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Details of Filing

Document Lodged: Defence - Form 33 - Rule 16.32
File Number: VID434/2015
File Title: Cheryl Whittenbury v Vocation Ltd (in Liquidation) & Anor
Registry: VICTORIA REGISTRY - FEDERAL COURT OF AUSTRALIA



Dated: 17/01/2020 2:22:03 PM AEDT

A handwritten signature in blue ink that reads 'Sia Lagos'.

Registrar

Important Information

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Form 33
Rule 16.32

Defence of Fourth Respondent to Second Further Amended Consolidated Statement of Claim

No. VID434 of 2015

Federal Court of Australia
District Registry: Victoria
Division: General

Cheryl Whittenbury

Applicant

Vocation Limited (ACN 166 631 330) and others named in the schedule

First Respondent

Filed on behalf of (name & role of party)	Manvinder Gréwal, Fourth Respondent		
Prepared by (name of person/lawyer)	Janette McLennan (Clyde & Co)		
Law firm (if applicable)	Clyde & Co		
Tel	02 9210 4400	Fax	02 9210 4599
Email	janette.mclennan@clydeco.com		
Address for service (include state and postcode)	Level 15, 333 George Street, Sydney NSW 2000		

This Defence responds to the Second Further Amended Consolidated Statement of Claim (**SFACSOC**) filed by the Applicant on 11 November 2019.

Capitalised terms used but not defined in this Defence have the same meaning as in the Applicant's SFACSOC. No admissions are thereby made.

For the avoidance of doubt, the Fourth Respondent (**Gréwal**) does not plead to the particulars to the allegations contained in the SFACSOC.

I. <u>INTRODUCTION</u>

1 In respect of paragraph 1 of the SFACSOC, Gréwal:

- (a) admits that this proceeding is commenced as a representative proceeding pursuant to Part IVA of the FCAA by the Applicant in her individual capacity and in a representative capacity;
- (b) does not know and therefore cannot admit paragraph 1(a);
- (c) in response to paragraph 1(b):
 - (i) admits that the SFACSOC alleges that the Applicant and Group Members have suffered loss or damage by reason of the conduct of Vocation, PwC, Hutchinson, Gréwal, and/or Dawkins; and
 - (ii) denies that the Applicant and Group Members have suffered loss or damage as alleged in the SFACSOC, alternatively that the Applicant and Group Members have suffered loss or damage due to the conduct of Gréwal;
- (d) does not know and therefore cannot admit paragraph 1(c); and
- (e) does not know and therefore cannot admit paragraph 1(d).

2 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 2 of the SFACSOC.

3 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 3 of the SFACSOC.

II. CLAIM AGAINST VOCATION

A. THE FIRST RESPONDENT

4 Gréwal does not plead to paragraph 4 of the SFACSOC as it does not contain any allegations against him.

5 Gréwal does not plead to paragraph 5 of the SFACSOC as it does not contain any allegations against him.

B. VOCATION – COMPANY BACKGROUND

B.1 The Offer

6 Gréwal does not plead to paragraph 6 of the SFACSOC as it does not contain any allegations against him.

7 Gréwal does not plead to paragraph 7 of the SFACSOC as it does not contain any allegations against him.

8 Gréwal does not plead to paragraph 8 of the SFACSOC as it does not contain any allegations against him.

9 Gréwal does not plead to paragraph 9 of the SFACSOC as it does not contain any allegations against him.

10 Gréwal does not plead to paragraph 10 of the SFACSOC as it does not contain any allegations against him.

11 Gréwal does not plead to paragraph 11 of the SFACSOC as it does not contain any allegations against him.

B.2 The Merger and the Founding Companies

12 Gréwal does not plead to paragraph 12 of the SFACSOC as it does not contain any allegations against him.

13 Gréwal does not plead to paragraph 13 of the SFACSOC as it does not contain any allegations against him.

14 Gréwal does not plead to paragraph 14 of the SFACSOC as it does not contain any allegations against him.

15 Gréwal does not plead to paragraph 15 of the SFACSOC as it does not contain any allegations against him.

B.3 Vocation Directors and Senior Managers

16 Gréwal does not plead to paragraph 16 of the SFACSOC as it does not contain any allegations against him.

17 Gréwal does not plead to paragraph 17 of the SFACSOC as it does not contain any allegations against him.

C. VOCATION'S BUSINESS

C.1 Vocation's business

18 Gréwal does not plead to paragraph 18 of the SFACSOC as it does not contain any allegations against him.

19 Gréwal does not plead to paragraph 19 of the SFACSOC as it does not contain any allegations against him.

20 Gréwal does not plead to paragraph 20 of the SFACSOC as it does not contain any allegations against him.

C.2 BAWM's and Aspin's Registrations

21 Gréwal does not plead to paragraph 21 of the SFACSOC as it does not contain any allegations against him.

22 Gréwal does not plead to paragraph 22 of the SFACSOC as it does not contain any allegations against him.

23 Gréwal does not plead to paragraph 23 of the SFACSOC as it does not contain any allegations against him.

24 Gréwal does not plead to paragraph 24 of the SFACSOC as it does not contain any allegations against him.

C.3 BAWM and Aspin Government Contracts

25 Gréwal does not plead to paragraph 25 of the SFACSOC as it does not contain any allegations against him.

26 Gréwal does not plead to paragraph 26 of the SFACSOC as it does not contain any allegations against him.

C.4 BAWM and Aspin Obligations

27 Gréwal does not plead to paragraph 27 of the SFACSOC as it does not contain any allegations against him.

28 Gréwal does not plead to paragraph 28 of the SFACSOC as it does not contain any allegations against him.

29 Gréwal does not plead to paragraph 29 of the SFACSOC as it does not contain any allegations against him.

30 Gréwal does not plead to paragraph 30 of the SFACSOC as it does not contain any allegations against him.

31 Gréwal does not plead to paragraph 31 of the SFACSOC as it does not contain any allegations against him.

32 Gréwal does not plead to paragraph 32 of the SFACSOC as it does not contain any allegations against him.

33 Gréwal does not plead to paragraph 33 of the SFACSOC as it does not contain any allegations against him.

34 Gréwal does not plead to paragraph 34 of the SFACSOC as it does not contain any allegations against him.

C.5 DEECD Regulatory Focus

35 Gréwal does not plead to paragraph 35 of the SFACSOC as it does not contain any allegations against him.

36 Gréwal does not plead to paragraph 36 of the SFACSOC as it does not contain any allegations against him.

C.6 Significance of certain businesses to Vocation

37 Gréwal does not plead to paragraph 37 of the SFACSOC as it does not contain any allegations against him.

38 Gréwal does not plead to paragraph 38 of the SFACSOC as it does not contain any allegations against him.

39 Gréwal does not plead to paragraph 39 of the SFACSOC as it does not contain any allegations against him.

- 40 Gréwal does not plead to paragraph 40 of the SFACSOC as it does not contain any allegations against him.
- 41 Gréwal does not plead to paragraph 41 of the SFACSOC as it does not contain any allegations against him.
- 42 Gréwal does not plead to paragraph 42 of the SFACSOC as it does not contain any allegations against him.
- 43 Gréwal does not plead to paragraph 43 of the SFACSOC as it does not contain any allegations against him.

D. PRE-LISTING CONDUCT

D.1 The BAWM Conduct

Audits of BAWM

- 43A Gréwal does not plead to paragraph 43A of the SFACSOC as it does not contain any allegations against him.
- 43B Gréwal does not plead to paragraph 43B of the SFACSOC as it does not contain any allegations against him.
- 43C Gréwal does not plead to paragraph 43C of the SFACSOC as it does not contain any allegations against him.
- 44 Gréwal does not plead to paragraph 44 of the SFACSOC as it does not contain any allegations against him.
- 44A Gréwal does not plead to paragraph 44A of the SFACSOC as it does not contain any allegations against him.
- 45 Gréwal does not plead to paragraph 45 of the SFACSOC as it does not contain any allegations against him.
- 45A Gréwal does not plead to paragraph 45A of the SFACSOC as it does not contain any allegations against him.
- 45B Gréwal does not plead to paragraph 45B of the SFACSOC as it does not contain any allegations against him.

45C Gréwal does not plead to paragraph 45C of the SFACSOC as it does not contain any allegations against him.

45D Gréwal does not plead to paragraph 45D of the SFACSOC as it does not contain any allegations against him.

45E Gréwal does not plead to paragraph 45E of the SFACSOC as it does not contain any allegations against him.

BAWM's Conduct

45F Gréwal does not plead to paragraph 45F of the SFACSOC as it does not contain any allegations against him.

45G Gréwal does not plead to paragraph 45G of the SFACSOC as it does not contain any allegations against him.

45H Gréwal does not plead to paragraph 45H of the SFACSOC as it does not contain any allegations against him.

45I Gréwal does not plead to paragraph 45I of the SFACSOC as it does not contain any allegations against him.

45J Gréwal does not plead to paragraph 45J of the SFACSOC as it does not contain any allegations against him.

45K Gréwal does not plead to paragraph 45K of the SFACSOC as it does not contain any allegations against him.

45L Gréwal does not plead to paragraph 45L of the SFACSOC as it does not contain any allegations against him.

45M Gréwal does not plead to paragraph 45M of the SFACSOC as it does not contain any allegations against him.

45N Gréwal does not plead to paragraph 45N of the SFACSOC as it does not contain any allegations against him.

45O Gréwal does not plead to paragraph 45O of the SFACSOC as it does not contain any allegations against him.

45P Gréwal does not plead to paragraph 45P of the SFACSOC as it does not contain any allegations against him.

45Q Gréwal does not plead to paragraph 45Q of the SFACSOC as it does not contain any allegations against him.

46 Gréwal does not plead to paragraph 46 of the SFACSOC as it does not contain any allegations against him

D.2 Features of BAWM's Conduct

47 Gréwal does not plead to paragraph 47 of the SFACSOC as it does not contain any allegations against him.

48 Gréwal does not plead to paragraph 48 of the SFACSOC as it does not contain any allegations against him.

49 Gréwal does not plead to paragraph 49 of the SFACSOC as it does not contain any allegations against him.

D.3 Conduct of other Founding Companies

Conduct of TTS-100

50 Gréwal does not plead to paragraph 50 of the SFACSOC as it does not contain any allegations against him.

51 Gréwal does not plead to paragraph 51 of the SFACSOC as it does not contain any allegations against him.

51A Gréwal does not plead to paragraph 51A of the SFACSOC as it does not contain any allegations against him.

51B Gréwal does not plead to paragraph 51B of the SFACSOC as it does not contain any allegations against him.

51C Gréwal does not plead to paragraph 51C of the SFACSOC as it does not contain any allegations against him.

51D Gréwal does not plead to paragraph 51D of the SFACSOC as it does not contain any allegations against him.

51E Gréwal does not plead to paragraph 51E of the SFACSOC as it does not contain any allegations against him.

Conduct of AVANA

51F Gréwal does not plead to paragraph 51F of the SFACSOC as it does not contain any allegations against him.

51G Gréwal does not plead to paragraph 51G of the SFACSOC as it does not contain any allegations against him.

51H Gréwal does not plead to paragraph 51H of the SFACSOC as it does not contain any allegations against him.

51I Gréwal does not plead to paragraph 51I of the SFACSOC as it does not contain any allegations against him.

51J Gréwal does not plead to paragraph 51J of the SFACSOC as it does not contain any allegations against him.

51K Gréwal does not plead to paragraph 51K of the SFACSOC as it does not contain any allegations against him.

51L Gréwal does not plead to paragraph 51L of the SFACSOC as it does not contain any allegations against him.

D.4 Systemic Features

52 Gréwal does not plead to paragraph 52 of the SFACSOC as it does not contain any allegations against him.

53 Gréwal does not plead to paragraph 53 of the SFACSOC as it does not contain any allegations against him.

54 Gréwal does not plead to paragraph 54 of the SFACSOC as it does not contain any allegations against him.

E. RELEVANT PUBLICATIONS, ANNOUNCEMENTS AND DISCLOSURES OF VOCATION

E.1 The 2013 Prospectus Conduct

55 Gréwal does not plead to paragraph 55 of the SFACSOC as it does not contain any allegations against him.

56 Gréwal does not plead to paragraph 56 of the SFACSOC as it does not contain any allegations against him.

57 Gréwal does not plead to paragraph 57 of the SFACSOC as it does not contain any allegations against him.

58 Gréwal does not plead to paragraph 58 of the SFACSOC as it does not contain any allegations against him.

E.2 Vocation's announcements to the market in 2014

59-72 [Paragraphs 59 to 72 are deleted.]

E.2.1 The 25 August Announcement

73 Gréwal does not plead to paragraph 73 of the SFACSOC as it does not contain any allegations against him.

74 Gréwal does not plead to paragraph 74 of the SFACSOC as it does not contain any allegations against him.

74A Gréwal does not plead to paragraph 74A of the SFACSOC as it does not contain any allegations against him.

75-90 [Paragraphs 75 to 90 are deleted.]

E.2.2 The 10 September Announcement

91 Gréwal does not plead to paragraph 91 of the SFACSOC as it does not contain any allegations against him.

92-93 [Paragraphs 92 to 93 are deleted.]

94 Gréwal does not plead to paragraph 94 of the SFACSOC as it does not contain any allegations against him.

95-98 [Paragraphs 95 to 98 are deleted.]

E.2.3 The 18 September Announcement

99 Gréwal does not plead to paragraph 99 of the SFACSOC as it does not contain any allegations against him.

100 Gréwal does not plead to paragraph 100 of the SFACSOC as it does not contain any allegations against him.

100A Gréwal does not plead to paragraph 100A of the SFACSOC as it does not contain any allegations against him.

101-105 [Paragraphs 100 to 105 are deleted.]

E.2.4 The 27 and 30 October Announcements

106 Gréwal does not plead to paragraph 106 of the SFACSOC as it does not contain any allegations against him.

107 Gréwal does not plead to paragraph 107 of the SFACSOC as it does not contain any allegations against him.

108 Gréwal does not plead to paragraph 108 of the SFACSOC as it does not contain any allegations against him.

109 [Paragraph 109 is deleted.]

110 Gréwal does not plead to paragraph 110 of the SFACSOC as it does not contain any allegations against him.

111 Gréwal does not plead to paragraph 111 of the SFACSOC as it does not contain any allegations against him.

112 [Paragraph 112 is deleted.]

113 Gréwal does not plead to paragraph 113 of the SFACSOC as it does not contain any allegations against him.

114-115 [Paragraphs 114 to 115 are deleted.]

E.2.5 The 4 December Announcement

116 Gréwal does not plead to paragraph 116 of the SFACSOC as it does not contain any allegations against him.

117 Gréwal does not plead to paragraph 117 of the SFACSOC as it does not contain any allegations against him.

118 Gréwal does not plead to paragraph 118 of the SFACSOC as it does not contain any allegations against him.

119 Gréwal does not plead to paragraph 119 of the SFACSOC as it does not contain any allegations against him.

F. PROSPECTUS CONTRAVENTIONS

F.1 Introduction

120 Gréwal does not plead to paragraph 120 of the SFACSOC as it does not contain any allegations against him.

121 Gréwal does not plead to paragraph 121 of the SFACSOC as it does not contain any allegations against him.

F.2 Misleading statements in the Replacement Prospectus

122 Gréwal does not plead to paragraph 122 of the SFACSOC as it does not contain any allegations against him.

123 Gréwal does not plead to paragraph 123 of the SFACSOC as it does not contain any allegations against him.

123A Gréwal does not plead to paragraph 123A of the SFACSOC as it does not contain any allegations against him.

124 Gréwal does not plead to paragraph 124 of the SFACSOC as it does not contain any allegations against him.

125 Gréwal does not plead to paragraph 125 of the SFACSOC as it does not contain any allegations against him.

126 Gréwal does not plead to paragraph 126 of the SFACSOC as it does not contain any allegations against him.

127 Gréwal does not plead to paragraph 127 of the SFACSOC as it does not contain any allegations against him.

128 Gréwal does not plead to paragraph 128 of the SFACSOC as it does not contain any allegations against him.

F.3 Omissions from the Replacement Prospectus

- 129 Gréwal does not plead to paragraph 129 of the SFACSOC as it does not contain any allegations against him.
- 129A Gréwal does not plead to paragraph 129A of the SFACSOC as it does not contain any allegations against him.
- 129B Gréwal does not plead to paragraph 129B of the SFACSOC as it does not contain any allegations against him.
- 129C Gréwal does not plead to paragraph 129C of the SFACSOC as it does not contain any allegations against him.
- 129D Gréwal does not plead to paragraph 129D of the SFACSOC as it does not contain any allegations against him.
- 129E Gréwal does not plead to paragraph 129E of the SFACSOC as it does not contain any allegations against him.
- 129F Gréwal does not plead to paragraph 129F of the SFACSOC as it does not contain any allegations against him.
- 129G Gréwal does not plead to paragraph 129G of the SFACSOC as it does not contain any allegations against him.
- 129H Gréwal does not plead to paragraph 129H of the SFACSOC as it does not contain any allegations against him.
- 129I Gréwal does not plead to paragraph 129I of the SFACSOC as it does not contain any allegations against him.
- 129J Gréwal does not plead to paragraph 129J of the SFACSOC as it does not contain any allegations against him.
- 129K Gréwal does not plead to paragraph 129K of the SFACSOC as it does not contain any allegations against him.
- 130 Gréwal does not plead to paragraph 130 of the SFACSOC as it does not contain any allegations against him.

130A Gréwal does not plead to paragraph 130A of the SFACSOC as it does not contain any allegations against him.

131 Gréwal does not plead to paragraph 131 of the SFACSOC as it does not contain any allegations against him.

132 Gréwal does not plead to paragraph 132 of the SFACSOC as it does not contain any allegations against him.

133 Gréwal does not plead to paragraph 133 of the SFACSOC as it does not contain any allegations against him.

F.4 The Prospectus Contraventions

134 Gréwal does not plead to paragraph 134 of the SFACSOC as it does not contain any allegations against him.

135 Gréwal does not plead to paragraph 135 of the SFACSOC as it does not contain any allegations against him.

135A Gréwal does not plead to paragraph 135A of the SFACSOC as it does not contain any allegations against him.

135B Gréwal does not plead to paragraph 135B of the SFACSOC as it does not contain any allegations against him.

135C Gréwal does not plead to paragraph 135C of the SFACSOC as it does not contain any allegations against him.

136-210 [Paragraphs 136 to 210 are deleted.]

211-245 [There are no paragraphs 211 to 245.]

G. [THERE IS NO SECTION G]

H. [THERE IS NO SECTION H]

I. [THERE IS NO SECTION I]

J. CONTRAVENING CONDUCT CAUSED LOSS

J.1 No transaction case in respect of the Prospectus Contraventions and Vocation Prospectus Misleading Conduct Contraventions

246 Gréwal does not plead to paragraph 246 of the SFACSOC as it does not contain any allegations against him.

247 Gréwal does not plead to paragraph 247 of the SFACSOC as it does not contain any allegations against him.

247A Gréwal does not plead to paragraph 247A of the SFACSOC as it does not contain any allegations against him.

247B Gréwal does not plead to paragraph 247B of the SFACSOC as it does not contain any allegations against him.

J.2 Market-based causation

J.2.1 Market-based causation for on-market purchasers

248 Gréwal does not plead to paragraph 248 of the SFACSOC as it does not contain any allegations against him.

J.2.2 Market-based causation for Initial Public Offering subscribers

249 Gréwal does not plead to paragraph 249 of the SFACSOC as it does not contain any allegations against him.

J.2.3 Market-based causation for Placement purchasers

250 Gréwal does not plead to paragraph 250 of the SFACSOC as it does not contain any allegations against him.

J.2.4 Effect of the Vocation Market Contraventions

251 Gréwal does not plead to paragraph 251 of the SFACSOC as it does not contain any allegations against him.

251A Gréwal does not plead to paragraph 251A of the SFACSOC as it does not contain any allegations against him.

252 Gréwal does not plead to paragraph 252 of the SFACSOC as it does not contain any allegations against him.

253 [Paragraph 253 is deleted.]

J.3 Reliance

254 Gréwal does not plead to paragraph 254 of the SFACSOC as it does not contain any allegations against him.

J.4 Loss or damage suffered by the Applicant and Group Members

255 Gréwal does not plead to paragraph 255 of the SFACSOC as it does not contain any allegations against him.

255A Gréwal does not plead to paragraph 255A of the SFACSOC as it does not contain any allegations against him.

256 Gréwal does not plead to paragraph 256 of the SFACSOC as it does not contain any allegations against him.

257 Gréwal does not plead to paragraph 257 of the SFACSOC as it does not contain any allegations against him.

258-260 [There are no paragraphs 258 to 260.]

III. CLAIM AGAINST PRICEWATERHOUSECOOPERS
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A. PWC AND PWC'S ROLE

A.1 PWC

261 Gréwal does not plead to paragraph 261 of the SFACSOC as it does not contain any allegations against him.

A.2 PWC's Role

262 Gréwal does not plead to paragraph 262 of the SFACSOC as it does not contain any allegations against him.

263 Gréwal does not plead to paragraph 263 of the SFACSOC as it does not contain any allegations against him.

264 Gréwal does not plead to paragraph 264 of the SFACSOC as it does not contain any allegations against him.

265 Gréwal does not plead to paragraph 265 of the SFACSOC as it does not contain any allegations against him.

266 Gréwal does not plead to paragraph 266 of the SFACSOC as it does not contain any allegations against him.

A.3 PWC Audit Team

267 Gréwal does not plead to paragraph 267 of the SFACSOC as it does not contain any allegations against him.

268 Gréwal does not plead to paragraph 268 of the SFACSOC as it does not contain any allegations against him.

269 Gréwal does not plead to paragraph 269 of the SFACSOC as it does not contain any allegations against him.

B. FACTS RELEVANT TO THE CLAIM AGAINST PWC

B.1 Vocation

270 Gréwal does not plead to paragraph 270 of the SFACSOC as it does not contain any allegations against him.

271 Gréwal does not plead to paragraph 271 of the SFACSOC as it does not contain any allegations against him.

272 Gréwal does not plead to paragraph 272 of the SFACSOC as it does not contain any allegations against him.

B.2 BAWM and Aspin

273 Gréwal does not plead to paragraph 273 of the SFACSOC as it does not contain any allegations against him.

274 Gréwal does not plead to paragraph 274 of the SFACSOC as it does not contain any allegations against him.

275 Gréwal does not plead to paragraph 275 of the SFACSOC as it does not contain any allegations against him.

276 Gréwal does not plead to paragraph 276 of the SFACSOC as it does not contain any allegations against him.

277 Gréwal does not plead to paragraph 277 of the SFACSOC as it does not contain any allegations against him.

278 Gréwal does not plead to paragraph 278 of the SFACSOC as it does not contain any allegations against him.

279 Gréwal does not plead to paragraph 279 of the SFACSOC as it does not contain any allegations against him.

B.3 Vocation's New Revenue Recognition Policy

280 Gréwal does not plead to paragraph 280 of the SFACSOC as it does not contain any allegations against him.

281 Gréwal does not plead to paragraph 281 of the SFACSOC as it does not contain any allegations against him.

282 Gréwal does not plead to paragraph 282 of the SFACSOC as it does not contain any allegations against him.

283 Gréwal does not plead to paragraph 283 of the SFACSOC as it does not contain any allegations against him.

B.4 The 2014 Victorian Funding Suspensions

284 Gréwal does not plead to paragraph 284 of the SFACSOC as it does not contain any allegations against him.

285 Gréwal does not plead to paragraph 285 of the SFACSOC as it does not contain any allegations against him.

286 Gréwal does not plead to paragraph 286 of the SFACSOC as it does not contain any allegations against him.

287 Gréwal does not plead to paragraph 287 of the SFACSOC as it does not contain any allegations against him.

288 Gréwal does not plead to paragraph 288 of the SFACSOC as it does not contain any allegations against him.

C. PWC'S CONDUCT PRIOR TO 21 AUGUST 2014

C.1 PWC's Earlier Engagements

289 Gréwal does not plead to paragraph 289 of the SFACSOC as it does not contain any allegations against him.

290 Gréwal does not plead to paragraph 290 of the SFACSOC as it does not contain any allegations against him

C.2 PWC's Audit Work

291 Gréwal does not plead to paragraph 291 of the SFACSOC as it does not contain any allegations against him.

C.3 The knowledge of PWC and Bourke of the New Revenue Recognition Policy as at 15 August 2014

292 Gréwal does not plead to paragraph 292 of the SFACSOC as it does not contain any allegations against him.

C.4 The knowledge of PWC and Bourke of the Victorian Funding Suspensions as at 15 August 2014

293 Gréwal does not plead to paragraph 293 of the SFACSOC as it does not contain any allegations against him.

C.5 The knowledge of PWC and Bourke of the contents of Vocation's Appendix 4E as at 15-19 August 2014

294 Gréwal does not plead to paragraph 294 of the SFACSOC as it does not contain any allegations against him.

295 Gréwal does not plead to paragraph 295 of the SFACSOC as it does not contain any allegations against him.

296 Gréwal does not plead to paragraph 296 of the SFACSOC as it does not contain any allegations against him.

297 Gréwal does not plead to paragraph 297 of the SFACSOC as it does not contain any allegations against him.

C.6 PWC's August Representations to Vocation

298 Gréwal does not plead to paragraph 298 of the SFACSOC as it does not contain any allegations against him.

299 Gréwal does not plead to paragraph 299 of the SFACSOC as it does not contain any allegations against him.

300 Gréwal does not plead to paragraph 300 of the SFACSOC as it does not contain any allegations against him.

D. VOCATION'S PUBLICATION OF THE FY14 RESULTS DOCUMENTS ON 21 AUGUST 2014

D.1 The ARC and Board approval of the FY14 Results Documents

301 Gréwal does not plead to paragraph 301 of the SFACSOC as it does not contain any allegations against him.

302 Gréwal does not plead to paragraph 302 of the SFACSOC as it does not contain any allegations against him.

303 Gréwal does not plead to paragraph 303 of the SFACSOC as it does not contain any allegations against him.

304 Gréwal does not plead to paragraph 304 of the SFACSOC as it does not contain any allegations against him.

305 Gréwal does not plead to paragraph 305 of the SFACSOC as it does not contain any allegations against him.

D.2 Contents of the FY14 Results Documents

306 Gréwal does not plead to paragraph 306 of the SFACSOC as it does not contain any allegations against him.

307 Gréwal does not plead to paragraph 307 of the SFACSOC as it does not contain any allegations against him.

308 Gréwal does not plead to paragraph 308 of the SFACSOC as it does not contain any allegations against him.

309 Gréwal does not plead to paragraph 309 of the SFACSOC as it does not contain any allegations against him.

D.3 Omissions from the FY14 Results Documents

310 Gréwal does not plead to paragraph 310 of the SFACSOC as it does not contain any allegations against him.

D.4 Vocation's reliance on PWC in issuing the FY14 Results Documents

311 Gréwal does not plead to paragraph 311 of the SFACSOC as it does not contain any allegations against him.

D.5 The partial corrective disclosure on 25 August 2014 in relation to the fact of the Victorian Investigations, and part of the Funding Suspensions

312 Gréwal does not plead to paragraph 312 of the SFACSOC as it does not contain any allegations against him.

313 Gréwal does not plead to paragraph 313 of the SFACSOC as it does not contain any allegations against him.

314 Gréwal does not plead to paragraph 314 of the SFACSOC as it does not contain any allegations against him.

315 Gréwal does not plead to paragraph 315 of the SFACSOC as it does not contain any allegations against him.

E. PWC'S CONDUCT BETWEEN 21 AUGUST 2014 AND 2 SEPTEMBER 2014

E.1 PWC's finalisation of PWC's audit

316 Gréwal does not plead to paragraph 316 of the SFACSOC as it does not contain

any allegations against him.

317 Gréwal does not plead to paragraph 317 of the SFACSOC as it does not contain any allegations against him.

318 Gréwal does not plead to paragraph 318 of the SFACSOC as it does not contain any allegations against him.

319 Gréwal does not plead to paragraph 319 of the SFACSOC as it does not contain any allegations against him.

320 Gréwal does not plead to paragraph 320 of the SFACSOC as it does not contain any allegations against him.

321 Gréwal does not plead to paragraph 321 of the SFACSOC as it does not contain any allegations against him.

322 Gréwal does not plead to paragraph 322 of the SFACSOC as it does not contain any allegations against him.

E.2 The knowledge of PWC and Bourke of the New Revenue Recognition Policy as at 2 September 2014

323 Gréwal does not plead to paragraph 323 of the SFACSOC as it does not contain any allegations against him.

E.3 The knowledge of PWC and Bourke of the Victorian Funding Suspensions as at 2 September 2014

324 Gréwal does not plead to paragraph 324 of the SFACSOC as it does not contain any allegations against him.

E.4 The knowledge of PWC and Bourke of the contents of Vocation's FY14 Annual Report and FY14 Audited Financial Statements

325 Gréwal does not plead to paragraph 325 of the SFACSOC as it does not contain any allegations against him.

326 Gréwal does not plead to paragraph 326 of the SFACSOC as it does not contain any allegations against him.

E.5 PWC's September Representations to Vocation

327 Gréwal does not plead to paragraph 327 of the SFACSOC as it does not contain

any allegations against him.

F. VOCATION'S APPROVAL AND PUBLICATION OF THE FY14 ANNUAL REPORT AND AUDITED FY14 FINANCIAL STATEMENTS ON 2-3 SEPTEMBER 2014

F.1 The Board Committee approval of the FY14 Annual Report

328 Gréwal does not plead to paragraph 328 of the SFACSOC as it does not contain any allegations against him.

329 Gréwal does not plead to paragraph 329 of the SFACSOC as it does not contain any allegations against him.

F.2 Contents of the FY14 Annual Report and Audited FY14 Financial Statements

330 Gréwal does not plead to paragraph 330 of the SFACSOC as it does not contain any allegations against him.

331 Gréwal does not plead to paragraph 331 of the SFACSOC as it does not contain any allegations against him.

F.3 Omissions from the FY14 Annual Report and Audited FY14 Financial Statements

332 Gréwal does not plead to paragraph 332 of the SFACSOC as it does not contain any allegations against him

F.4 Vocation's reliance on PWC in issuing the FY14 Annual Report and FY14 Audited Financial Statements

333 Gréwal does not plead to paragraph 333 of the SFACSOC as it does not contain any allegations against him.

G. PWC'S SEPTEMBER REPRESENTATIONS TO ASX

334 Gréwal does not plead to paragraph 334 of the SFACSOC as it does not contain any allegations against him.

H. EVENTS AFTER 3 SEPTEMBER 2014

H.1 The Placement

334A Gréwal does not plead to paragraph 334A of the SFACSOC as it does not contain any allegations against him.

335 Gréwal does not plead to paragraph 335 of the SFACSOC as it does not contain any allegations against him.

336 Gréwal does not plead to paragraph 336 of the SFACSOC as it does not contain any allegations against him.

337 Gréwal does not plead to paragraph 337 of the SFACSOC as it does not contain any allegations against him.

338 Gréwal does not plead to paragraph 338 of the SFACSOC as it does not contain any allegations against him.

339 Gréwal does not plead to paragraph 339 of the SFACSOC as it does not contain any allegations against him.

H.2 The partial corrective disclosure on 18 September 2014 in relation to the quantum of the Victorian Funding Suspensions

340 Gréwal does not plead to paragraph 340 of the SFACSOC as it does not contain any allegations against him.

341 Gréwal does not plead to paragraph 341 of the SFACSOC as it does not contain any allegations against him.

342 Gréwal does not plead to paragraph 342 of the SFACSOC as it does not contain any allegations against him.

343 Gréwal does not plead to paragraph 343 of the SFACSOC as it does not contain any allegations against him.

H.3 The corrective disclosure on 27 and 30 October 2014 in relation to the quantum of the Victorian Funding Suspensions

344 Gréwal does not plead to paragraph 344 of the SFACSOC as it does not contain any allegations against him.

345 Gréwal does not plead to paragraph 345 of the SFACSOC as it does not contain any allegations against him.

346 Gréwal does not plead to paragraph 346 of the SFACSOC as it does not contain any allegations against him.

347 Gréwal does not plead to paragraph 347 of the SFACSOC as it does not contain any allegations against him.

348 Gréwal does not plead to paragraph 348 of the SFACSOC as it does not contain any allegations against him.

I. PWC'S AUGUST CONTRAVENING CONDUCT

I.1 August misleading or deceptive conduct

349 Gréwal does not plead to paragraph 349 of the SFACSOC as it does not contain any allegations against him.

350 Gréwal does not plead to paragraph 350 of the SFACSOC as it does not contain any allegations against him.

351 Gréwal does not plead to paragraph 351 of the SFACSOC as it does not contain any allegations against him.

352 Gréwal does not plead to paragraph 352 of the SFACSOC as it does not contain any allegations against him.

353 Gréwal does not plead to paragraph 353 of the SFACSOC as it does not contain any allegations against him.

354 Gréwal does not plead to paragraph 354 of the SFACSOC as it does not contain any allegations against him.

355 Gréwal does not plead to paragraph 355 of the SFACSOC as it does not contain any allegations against him.

356 Gréwal does not plead to paragraph 356 of the SFACSOC as it does not contain any allegations against him.

357 Gréwal does not plead to paragraph 357 of the SFACSOC as it does not contain any allegations against him.

I.2 August Section 1041E Contraventions

I.2.1 Section 1041E liability in respect of the PWC August Opinion

358 Gréwal does not plead to paragraph 358 of the SFACSOC as it does not contain any allegations against him.

359 Gréwal does not plead to paragraph 359 of the SFACSOC as it does not contain any allegations against him.

360 Gréwal does not plead to paragraph 360 of the SFACSOC as it does not contain any allegations against him.

361 Gréwal does not plead to paragraph 361 of the SFACSOC as it does not contain any allegations against him.

362 Gréwal does not plead to paragraph 362 of the SFACSOC as it does not contain any allegations against him.

363 Gréwal does not plead to paragraph 363 of the SFACSOC as it does not contain any allegations against him.

I.2.2 Section 1041E liability in respect of the PWC August Representation

364 Gréwal does not plead to paragraph 364 of the SFACSOC as it does not contain any allegations against him.

365 Gréwal does not plead to paragraph 365 of the SFACSOC as it does not contain any allegations against him.

366 Gréwal does not plead to paragraph 366 of the SFACSOC as it does not contain any allegations against him.

367 Gréwal does not plead to paragraph 367 of the SFACSOC as it does not contain any allegations against him.

368 Gréwal does not plead to paragraph 368 of the SFACSOC as it does not contain any allegations against him.

369 Gréwal does not plead to paragraph 369 of the SFACSOC as it does not contain any allegations against him.

J. PWC'S SEPTEMBER CONTRAVENING CONDUCT

J.1 September misleading or deceptive conduct

370 Gréwal does not plead to paragraph 370 of the SFACSOC as it does not contain any allegations against him.

371 Gréwal does not plead to paragraph 371 of the SFACSOC as it does not contain any allegations against him.

372 Gréwal does not plead to paragraph 372 of the SFACSOC as it does not contain any allegations against him.

373 Gréwal does not plead to paragraph 373 of the SFACSOC as it does not contain any allegations against him.

374 Gréwal does not plead to paragraph 374 of the SFACSOC as it does not contain any allegations against him.

375 Gréwal does not plead to paragraph 375 of the SFACSOC as it does not contain any allegations against him.

376 Gréwal does not plead to paragraph 376 of the SFACSOC as it does not contain any allegations against him.

377 Gréwal does not plead to paragraph 377 of the SFACSOC as it does not contain any allegations against him.

378 Gréwal does not plead to paragraph 378 of the SFACSOC as it does not contain any allegations against him.

J.2 September Section 1041E Contraventions

J.2.1 Section 1041E liability in respect of the PWC September Opinions

379 Gréwal does not plead to paragraph 379 of the SFACSOC as it does not contain any allegations against him.

380 Gréwal does not plead to paragraph 380 of the SFACSOC as it does not contain any allegations against him.

381 Gréwal does not plead to paragraph 381 of the SFACSOC as it does not contain any allegations against him.

382 Gréwal does not plead to paragraph 382 of the SFACSOC as it does not contain any allegations against him.

383 Gréwal does not plead to paragraph 383 of the SFACSOC as it does not contain any allegations against him.

384 Gréwal does not plead to paragraph 384 of the SFACSOC as it does not contain any allegations against him.

385 Gréwal does not plead to paragraph 385 of the SFACSOC as it does not contain any allegations against him.

J.2.2 Section 1041E liability in respect of the PWC September Representations

386 Gréwal does not plead to paragraph 386 of the SFACSOC as it does not contain any allegations against him.

387 Gréwal does not plead to paragraph 387 of the SFACSOC as it does not contain any allegations against him.

388 Gréwal does not plead to paragraph 388 of the SFACSOC as it does not contain any allegations against him.

389 Gréwal does not plead to paragraph 389 of the SFACSOC as it does not contain any allegations against him.

390 Gréwal does not plead to paragraph 390 of the SFACSOC as it does not contain any allegations against him.

391 Gréwal does not plead to paragraph 391 of the SFACSOC as it does not contain any allegations against him.

392 Gréwal does not plead to paragraph 392 of the SFACSOC as it does not contain any allegations against him.

K. LOSS AND DAMAGE ARISING FROM PWC'S CONTRAVENTIONS

K.1 Market-based causation

K.1.1 Market-based causation for on-market purchasers

393 Gréwal does not plead to paragraph 393 of the SFACSOC as it does not contain any allegations against him.

394 Gréwal does not plead to paragraph 394 of the SFACSOC as it does not contain any allegations against him.

K.1.2 Market-based causation for Placement purchasers

395 Gréwal does not plead to paragraph 395 of the SFACSOC as it does not contain any allegations against him.

K.1.3 Effect of the PWC Market Contraventions

396 Gréwal does not plead to paragraph 396 of the SFACSOC as it does not contain any allegations against him.

397 Gréwal does not plead to paragraph 397 of the SFACSOC as it does not contain any allegations against him.

398 Gréwal does not plead to paragraph 398 of the SFACSOC as it does not contain any allegations against him.

K.2 Reliance

399 Gréwal does not plead to paragraph 399 of the SFACSOC as it does not contain any allegations against him.

K.3 No transaction case in respect of the Placement

400 Gréwal does not plead to paragraph 400 of the SFACSOC as it does not contain any allegations against him.

K.4 Loss or damage suffered by the Applicant and Group Members

401 Gréwal does not plead to paragraph 401 of the SFACSOC as it does not contain any allegations against him.

402 Gréwal does not plead to paragraph 402 of the SFACSOC as it does not contain any allegations against him.

403 Gréwal does not plead to paragraph 403 of the SFACSOC as it does not contain any allegations against him.

IV. CLAIMS AGAINST HUTCHINSON, GRÉWAL AND DAWKINS

A. THE THIRD TO FIFTH RESPONDENTS

404 Gréwal does not plead to paragraph 404 of the SFACSOC as it does not contain any allegations against him.

405 Gréwal admits the allegations contained in paragraph 405 of the SFACSOC.

406 Gréwal does not plead to paragraph 406 of the SFACSOC as it does not contain any allegations against him.

B. VOCATION

B.1 Introduction

407 Gréwal admits the allegations contained in paragraph 407 of the SFACSOC.

B.2 The Initial Public Offering

408 Gréwal admits the allegations contained in paragraph 408 of the SFACSOC.

409 Gréwal admits the allegations contained in paragraph 409 of the SFACSOC.

410 In answer to paragraph 410 of the SFACSOC, Gréwal:

- (a) admits, insofar as it is alleged, that the Replacement Prospectus discloses that at the listing of Vocation on the ASX following Completion of the Offer, Vocation would be formed through the Merger, which would involve the combination of the Founding Companies and the Ancillary Businesses;
- (b) admits, insofar as it is alleged, that the term "Founding Companies" is defined in the Replacement Prospectus as:
 - (i) AVANA Group Pty Ltd (ACN 110 198 171) and its subsidiaries (**AVANA**);
 - (ii) BAWM Pty Ltd (ACN 078 456 676) and Aspin Pty Limited (ACN 106 046 682) (**BAWM**); and
 - (iii) Customer Service Institute of Australia Pty Ltd and its subsidiaries, and CSIA Education Services Pty Limited (ACN 135 651 204) (**CSIA**);
- (c) admits, insofar as it is alleged, that the term "Ancillary Businesses" is defined in the Replacement Prospectus as "Collectively refers to the entities or businesses which will be acquired by Vocation or the Founding Companies

either prior to, or contemporaneously with, the acquisition of AVANA and CSIA by Vocation, and includes Student Hub, OzSoft, Antenna Strategic Insights and TTS-100";

(d) otherwise denies the allegations contained therein.

B.3 BAWM and Aspin

411 In answer to paragraph 411 of the SFACSOC, Gréwal:

(a) admits the allegations contained in paragraph 411(a);

(b) in answer to paragraph 411(b), Gréwal:

(i) admits, insofar as it is alleged, a financial report for the year ended 30 June 2013 was prepared in respect of BAWM Pty Ltd (formerly known as Taylored Gardens Pty Ltd) (ABN 50 078 456 676) by Pitcher Partners (**BAWM FY13 Financial Report**);

(ii) admits, insofar as it is alleged, the BAWM FY13 Financial Report was prepared for the entity BAWM Pty Ltd (formerly known as Taylored Gardens Pty Ltd) as an individual entity;

(iii) admits, insofar as it is alleged, the BAWM FY13 Financial Report recorded for FY13:

(A) revenue of \$36,713,675;

(B) profit before income tax expense of \$6,766,493;

(C) net assets of \$4,736,455; and

(D) total equity of \$4,736,455;

(iv) otherwise, denies paragraph 411(b).

(c) in answer to paragraph 411(c), Gréwal:

(i) admits, insofar as it is alleged, a financial report for the year ended 30 June 2013 was prepared in respect of Aspin Pty Ltd (ABN 24 106 046 682) by Pitcher Partners (**Aspin FY13 Financial Report**);

(ii) admits, insofar as it is alleged, the Aspin FY13 Financial Report recorded for FY13:

(A) revenue of \$270,569;

(B) profit before income tax expense of \$63,200;

(C) net assets of \$104,440; and

(D) total equity of \$104,440;

(iii) otherwise, denies paragraph 411(c).

412 In answer to paragraph 412 of the SFACSOC, Gréwal:

(a) does not know and therefore does not admit the allegations contained therein;

(b) says that:

(i) the Replacement Prospectus contained the information set out in Figures 4.4.1, 4.3.2.1 and 4.7.2.1.1; and

(ii) the FY13 revenue of BAWM and the total assets of BAWM at FY13 were larger than the FY13 revenue and FY13 assets of the other Founding Companies and Ancillary Businesses.

413 In answer to paragraph 413 of the SFACSOC, Gréwal:

(a) in answer to sub-paragraph 413(a), Gréwal does not know and therefore does not admit the allegations contained therein:

(b) in answer to sub-paragraph 413(b):

(i) admits, insofar as it is alleged, that the Replacement Prospectus stated (page 77) that it was a risk factor that funding from governments accounted for approximately 80% of Vocation's pro forma consolidated revenue for FY13;

(ii) otherwise does not know and therefore does not admit the allegations contained therein;

(c) in answer to sub-paragraph 413(c):

(i) admits, insofar as it is alleged, that prior to the Offer and Merger, and in respect of the FY13 and FY14 financial results, on a pro forma consolidated basis, BAWM contributed to a significant proportion of the anticipated profits of Vocation;

(ii) otherwise does not know and therefore does not admit the allegations contained therein;

- (d) in answer to sub-paragraph 413(d):
 - (i) admits, insofar as it is alleged, that the Replacement Prospectus disclosed (Figure 4.4.2) the basis upon which the pro forma goodwill following Completion was calculated, which calculation was based on the consideration to be paid for acquisition of the Founding Companies and Ancillary Businesses other than BAWM;
 - (ii) admits, insofar as it is alleged, further that no goodwill was recognised for BAWM in the FY14 Audited Financial Statements;
 - (iii) otherwise does not know and therefore does not admit the allegations contained therein.

414 Gréwal admits the allegations contained in paragraph 414 of the SFACSOC.

415 In answer to paragraph 415 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein;
- (b) will rely at trial on the full terms, meaning and effect of the Government Contracts referred to therein.

416 In answer to paragraph 416 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein;
- (b) will rely at trial on the full terms, meaning and effect of the Government Contracts referred to therein.

417 In answer to paragraph 417 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein;
- (b) will rely at trial on the full terms, meaning and effect of the Government Contracts referred to therein.

B.4 Vocation's Prospectus Recognition Policy

418 In answer to paragraph 418 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein, save that the NPAT figure in the table should be "3.8" (not "8.3");
- (b) says that the Replacement Prospectus contained statements to the effect that (assuming Completion occurred) Vocation intended to pursue a growth strategy and described aspects of the growth strategy and the risks relating thereto;

- (c) says that, the Replacement Prospectus contained statements of the forecast financial information set out in the table and disclaimers and cautionary statements concerning reliance on it;
- (d) says that the Replacement Prospectus disclosed (Figure 4.4.2) the basis upon which the pro forma goodwill following Completion was calculated, which calculation was based on the consideration to be paid for acquisition of the Founding Companies and Ancillary Businesses other than BAWM.

419 In answer to paragraph 419 of the SFACSOC, Gréwal:

- (a) admits, in answer to paragraph 419(a), that the Replacement Prospectus stated (at page 61) that "*Enterprise revenue is recognised based on the contractual terms of Vocation's client agreements and typically results in revenue recognition either at the time the training is delivered to students or at the time a student has completed the qualification (or unit of competency) within that qualification.*";
- (b) admits, in respect of paragraph 419(b), that the Replacement Prospectus stated (at page 62) that "*Direct revenue is recognised at the time a direct student has completed a unit of competency within a program.*";
- (c) in answer to paragraph 419(c):
 - (i) admits the five factors stated in paragraph 415(c)(i)-(v) in respect only of Government Contract training fees;
 - (ii) says that each of the proposed Enterprise, Direct and Solutions business channels included businesses from a range of the Founding Companies (as defined in the Replacement Prospectus) and not just businesses of BAWM and/or Aspin;
- (d) says that PWC reviewed the Prospectus Revenue Recognition Policy as part of the work conducted to issue the Investigating Accountant's Report included in the Replacement Prospectus;
- (e) will rely at trial upon the Replacement Prospectus referred to therein for its full terms, meaning and effect.

C. RELEVANT EVENTS OF MID 2014

C.1 The alleged New Revenue Recognition Policy

420 In answer to paragraph 420, Gréwal:

- (a) admits, insofar as it is alleged, that as at 19 August 2014, the revenue recognition policy of Vocation was as described in the notes to the financial statements of the FY14 Appendix 4E;
- (b) further says that the revenue recognition policy of Vocation in the FY14 Annual Report was also as described in FY14 Appendix 4E;
- (c) will rely at trial upon the FY14 Appendix 4E and the FY14 Annual Report for its full terms, meaning and effect;
- (d) otherwise denies the allegations contained therein; and
- (e) further says that the approach described herein did not constitute a new revenue recognition policy but rather constituted a change in the methodology and application of the existing revenue recognition policy disclosed to the market in the Replacement Prospectus, the FY14 Appendix 4E and the FY14 Annual Report, and which change in methodology and application was developed in consultation with PWC prior to sign-off of the FY14 Results Documents.

421 In answer to paragraph 421, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraph 419 and 420 above.

C.2 The Victorian Funding Suspensions

422 Gréwal admits the allegations contained in paragraph 422 of the SFACSOC.

423 Gréwal admits the allegations contained in paragraph 423 of the SFACSOC.

424 Gréwal admits the allegations contained in paragraph 424 of the SFACSOC.

425 Gréwal admits the allegations contained in paragraph 425 of the SFACSOC.

426 Gréwal admits the allegations contained in paragraph 426 of the SFACSOC.

D. LIABILITY OF HUTCHINSON AND GRÉWAL IN RESPECT OF 21 AUGUST CONDUCT (AND VOCATION'S DEFECTIVE FY14 RESULTS DOCUMENTS)

427 In answer to paragraph 427 of the SFACSOC, Gréwal repeats paragraphs 408 to 426 above.

D.1 Publication of the 21 August Results Documents

428 In answer to paragraph 428 of the SFACSOC, Gréwal:

(a) admits, in respect of the allegations in paragraph 428(a), that the Audit and Risk Committee (**ARC**) of Vocation resolved to submit the draft Appendix 4E as tabled at that meeting to the Board of Vocation for approval; and

(b) admits the allegations contained in paragraph 428(b).

429 In answer to paragraph 429 of the SFACSOC, Gréwal:

(a) admits the allegations contained in paragraph 429(a);

(b) in answer to paragraph 429(b):

(i) admits that the Board noted that a meeting was held with PWC and the external audit report would be provided for the 2 September meeting;

(ii) says that:

(A) Halley noted that PWC advised that the audit process was progressing well and, while some further policies and procedures needed to be established in writing, PWC recognised this would take some time for a new organisation; and

(B) Halley advised that PWC will review resourcing proposals for the Finance team with the integration activities and advised that PWC did not raise any significant issues in the Private Session;

(c) admits the allegations contained in paragraph 429(c); and

(d) admits the allegations contained in paragraph 429(d).

430 Gréwal admits the allegations contained in paragraph 430 of the SFACSOC.

431 Gréwal admits the allegations contained in paragraph 431 of the SFACSOC.

432 In answer to paragraph 432, Gréwal:

(a) denies paragraph 432(c)(ii);

(b) otherwise admits the allegations contained therein;

- (c) will rely at trial on the full terms, meaning and effect of the Replacement Prospectus and FY14 Results Documents.

433 In answer to paragraph 433, Gréwal:

- (a) admits the allegations contained therein;
- (b) will rely at trial on the full terms, meaning and effect of the FY14 Results Presentation.

434 In answer to paragraph 434, Gréwal:

- (a) admits the allegations contained therein;
- (b) says that the second sentence pleaded in paragraph 434(c) is incomplete and should read "FY14 has been a transformational first year for the business. We have exceeded our IPO prospectus forecasts..."
- (c) will rely at trial on the full terms, meaning and effect of the FY14 Results Announcement.

435 In answer to paragraph 435, Gréwal:

- (a) in answer to paragraph 435(a), Gréwal:
 - (i) refers to and repeats paragraphs 420 and 421 above;
 - (ii) otherwise denies the allegations contained therein;
- (b) admits the allegations contained in paragraph 454(b).

D.2 21 August Representations made by Hutchinson and Gréwal

436 In answer to paragraph 436, Gréwal:

- (a) admits, insofar as it is alleged, that on 21 August 2014 he uploaded the FY14 Results Documents to the ASX online portal for release to the market;
- (b) admits that he signed the section 295A declaration for the purpose of the FY14 Appendix 4E;
- (c) says that he had regard to and relied on PWC who:
 - (i) conducted Vocation's FY14 half-year audit, on which the FY14 Results Documents were partially based;
 - (ii) was retained by Vocation on or about 20 May 2014 to form an opinion about whether the financial report presented to PWC by the Board was in accordance with the Corporations Act for FY14, including that the

financial report gave a true and fair view of Vocation's financial position and the consolidated entity's financial position and performance;

- (iii) conducted an audit of Vocation's financial report for FY14 to be included in Vocation's FY14 Annual Report for the purposes of which they:
 - (A) attended meetings of the Board and ARC;
 - (B) had access to the books and records of Vocation;
 - (C) carried out audit testing (including substantive testing and controls testing);
 - (D) communicated with and made enquiries of Vocation's management, including by consulting with management in relation to the preparation of detailed accounting papers on all key matters including, amongst other things, revenue recognition;
 - (E) advised, by way of the 15 August PWC Report that PWC had completed its audit work in relation to the underlying trading results and revenue recognition and a number of key areas such as acquisition accounting;
 - (F) gave the following opinions:
 - (1) PWC August Opinion, which was given during PWC's audit and prior to the lodgement by Vocation of its Appendix 4E, whereby PWC stated that, in PWC's opinion, the financial information contained in Vocation's FY14 financial statements upon which the draft Appendix 4E was based was prepared in compliance with Accounting Standards and/or would give a true and fair view of Vocation's financial position and financial performance in FY14;
 - (2) PWC September Opinions, which were given in PWC's independent auditor's report dated 2 September 2014, completed following its audit in advance of Vocation lodging the FY14 financial statements with the ASX as part of Vocation's FY14 Annual Report, whereby PwC stated to:
 - (a) Vocation and Gréwal that, in their opinion, the financial report contained in the FY14 Annual Report gave a true and fair view of Vocation's financial

position and financial performance in FY14 and complied with Australian Accounting Standards;

- (b) members of Vocation (including Gréwal), the market of investors or potential investors in Vocation, that in their opinion, the financial report contained in the FY14 Annual Report gave a true and fair view of Vocation's financial position and financial performance in FY14 and complied with Australian Accounting Standards;

(G) made the following representations:

- (1) PWC August Representation, whereby PWC represented to Vocation and Gréwal that the PWC August Opinion was based upon reasonable grounds and was the product of an exercise of reasonable skill and care;

- (2) PWC September Representations, whereby PwC represented to:

- (a) Vocation and Gréwal that the PWC September Opinion to Vocation was based upon reasonable grounds and was the product of an exercise of reasonable skill and care;

- (b) members of Vocation (including Gréwal), the market of investors or potential investors in Vocation, that the PWC September Opinion to ASX was based upon reasonable grounds and was the product of an exercise of reasonable skill and care;

(H) had regard to and relied on advice, information, and resolutions of Vocation's Board of Directors, including:

- (1) the approval given by the Board at the meeting held on 18 July 2014, whereby the Board of Directors resolved that Vocation's FY15 budget with an EBITDA of \$68 million be approved;

- (2) the approval given by the Board at the meeting held on 19 August 2014, whereby subject to the final review and approval by a committee of any two of Vocation's directors,

the Board of Directors resolved that the FY14 Results Documents be approved, the CFO be authorised to sign the FY14 Appendix 4E and the Company Secretary be authorised to lodge the FY14 Results Documents with the ASX immediately;

- (3) the approval given by the Board Committee (comprising Halley, Hutchinson, and Tucker) at the meeting held on 20 August 2014, whereby the Board Committee resolved, pursuant to its delegated authority of the Board of Directors, that the FY14 Results Documents be approved, the CFO be authorised to sign the FY14 Appendix 4E and the Company Secretary be authorised to lodge the FY14 Results Documents with the ASX prior to market opening on 21 August 2014;
 - (4) the approval given by the Board at the meeting held on 25 August 2014 that Gréwal was authorised to release the 25 August Announcement to the ASX;
 - (5) the 2 September Board Committee Approval, whereby the Board Committee (comprising Halley, Hutchinson and Tucker), resolved pursuant to its delegated authority of the Board of Directors that the FY14 Annual Report be approved, the management representation letter to PWC be signed and sent to PWC, the financial report and directors' declaration be sent to PWC and the Company Secretary be authorised to lodge the FY14 Annual Report, the independent audit report on the financial report and the directors report with the ASX;
- (l) had regard to and relied on advice, information and recommendations of Vocation's ARC, including the 19 August ARC Recommendation whereby the ARC advised and resolved at the ARC meeting held on 19 August 2014 that the FY14 Results Presentation and the FY14 ASX Announcement be approved and that the Appendix 4E be submitted to the Board for approval, in circumstances where the ARC had responsibility for external auditors and financial reporting pursuant to the ARC Risk Charter;

- (d) will rely at trial on the full terms, meaning and effect of:
 - (i) the Replacement Prospectus;
 - (ii) the CFO FY14 Report;
 - (iii) the 15 August PWC Report;
 - (iv) the FY14 Results Documents; and
 - (v) the FY14 Annual Report;
- (e) otherwise denies the allegations contained therein including, for the avoidance of doubt, that the conduct the subject of the above admissions amounts to authorisation or participation in authorisation as those terms are used in paragraph 436 of the SFACSOC.

437 In answer to paragraph 437 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein including, for the avoidance of doubt, that he made the statement attributed to him in paragraph 437(b)(i) of the SFACSOC;
- (b) refers to and repeats paragraphs 436(c) to (d) above.

438 In answer to paragraph 438 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraphs 436(c) to (d) above;
- (c) says that if he made, or was involved in the making of, the representations as alleged (which he denies) they were representations made on the basis of reasonable grounds.

439 In answer to paragraph 439 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraph 438 above.

440 In answer to paragraph 440 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraph 437 above.

D.3 Misleading nature of the Officers' 21 August Accounts Representation and Officers' 21 August Accounts Reasonable Grounds Representation made by Hutchinson and Gréwal

441 In answer to paragraph 441 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraphs 420, 436(c) to (d) above.

442 In answer to paragraph 442 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraphs 436(c) to (d) above.

443 In answer to paragraph 443 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraphs 441 and 442 above.

D.4 Misleading nature of the Officers' Further 21 August Representation made by Hutchinson and Gréwal

444 In answer to paragraph 444 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraph 437 above.

D.5 Hutchinson's and Gréwal's 21 August Contraventions

445 In answer to paragraph 445 of the SFACSOC, Gréwal:

- (a) admits that if he made, or was involved, in making the representations as alleged (which he denies), that those representations amounted to conduct bearing the characteristics pleaded in sub-paragraphs 445(a), (b) and (c);
- (b) otherwise denies the allegations contained therein as they pertain to him;
- (c) refers to and repeats paragraphs 439 and 440 above;
- (d) says that if he made, or was involved, in making the representations as alleged (which he denies) they were representations made on the basis of reasonable grounds.

446 Gréwal denies the allegations contained in paragraph 446 of the SFACSOC.

447 Gréwal denies the allegations contained in paragraph 447 of the SFACSOC.

448 Gréwal denies the allegations contained in paragraph 448 of the SFACSOC.

E. LIABILITY OF HUTCHINSON IN RESPECT OF 25 AUGUST CONDUCT

449 Gréwal does not plead to paragraph 449 of the SFACSOC as it does not contain any allegations against him.

E.1 Publication of the 25 August Announcement

450 Gréwal does not plead to paragraph 450 of the SFACSOC as it does not contain any allegations against him.

451 Gréwal does not plead to paragraph 451 of the SFACSOC as it does not contain any allegations against him.

E.2 25 August Representations made by Hutchinson

452 Gréwal does not plead to paragraph 452 of the SFACSOC as it does not contain any allegations against him.

453 Gréwal does not plead to paragraph 453 of the SFACSOC as it does not contain any allegations against him.

454 Gréwal does not plead to paragraph 454 of the SFACSOC as it does not contain any allegations against him.

455 Gréwal does not plead to paragraph 455 of the SFACSOC as it does not contain any allegations against him.

456 Gréwal does not plead to paragraph 456 of the SFACSOC as it does not contain any allegations against him.

E.3 Misleading nature of the Officers' 25 August Representations and the Officers' 25 August Reasonable Grounds Representation made by Hutchinson

457 Gréwal does not plead to paragraph 457 of the SFACSOC as it does not contain any allegations against him.

458 Gréwal does not plead to paragraph 458 of the SFACSOC as it does not contain any allegations against him.

E.4 Hutchinson's 25 August Contraventions

459 Gréwal does not plead to paragraph 459 of the SFACSOC as it does not contain any allegations against him.

460 Gréwal does not plead to paragraph 460 of the SFACSOC as it does not contain any allegations against him.

461 Gréwal does not plead to paragraph 461 of the SFACSOC as it does not contain any allegations against him.

F. LIABILITY OF HUTCHINSON AND DAWKINS IN RESPECT OF 3 SEPTEMBER CONDUCT (AND VOCATION'S DEFECTIVE FY14 FINANCIAL REPORT)

462 Gréwal does not plead to paragraph 462 of the SFACSOC as it does not contain any allegations against him.

F.1 Publication of the FY14 Annual Report and FY14 Audited Financial Statements

463 Gréwal does not plead to paragraph 463 of the SFACSOC as it does not contain any allegations against him.

464 Gréwal does not plead to paragraph 464 of the SFACSOC as it does not contain any allegations against him.

465 Gréwal does not plead to paragraph 465 of the SFACSOC as it does not contain any allegations against him.

466 Gréwal does not plead to paragraph 466 of the SFACSOC as it does not contain any allegations against him.

467 Gréwal does not plead to paragraph 467 of the SFACSOC as it does not contain any allegations against him.

F.2 3 September Representations made by Hutchinson and Dawkins

468 Gréwal does not plead to paragraph 468 of the SFACSOC as it does not contain any allegations against him.

469 Gréwal does not plead to paragraph 469 of the SFACSOC as it does not contain any allegations against him.

470 Gréwal does not plead to paragraph 470 of the SFACSOC as it does not contain any allegations against him.

471 Gréwal does not plead to paragraph 471 of the SFACSOC as it does not contain any allegations against him.

F.3 Misleading nature of the Directors' FY14 Accounts Representations and the Directors' FY14 Accounts Reasonable Grounds Representations made by Hutchinson and Dawkins

472 Gréwal does not plead to paragraph 472 of the SFACSOC as it does not contain any allegations against him.

473 Gréwal does not plead to paragraph 473 of the SFACSOC as it does not contain any allegations against him.

474 Gréwal does not plead to paragraph 474 of the SFACSOC as it does not contain any allegations against him.

F.4 Hutchinson's and Dawkins' 3 September Contraventions

475 Gréwal does not plead to paragraph 475 of the SFACSOC as it does not contain any allegations against him.

476 Gréwal does not plead to paragraph 476 of the SFACSOC as it does not contain any allegations against him.

477 Gréwal does not plead to paragraph 477 of the SFACSOC as it does not contain any allegations against him.

G. LIABILITY OF HUTCHINSON AND GRÉWAL IN RESPECT OF 10 SEPTEMBER CONDUCT (THE DDQ AND VOCATION'S DEFECTIVE ANNOUNCEMENT RE THE PLACEMENT)

478 In answer to paragraph 478 of the SFACSOC, Gréwal repeats paragraphs 408 to 426 above.

G.1 The Proposed Placement, the DDQ and the 10 September Announcement

479 Gréwal denies the allegations contained in paragraph 479 of the SFACSOC.

480 Gréwal admits the allegations contained in paragraph 480 of the SFACSOC.

481 In answer to paragraph 481 of the SFACSOC, Gréwal:

- (a) admits the allegations contained in paragraph 481(a);
- (b) as to paragraphs 481(b) and 481(c):
 - (i) says that it is recorded in the minutes of the 7 September Board Meeting that the DDQ was discussed and:
 - (A) Directors asked management a number of questions and certain amendments were agreed;
 - (B) Hutchinson confirmed that in addition to the requirements for himself and Gréwal to sign the DDQ, Wendy Bonnici, Amanda King and Michael Langtree would also sign the DDQ;
 - (ii) will rely at trial on the full terms, meaning and effect of the minutes of the 7 September Board Meeting;
 - (iii) otherwise does not know and therefore cannot admit the allegations contained therein.

482 In answer to paragraph 482 of the SFACSOC, Gréwal:

- (a) says that Macquarie's involvement and participation in the proposed September placement ceased on 9 September 2014;
- (b) otherwise admits the allegations contained therein.

483 In answer to paragraph 483 of the SFACSOC, Gréwal:

- (a) admits that at 9.51pm on 8 September 2014, Hutchinson sent an email to Macquarie and UBS to formally commence the Proposed Placement;
- (b) refers to and repeats paragraph 482 above;

- (c) otherwise does not know and therefore cannot admit the allegations contained therein.

484 In answer to paragraph 484 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein; and
- (b) says that attached to the email referred to in paragraph 484(b) above was a copy of the current draft, as at that date, of the Macquarie Due Diligence Questionnaire.

485 Gréwal admits the allegations contained in paragraph 485 of the SFACSOC.

486 Gréwal admits the allegations contained in paragraph 486 of the SFACSOC.

487 In answer to paragraph 487 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein;
- (b) says that, among other things, the DDQ states further:
 - (i) in answer to the question "On what basis do you consider the Group's valuation of assets and liabilities to be justifiable? Is there a report from an external body to substantiate these carrying values?": "Please see FY14 Annual Report lodged on the ASX on 3 September 2014 that includes latest balance sheet which has been audited by PwC (this balance sheet excludes the Endeavour balance sheet as it completed on 1 July 2014 – refer to post balance sheet event note which sets out the initial fair values attributed to the Endeavour net assets)"
 - (ii) in answer to the question "Are the Issuer's various licences, permits, authorities or approvals required to carry out its activities in good order and without material breach? Does the Issuer possess all of the necessary consents, licenses, permits or authorisations from regulatory authorities necessary to conduct its business?":
 - (A) "Vocation is currently under review by the Victorian Department of Education (please see ASX announcement dated 25th August), however the anticipated outcome will not have a material impact on the terms of these licenses.";
 - (B) "To Management's knowledge all other licenses to operate as a dual sector education provider are in place and without material breach [sic]";

- (iii) in answer to the question "Has the Issuer given any recorded notice of a breach of a material contract or is it anticipated that such a notice will be given/recorded?": "No. Please see previous question regarding Victorian Departmental review. Again there is no evidence to suggest that Vocation has materially breached its contractual obligations.";
- (iv) in answer to the question "What are the range of outcomes? Is there potential for greater revenue to be withheld or penalties to be applied?":
 - (A) "All good carry on and funding released [sic].";
 - (B) "A partial repayment of programs they aren't satisfied with – we have provisioned \$4.5m dollars in the FY14 accounts for this eventuality based on our best estimate of which students may be affected.";
 - (C) "Loss of funding contract (this is an extreme scenario and the department has confirmed in a meeting with John Dawkins and Wendy Bonnici which was held on 28th August that they categorically do not want Vocation to exit Victoria and see Vocation as an important participant in the VTG market – this view was reconfirmed in a meeting John Dawkins and Mark Hutchinson had with the Secretary Richard Bolt and Kym Peake on 8 September) [sic].";
- (v) in answer to the question "Is it possible this investigation could extend to other courses?": "Yes, however the Department has already checked all of our RTO's under a common audit in July, then focused on the three courses in question. If they have issues with our other programs they haven't told us and we have conducted a 3,000 student survey to understand if there are any problem which we cannot find. [sic]";
- (vi) in answer to the question "Could an investigation into other courses occur?": "Potentially, however we will reduce our reliance across the business of brokered students so all programs will be sold through our internal channels over time.";
- (vii) in answer to the question "Could an investigation into other state funding contracts occur?": "Yes. All state contracts have the same kind of rules, however we believe this is highly unlikely.";
- (viii) in answer to the question "How does this impact your broader relationship with the Victorian government?": "At this point we are not

certain, although dialogue remains at the highest level and the direct question has been asked whether they want to be in Victoria to which the answer was yes (based on meetings held 28 Aug/8 Sep) we want larger higher quality providers. There is no correspondence that suggests the Department wants us to leave the program – quite the opposite in fact [sic].";

- (ix) in answer to the question "Could this potentially have negative implications for Vocation's ability to operate in Victoria? Can they strip Vocation of all four current funding contracts?": "They have the power to strip contracts. However, this is an very extreme scenario and again we are unaware of any material breaches of our obligations, other than the identified issues we have already addressed and provisioned for. This view was confirmed by DEECD at a meeting on 28 August and reconfirmed in a meeting held on 8 September. They see Vocation as a key player in VIC and see Vocation as a safe pair of hands for Govt funding [sic].";
- (x) in answer to the question "Will the current investigation retrospectively impact on FY14 results? If so please specify how and by how much?": "See above answers re: potential repayment that has been provisioned in FY14. Any further impact (if at all) would come from FY15 (see below) [sic]";
- (xi) in answer to the question "Are there any factors likely to cause an increase in volatility in earnings prospectively?":
 - (A) "A negative impact from the Victorian review could affect FY15 numbers, however this is highly unlikely, especially given recent positive discussions with DEECD on 8 September.
 - (B) There is always execution risk, however the growth drivers of the business are positive [sic]";
- (xii) in answer to the question "Have there been any issues raised since the announcement of the Issuer's most recent results which the Issuer has considered may require a correction, or addition, to the results or any material contained in the results presentations?":
 - (A) "The audited financial statements were signed on 2 September 2014 and the Victorian review pre dates this.

- (B) Please see proposed ASX announcement that would accompany this placement [sic];
- (xiii) in answer to the question "Are there any material current, pending, threatened or anticipated regulatory issues or disputes with, or investigations or audits by, regulators (including, ASIC, ACCC, ASX and ATO) and any other regulators in any jurisdiction in which the Issuer operates or has previously operated?": "Please see answers to questions on Department of Education review in Victoria, also ASX release";
- (xiv) in answer to the question "Are there any legislative, statutory or regulatory developments known to you which are likely to adversely impact on the Issuer's operations?": "Please see above, outcome of review not anticipated to impact operations"; and
- (xv) in answer to the question "Are there any facts or circumstances which will or could be reasonably expected to result in the revocation, breach or variation of the Issuer's licence, financial services licence or other licence material to the operation of the Issuer's business in any jurisdiction in which the Issuer operates?": "Please see answers on Victorian review";
- (c) says further that Hutchinson completed most of the statements in the DDQ relevant to, and in respect of, the BAWM Investigation and the Aspin Investigation;
- (d) says further that, to the extent that he contributed to or amended any of the statements contained in the DDQ regarding the BAWM Investigation and the Aspin Investigation, in making such contributions or amendments he relied upon information and reports provided to him by:
- (i) Hutchinson;
 - (ii) Dawkins;
 - (iii) the Board of Directors of Vocation, comprising Hutchinson, Dawkins, Halley, Tredenick, and Tucker;
 - (iv) Johnson Winter & Slattery (**JWS**); and
 - (v) Wendy Bonnici, Amanda King and Michael Langtree (**Victorian Management Team**);

and such contributions or amendments were reviewed and approved by Hutchinson; and

(e) will rely at trial on the full terms, meaning and effect of the DDQ.

488 Gréwal admits the allegations contained in paragraph 488 of the SFACSOC.

489 Gréwal admits the allegations contained in paragraph 489 of the SFACSOC.

490 In answer to paragraph 490 of the SFACSOC, Gréwal:

(a) admits the allegations contained therein;

(b) will rely at trial on the full terms, meaning and effect of the 10 September Announcement.

491 In answer to paragraph 491 of the SFACSOC, Gréwal:

(a) admits the allegations contained therein;

(b) will rely at trial on the full terms, meaning and effect of the 10 September Announcement.

492 In answer to paragraph 492 of the SFACSOC, Gréwal:

(a) in answer to paragraph 492(b), refers to and repeats paragraph 491(a)(i)(B) of the SFACSOC;

(b) otherwise admits the allegations contained therein;

(c) will rely at trial on the full terms, meaning and effect of the 10 September Announcement.

493 In answer to paragraph 493 of the SFACSOC, Gréwal:

(a) admits the allegations contained therein;

(b) will rely at trial on the full terms, meaning and effect of the announcement released to the ASX by Vocation.

G.2 10 September DDQ Representations made by Hutchinson and Gréwal

494 In answer to paragraph 494 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein;
- (b) refers to and repeats paragraphs 487 and 488 above;
- (c) says further that in respect of the alleged Officers' 10 September DDQ Representations insofar as they pertain to him, in the event they were made (which he denies), Gréwal had regard to and relied on:
 - (i) information and opinion provided by the Board;
 - (ii) information and opinion provided by the Victorian Management Team;
 - (iii) the fact that Vocation's Board and the Victorian Management Team had the following attributes that Gréwal did not have:
 - (A) most of them had specialist knowledge and/or experience of the vocational education and training industry;
 - (B) in some cases they were founders of Vocation's operating subsidiaries in Victoria;
 - (C) in most cases they were experienced in the vocational education and training industry;
 - (D) Dawkins and the Victorian Management Team were experienced in dealing with regulatory and governmental bodies relating to the vocational education and training industry;
 - (E) the fact that Dawkins was, and was known by Gréwal to be, a former Australian Treasurer, former Minister for Employment, Education and Training, and former Minister for Finance, and a person who had extensive experience in vocational education and training and government funding of such;
 - (iv) advice and information provided by JWS;
 - (v) Vocation's management structure and practice was such that Gréwal, as CFO and Company Secretary, did not engage with industry regulators or the DEECD;
 - (vi) the duties in respect of which Gréwal was employed and/or appointed by Vocation were such that engagement with industry regulators or the

DEECD and/or assessment of regulatory matters fell outside the scope of his duties;

(vii) the 24 October 2014 board resolution, whereby the Board of Directors authorised Hutchinson to pursue a commercial settlement with the Department;

(viii) the approval given by the Board at the meeting held on 26 October 2014, whereby Hutchinson was delegated with authority to finalise the 27 October Announcement and release the announcement to the ASX;

(d) says that if he was involved in the making of the representations as alleged (which he denies) they were representations made on the basis of reasonable grounds.

495 In answer to paragraph 495 of the SFACSOC, Gréwal:

(a) does not know and therefore cannot admit the allegations contained therein;

(b) refers to and repeats paragraphs 488 and 494(c) above.

496 In answer to paragraph 496 of the SFACSOC, Gréwal:

(a) does not know and therefore cannot admit the allegations contained therein;

(b) refers to and repeats paragraphs 488 and 494(c) above.

G.3 10 September Market Representations made by Hutchinson

497 Gréwal does not plead to paragraph 497 of the SFACSOC as it does not contain any allegations against him.

498 Gréwal does not plead to paragraph 498 of the SFACSOC as it does not contain any allegations against him.

499 Gréwal does not plead to paragraph 499 of the SFACSOC as it does not contain any allegations against him.

500 Gréwal does not plead to paragraph 500 of the SFACSOC as it does not contain any allegations against him.

501 Gréwal does not plead to paragraph 501 of the SFACSOC as it does not contain any allegations against him.

G.4 Misleading nature of the Officers' 10 September DDQ Representations made by Hutchinson and Gréwal

502 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 502 of the SFACSOC.

503 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 503 of the SFACSOC.

504 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 504 of the SFACSOC.

505 In answer to paragraph 505 of the SFACSOC, Gréwal:

(a) refers to and repeats paragraph 494(c) above;

(b) otherwise does not know and therefore cannot plead to the allegations contained therein.

506 In answer to paragraph 506 of the SFACSOC, Gréwal:

(a) refers to and repeats paragraph 494(c) above;

(b) does not know and therefore cannot admit the allegations contained in paragraph 506 of the SFACSOC.

507 Gréwal denies the allegations contained in paragraph 507 of the SFACSOC.

G.5 Misleading nature of the Officers' 10 September ASX Representations made by Hutchinson

508 Gréwal does not plead to paragraph 508 of the SFACSOC as it does not contain any allegations against him.

509 Gréwal does not plead to paragraph 509 of the SFACSOC as it does not contain any allegations against him.

510 Gréwal does not plead to paragraph 510 of the SFACSOC as it does not contain any allegations against him.

511 Gréwal does not plead to paragraph 511 of the SFACSOC as it does not contain any allegations against him.

512 Gréwal does not plead to paragraph 512 of the SFACSOC as it does not contain any allegations against him.

G.6 Hutchinson's and Gréwal's contraventions in respect of the DDQ

513 Gréwal denies the allegations contained in paragraph 513 of the SFACSOC as they pertain to him.

514 Gréwal denies the allegations contained in paragraph 514 of the SFACSOC as they pertain to him.

515 Gréwal denies the allegations contained in paragraph 515 of the SFACSOC as they pertain to him.

G.7 Hutchinson's contraventions in respect of the 10 September Announcement

516 Gréwal does not plead to paragraph 516 of the SFACSOC as it does not contain any allegations against him.

517 Gréwal does not plead to paragraph 517 of the SFACSOC as it does not contain any allegations against him.

518 Gréwal does not plead to paragraph 518 of the SFACSOC as it does not contain any allegations against him.

H. FACTS RELEVANT TO CAUSATION

H.1 The partial corrective disclosure on 25 August 2014 in relation to the fact of the Victorian Investigations, and part of the Funding Suspensions

519 In answer to paragraph 519 of the SFACSOC, Gréwal repeats paragraphs 450 and 451 above.

520 Gréwal denies the allegations contained in paragraph 520 of the SFACSOC.

521 In answer to paragraph 521 of the SFACSOC, Gréwal does not know and therefore cannot admit the allegations contained therein.

H.2 The partial corrective disclosure on 18 September 2014 in relation to the quantum of the Victorian Funding Suspensions

522 In answer to paragraph 522 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein;
- (b) will rely at trial on the full terms, meaning and effect of the article referred to in the particulars to paragraph 522 of the SFACSOC.

523 In answer to paragraph 523 of the SFACSOC, Gréwal:

- (a) admits the allegations contained therein;
- (b) will rely at trial on the full terms, meaning and effect of the 18 September Announcement.

524 Gréwal denies the allegations contained in paragraph 524 of the SFACSOC.

525 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 525 of the SFACSOC.

H.3 The corrective disclosure on 27 and 30 October 2014 in relation to the quantum of the Victorian Funding Suspensions

526 Gréwal admits the allegations contained in paragraph 526 of the SFACSOC.

527 Gréwal admits the allegations contained in paragraph 527 of the SFACSOC.

528 In answer to paragraph 528 of the SFACSOC, Gréwal:

- (a) admits the allegations as if the words "for the first time" were not pleaded;
- (b) otherwise does not know and therefore cannot admit the allegations contained therein;
- (c) will rely at trial on the full terms, meaning and effect of the ASX announcement dated 27 October 2014 and titled "Vocation announces settlement with DEECD and completion of the Victorian review".

529 Gréwal denies the allegations contained in paragraph 529 of the SFACSOC.

530 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 530 of the SFACSOC.

I. LOSS AND DAMAGE ARISING FROM HUTCHINSON'S, GRÉWAL'S AND DAWKINS' CONTRAVENTIONS

I.1 Market-based causation

I.1.1 Market-based causation for on-market purchasers

531 In answer to paragraph 531 of the SFACSOC, Gréwal:

- (a) denies paragraph 531(c)(i) insofar as the allegations contained in those paragraphs pertain to the Director/Officer Misleading Conduct Contraventions

as that category of contraventions is alleged to pertain to him and his conduct in respect of the FY14 Results Documents;

- (b) does not plead to paragraphs 531(c)(ii) to (iv) as they do not contain any allegations against him;
- (c) otherwise does not know and therefore cannot admit the allegations contained therein;
- (d) says that the price on which shares in Vocation traded on the ASX after Completion was or may have been affected by, among other things:
 - (i) economic conditions following Completion;
 - (ii) sentiment concerning the vocational educational training industry after Completion;
 - (iii) regulatory activity after Completion;
 - (iv) business activities undertaken by, and public announcements of, Vocation after Completion.

1.1.2 Market-based causation for Placement purchasers

532 Gréwal does not know and cannot admit the allegations contained in paragraph 532 of the SFACSOC.

1.1.3 Effect of the Director/Officer Market Contraventions

533 In answer to paragraph 533 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein insofar as they pertain to him;
- (b) otherwise does not plead to the allegations contained therein.

534 In answer to paragraph 534 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein insofar as they pertain to him;
- (b) otherwise does not plead to the allegations contained therein.

535 In answer to paragraph 535 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein insofar as they pertain to him;
- (b) otherwise does not plead to the allegations contained therein.

I.2 Reliance

536 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 536 of the SFACSOC.

I.3 No transaction case in respect of the Placement

537 In answer to paragraph 537 of the SFACSOC, Gréwal:

- (a) denies the allegations contained therein insofar as they pertain to him;
- (b) otherwise does not plead to the allegations contained therein.

I.4 Loss or damage suffered by the Applicant and Group Members

538 In answer to paragraph 538 of the SFACSOC, Gréwal:

- (a) denies the Director/Officer Misleading Conduct Contraventions as that category of contraventions is alleged to pertain to him;
- (b) otherwise does not know and therefore cannot admit to the allegations contained therein.

539 Gréwal does not know and therefore cannot admit the allegations contained in paragraph 539 of the SFACSOC.

540 In answer to paragraph 540 of the SFACSOC, Gréwal:

- (a) denies the Director/Officer Misleading Conduct Contraventions as that category of contraventions is alleged to pertain to him;
- (b) otherwise does not know and therefore cannot admit to the allegations contained therein.

RELIEF FROM LIABILITY

541 In response to the allegations of contravention of section 1041H of the *Corporations Act*, Gréwal relies on section 1317S of the *Corporations Act* (and section 1041I(4) in respect of the alleged contraventions of section 1041H) and says as follows:

- (a) these proceedings are “*eligible proceedings*” within the meaning of section 1317S(1) and section 1041I(4) of the *Corporations Act*;
- (b) he acted honestly in respect of the alleged contraventions of the *Corporations Act*;

- (c) having regard to all the circumstances of the case, he ought fairly to be excused for any contravention of the Corporations Act.

PROPORTIONATE LIABILITY

542 If Gréwal is liable to the Applicant and/or Group Members for loss and damage as alleged in the SFACSOC, then:

- (a) for the purposes of pleading a proportionate liability defence only, Gréwal repeats the allegations made in paragraphs 261 to 403 of the SFACSOC as if they were set out fully herein and says that in the premises, in the event that Gréwal is liable to the Applicant and/or the Group Members as alleged in Part IV of the SFACSOC:
- (i) PwC has caused the same loss or damage, being the loss or damage alleged in paragraphs 538, 539 and 540 of the SFACSOC;
 - (ii) accordingly, PwC is a concurrent wrongdoer within the meaning of section 12GP of the *ASIC Act*, section 1041L of the *Corporations Act*, section 34 of the *Civil Liability Act 2002 (NSW)* (or the provisions of such other State civil liability legislation as may be relevant to Group Members);
- (b) further, or in the alternative, for the purposes of pleading a proportionate liability defence only, Gréwal repeats:
- (i) paragraphs 4 to 257 of the SFACSOC; and
 - (ii) paragraphs 8, 14 to 14P, 181 to 184, 188 to 190 and 194 to 196 of Amended Annexure B to PwC's Defence (**Annexure B to PwC's Defence**);

as if they were set out fully herein and says that in the premises, in the event that Gréwal is liable to the Applicant and/or the Group Members as alleged in Part IV of the SFACSOC:

- (iii) Vocation caused the same loss or damage, being the loss or damage alleged in paragraphs 538, 539 and 540 of the SFACSOC;
- (iv) accordingly, Vocation is a concurrent wrongdoer within the meaning of section 12GP of the *ASIC Act*, section 1041L of the *Corporations Act*, section 34 of the *Civil Liability Act 2002 (NSW)* (or the provisions of

such other State civil liability legislation as may be relevant to Group Members);

(c) further, or in the further alternative, for the purposes of pleading a proportionate liability defence only, Gréwal repeats:

- (i) paragraphs 404, 407 to 435, 436 to 448 (insofar as they relate to Hutchinson), 449 to 461, 462 to 477 (insofar as they relate to Hutchinson), 478 to 496 (insofar as they relate to Hutchinson), 497 to 512, 513 to 515 (insofar as they relate to Hutchinson), 516 to 518, 519 to 530 (insofar as they relate to the contraventions alleged against Hutchinson), 531 to 540 (insofar as they relate to the contraventions alleged against Hutchinson) of the SFACSOC; and
- (ii) paragraphs 2, 15 to 17, 31 to 35, 47 to 51, 61B to 61H, 62 (insofar as it relates to Hutchinson), 63 to 67, 78 (insofar as it relates to Hutchinson), 79 to 82, 91 (insofar as it relates to Hutchinson), 92 to 95, 99A (insofar as it relates to Hutchinson), 99B to 99F, 100 (insofar as it relates to Hutchinson), 101 to 103, 110 (insofar as it relates to Hutchinson), 111 to 114, 123 (insofar as it relates to Hutchinson), 124 to 128, 139 (insofar as it relates to Hutchinson) 140 to 144, 155 (insofar as it relates to Hutchinson), 156 to 159, 168 (insofar as it relates to Hutchinson), 169 to 172, 180A to 180D, 180M to 180P, 180Y to 180ZB, 181 to 187, 190, 191 to 193 (insofar as they relate to Hutchinson), 197 to 230 of Annexure B to PWC's Defence;

as if they were set out fully herein and says that in the premises, in the event that Gréwal is liable to the Applicant and/or the Group Members as alleged in Part IV of the SFACSOC:

- (iii) Hutchinson has caused the same loss or damage, being the loss or damage alleged in paragraphs 538, 539 and 540 of the SFACSOC;
 - (iv) accordingly Hutchinson is a concurrent wrongdoer within the meaning of section 12GP of the *ASIC Act*, section 1041L of the *Corporations Act*, section 34 of the *Civil Liability Act 2002 (NSW)* (or the provisions of such other State civil liability legislation as may be relevant to Group Members);
- (d) further, or in the further alternative, for the purposes of pleading a proportionate liability defence only, Gréwal repeats:

- (i) paragraphs 406, 407 to 435, 462 to 477 (insofar as they relate to Dawkins), 519 to 530 (insofar as they relate to the contraventions alleged against Dawkins), 531 to 540 (insofar as they relate to the contraventions alleged against Dawkins) of the SFACSOC; and
- (ii) paragraphs 4, 18 to 20, 41 to 46, 57 to 61, 61N to 61T, 62 (insofar as it relates to Dawkins), 73 to 77, 78 (insofar as it relates to Dawkins), 87 to 90, 91 (insofar as it relates to Dawkins), 96 to 98, 99 (as if the reference therein to Hutchinson was to Dawkins), 99A (insofar as it relates to Dawkins), 99L to 99P, 100 (insofar as it relates to Dawkins), 107 to 109, 110 (insofar as it relates to Dawkins) 119 to 122, 123 (insofar as it relates to Dawkins), 134 to 138, 139 (insofar as it relates to Dawkins), 150 to 154, 155 (insofar as it relates to Dawkins), 164 to 167, 168 (insofar as it relates to Dawkins), 177 to 180, 180I to 180L, 180U to 180X, 180ZG to 180ZJ, 181 to 187, 190, 191 to 193 (insofar as they relate to Dawkins) to Annexure B to PWC's Defence;

as if they were set out fully herein and says that in the premises, in the event that Gréwal is liable to the Applicant and/or the Group Members as alleged in Part IV of the SFACSOC, and says:

- (iii) Dawkins has caused the same loss or damage, being the loss or damage alleged in paragraphs 538, 539 and 540 of the SFACSOC;
 - (iv) accordingly Dawkins is a concurrent wrongdoer within the meaning of section 12GP of the *ASIC Act*, section 1041L of the *Corporations Act*, section 34 of the *Civil Liability Act 2002 (NSW)* (or the provisions of such other State civil liability legislation as may be relevant to Group Members);
- (e) further or in the further alternative, for the purposes of pleading a proportionate liability defence only, Gréwal repeats the allegations made in paragraphs 8 to 94 of Annexure A to PWC's Defence, and:
- (i) JWS has caused the same loss or damage, being the loss or damage alleged in paragraphs 538, 539 and 540 of the SFACSOC;
 - (ii) accordingly, JWS is a concurrent wrongdoer within the meaning of section 12GP of the *ASIC Act*, section 1041L of the *Corporations Act*, section 34 of the *Civil Liability Act 2002 (NSW)* (or the provisions of

such other State civil liability legislation as may be relevant to Group Members);

- (f) further or in the further alternative, for the purposes of pleading a proportionate liability defence only, Gréwal repeats the allegations made in paragraphs 5, 6, 7, 8, 9 (insofar as it relates to Tucker, Tredenick and Halley respectively), 21 to 29 and 181 to 187, 190, 191 to 193 (insofar they relate to Tucker, Tredenick and Halley respectively) of Annexure B to PWC's Defence, and:
- (i) Tucker, Tredenick and Halley have caused the same loss or damage, being the loss or damage alleged in paragraphs 538, 539 and 540 of the SFACSOC;
 - (ii) accordingly, Tucker, Tredenick and Halley are concurrent wrongdoers within the meaning of section 12GP of the *ASIC Act*, section 1041L of the *Corporations Act*, section 34 of the *Civil Liability Act 2002 (NSW)* (or the provisions of such other State civil liability legislation as may be relevant to Group Members);
- (g) pursuant to section 12GR of the *ASIC Act*, section 1041N of the *Corporations Act*, section 35 of the *Civil Liability Act 2002 (NSW)* (or the provisions of such other State civil liability legislation as may be relevant to Group Members), the liability of Gréwal is limited to an amount reflecting that proportion of the damage or loss claimed in paragraphs 538, 539 and 540 of the SFACSOC that the Court considers just having regard to the extent of Gréwal's responsibility for the said damage or loss.

Date: 17 January 2020



Signed by Janette McLennan

Lawyer for the Fourth Respondent to the
Second Further Amended Consolidated
Statement of Claim

This pleading was prepared by Janette McLennan, lawyer, and settled by Elisa Holmes of Counsel.

Certificate of lawyer

I, Janette McLennan, certify to the Court that, in relation to the defence filed on behalf of the Fourth Respondent, 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: 17 January 2020



Signed by Janette McLennan

Lawyer for the Fourth Respondent to the
Second Further Amended Consolidated
Statement of Claim

Schedule

No. VID434 of 2015

Federal Court of Australia
District Registry: Victoria
Division: General

Applicant Cheryl Whittenbury

Respondents

First Respondent Vocation Limited (ACN 166 631 330)

Second Respondent PricewaterhouseCoopers (a firm) (ABN 52 780 433 757)

Third Respondent Mark Edward Hutchinson

Fourth Respondent Manvinder Gréwal

Fifth Respondent John Sydney Dawkins

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 Gréwal

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)

Fourth Cross-Claim

Cross-Claimant

Cross-Claimant by
Fourth Cross-Claim

John Sydney Dawkins

Cross- Respondent

First Cross-Respondent by
Fourth Cross-Claim

The Partners of Johnson Winter & Slattery

Fifth Cross-Claim

Cross-Claimant

Cross-Claimant by
Fifth Cross-Claim

The Partners of Johnson Winter & Slattery

Cross- Respondent

First Cross–Respondent by
Fifth Cross-Claim

Mark Edward Hutchinson

Second Cross–Respondent by
Fifth Cross-Claim

Manvinder Gréwal

Third Cross–Respondent by
Fifth Cross-Claim

John Sydney Dawkins

Fourth Cross–Respondent by
Fifth Cross-Claim

Stephen John Tucker

Fifth Cross–Respondent by
Fifth Cross-Claim

Michelle Kim Tredenick

Sixth Cross–Respondent by
Fifth Cross-Claim

Douglas James Halley

Seventh Cross–Respondent by
Fifth Cross-Claim

Vocation Limited (ACN 166 631 330)

Sixth Cross-Claim

Cross-Claimant

Cross-Claimant by
Sixth Cross-Claim

Mark Edward Hutchinson

Cross- Respondent

First Cross–Respondent by
Sixth Cross-Claim

The Partners of Johnson Winter & Slattery

Seventh Cross-Claim

Cross-Claimant

Cross-Claimant by
Seventh Cross-Claim

Manvinder Gréwal

Cross- Respondent

First Cross–Respondent by
Seventh Cross-Claim

The Partners of Johnson Winter & Slattery