paragraph 214.

J Hutchinson's alleged September placement contravention

215. In answer to paragraph 215, Mr Hutchinson repeats his answers to paragraphs 139-144 and 198 of the SOCC, pleaded above.

216. Mr Hutchinson denies paragraph 216.

217. Mr Hutchinson denies paragraph 217.

218. Mr Hutchinson denies paragraph 218.

219. Mr Hutchinson denies paragraph 219.

K Hutchinson's alleged Continuing FY15 Earnings Guidance and Basis Contraventions

220. In answer to paragraph 220, Mr Hutchinson repeats his answers to paragraphs 155-159 and 211 of the SOCC, pleaded above.

221. In answer to paragraph 221, Mr Hutchinson:

    (a) admits that the 27 October Announcement was issued by Vocation;

    (b) admits that Hutchinson approved the 27 October Announcement and says further that the 27 October Announcement was made with the authority of the Board and not just Mr Hutchinson;

    (c) otherwise denies the paragraph.

222. Mr Hutchinson denies paragraph 222.

223. Mr Hutchinson denies paragraph 223.

224. Mr Hutchinson denies paragraph 223.

225. Mr Hutchinson denies paragraph 225.

L Hutchinson's alleged Continuous Disclosure Representation Contraventions

226. In answer to paragraph 226, Mr Hutchinson repeats his answers to paragraphs 168-172 and 198 of the SOCC, pleaded above.

227. Mr Hutchinson denies paragraph 227.

228. Mr Hutchinson denies paragraph 228.

229. Mr Hutchinson denies paragraph 229.

230. Mr Hutchinson denies paragraph 230.

M Grewal's alleged compliance, immaterial risk and materiality contraventions

231. Mr Hutchinson does not admit paragraphs 231-237.

N Grewal's alleged FY14 Results contraventions

238. Mr Hutchinson does not admit paragraphs 238-242.

O Grewal's alleged FY 15 Earnings Guidance and Basis contraventions

243. Mr Hutchinson does not admit paragraphs 243-247.

P Grewal's alleged September Placement contravention

248. Mr Hutchinson does not admit paragraphs 248-252.

Q Grewal's alleged Continuous Disclosure Representations contraventions

253. Mr Hutchinson does not admit paragraphs 253-258.

R Relief

259. Mr Hutchinson admits paragraph 259.

260. Mr Hutchinson denies paragraph 260.

261. Mr Hutchinson denies paragraph 261.

262. Mr Hutchinson denies paragraph 262.

S Purported reservation of rights

263. In response to paragraph 263 of the SOCC, Mr Hutchinson says:

(a) PwC has chosen to bring the proceeding on the third cross-claim against Mr Hutchinson;

(b) having chosen to sue Mr Hutchinson, the privilege against self-exposure to a penalty does not relieve PwC of the obligation to bring forward its whole case against Mr Hutchinson;

(c) if PwC subsequently seeks to amend its cross-claim in order to claim damages from Mr Hutchinson, then, to the extent that Mr Hutchinson is prejudiced by those amendments, Mr Hutchinson will oppose those amendments on the ground that the claim for damages should have been brought forward by PwC together with the rest of its cross-claim;

(d) if PwC seeks to claim damages from Mr Hutchinson in subsequent proceedings, then Mr Hutchinson will oppose that claim on the ground that the claim for damages should reasonably have been made by PwC in this proceeding.

Date: 5 December 2018

Signed by Richard Glenn Harris
Solicitor for Mr Hutchinson

This pleading was prepared by Stuart Lawrance of counsel.

Certificate of lawyer

I Richard Harris certify to the Court that, in relation to the defence filed on behalf of Mr Hutchinson, the factual and legal material available to me at present provides a proper basis for:

(a) each allegation in the pleading; and

(b) each denial in the pleading; and

(c) each non admission in the pleading.

Date: 5 December 2018

Signed by Richard Glenn Harris

Lawyer for Mr Hutchinson

Schedule

VID 434 of 2015

Federal Court of Australia
District Registry: Victoria
Division: General

Applicant

Applicant:	Cheryl Whittenbury

Respondents

First Respondent:	Vocation Limited (in liquidation) (ACN 166 631 330)
Second Respondent:	PricewaterhouseCoopers (a firm) (ABN 52 780 433 757)

Details of all cross-claims in the proceeding

First Cross-claim

Cross-claimant

Cross-claimant by First Cross-claim:	Vocation Limited (in liquidation) (ACN 166 631 330)

Cross-respondent

Cross-respondent to 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 to 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 to Third Cross-claim:	Mark Edward Hutchinson
Second Cross-respondent to Third Cross-claim:	Manvinder Gréwal
Third Cross-respondent to Third Cross-claim:	John Sydney Dawkins
Fourth Cross-respondent to Third Cross-claim:	Stephen John Tucker
Fifth Cross-respondent to Third Cross-claim:	Michelle Kim Tredenick
Sixth Cross-respondent to Third Cross-claim:	Douglas James Halley
Seventh Cross-respondent to Third Cross-claim:	Vocation Limited (in liquidation) (ACN 166 631 330)