

**NOTICE OF PROPOSED SETTLEMENT
FEDERAL COURT OF AUSTRALIA**

VOCATION CLASS ACTION

*Whittenbury v Vocation Ltd (in Liquidation) & Ors
VID 434 of 2015*

The Federal Court of Australia has ordered that you be sent this notice because you have been identified as someone who may be a Group Member in the Vocation Class Action

This Notice is an important legal document and you should read it carefully as it concerns your legal rights.

The notice contains important information about the proposed settlement of the Vocation Class Action and your right to object it.

If you have received this Notice in your capacity as a custodian of Vocation securities and do not have legal authority to make decisions in relation to the securities, please forward this Notice to the individual securities owners as soon as possible.

If you do not understand this notice, you can contact Omni Bridgeway on 1800 016 464 or by email at 402626@omnibridgeway.com or obtain independent legal advice. You should **not** direct any questions to the Federal Court.

A. KEY POINTS TO BE AWARE OF

- The Applicant has reached an agreement to settle the class action brought by her against Vocation Limited (in liquidation) and others (the **Vocation Class Action**) for \$50 million (**Settlement Sum**) inclusive of all legal costs, disbursements, interest and funding commission (the **Proposed Settlement**).
 - B.** The Proposed Settlement requires the approval of the Federal Court of Australia (the **Court**) before it takes effect, and if that approval is granted the proceeding will be dismissed and releases will be granted in favour of the respondents and cross-respondents (as summarised in paragraph 11 in section C headed “Overview of Proposed Settlement and Distribution Scheme”).
 - On 17 December 2020, the Court approved the form and content of this Notice. The purpose of this Notice is to inform you of, and, to explain your rights in relation to, the Proposed Settlement.
 - Subject to any further order of the Court, Group Members are only entitled to a distribution of money from the Proposed Settlement if they:
 - a) Meet the definition of “Group Members” as outlined in section B of this Notice;
 - b) Registered their claims in accordance with the orders made by the Court on 7 December 2018, or are permitted by the Court to participate in the settlement by way of the process outlined in section D of this Notice; and
 - c) Did **not** file an opt-out notice before 4 March 2019 or have not otherwise been permitted to opt-out by Court order,
- (Registered Group Members)**
- At **10.15am (AEST) on 19 March 2021** the Court will be asked to approve the Proposed

Settlement and the proposed Settlement Distribution Scheme (**Settlement Approval Hearing**).

- If you do **not** oppose the Proposed Settlement, or any aspect of the proposed distribution of the settlement sum, including the proposed distribution of the Settlement Sum referred to in section C below, no action is required by you in response to this Notice.
- If you wish to oppose the Proposed Settlement, or any aspect of it, including the proposed distribution of the Settlement Sum, you must take the steps outlined in section G of this Notice, which includes filing a completed Notice of Objection to Proposed Settlement by 26 February 2021.

C. BACKGROUND TO THE VOCATION CLASS ACTION

1. The Vocation Class Action is brought by the Applicant, on her own behalf and on behalf of all persons who:
 - (a) Acquired an interest in fully paid ordinary shares in Vocation Limited during the period between 27 November 2013 and 4 December 2014 (inclusive);
 - (b) Suffered loss or damage by reason of the conduct of the Respondents, as alleged in the Applicant's statement of claim;
 - (c) Are not any of the following:
 - (i) A related party of Vocation Limited;
 - (ii) A related body corporate of Vocation Limited;
 - (iii) An associated entity of Vocation Limited;
 - (iv) A director, an officer or a close associate of Vocation Limited;
 - (v) John William Cruse Webster (as Trustee for the Elcar Pty Ltd Super Fund Trust) being the Plaintiff in proceedings VID 228/2017 against Vocation in the Federal Court of Australia; and
 - (d) did not opt-out of the proceeding before 4 March 2019.

(Group Members)

2. The Applicant is jointly represented by solicitors Slater and Gordon Lawyers and Maurice Blackburn. The Vocation Class Action has been jointly funded by Omni Bridgeway (**OBL**) and International Litigation Funding Partners Pte Ltd (**ILFP**) (collectively, **Funders**).
3. The allegations made by the Applicant in the class action are set out in full in the Applicant's statement of claim (which can be obtained from www.vocationclassaction.com.au), and have also been summarised in previous notices published in the action, including the opt-out and registration notices published in December 2018.
4. The trial of the proceeding had been scheduled to commence in March 2021.

D. OVERVIEW OF PROPOSED SETTLEMENT AND DISTRIBUTION SCHEME

5. Under the Proposed Settlement and with no admissions as to liability, the Respondents will pay \$50 million (the **Settlement Sum**) to settle the Vocation Class Action inclusive of legal costs, expenses, disbursements, interest and funding commission.
6. The Applicant also intends to ask the Court to make orders that:
 - (a) approximately \$12.75 million of the Settlement Sum be used to pay the legal costs incurred in conducting the proceeding;
 - (b) approximately \$13.3 million be paid in funding fees to the Funders in accordance with the funding agreements between Group Members and the Funders, pursuant to which the Funders indemnified the Applicant against any adverse costs orders and paid the legal and other costs incurred in prosecuting the proceeding;
 - (c) the costs of administering the settlement be payable from the Settlement Sum; and
 - (d) the Applicant (Cheryl Whittenbury) be paid an amount of \$20,000.00 as reimbursement for the time and expense incurred in representing the class.
7. The Applicant may ultimately seek payment of amounts that are lower than those set out in paragraph 6, including following receipt of a report from a Court-appointed costs referee regarding the reasonableness of the legal costs in the proceeding.
8. It is proposed that the amounts in paragraphs 6 above be deducted from the Settlement Sum prior to individual Registered Group Member entitlements being calculated. The effect of this is that Court-approved legal costs will be shared on a pro-rata basis by all Registered Group Members.

Settlement Distribution Scheme

9. The Applicant will also seek orders from the Court to approve a Settlement Distribution Scheme which establishes the process by which the Settlement Sum is to be distributed. The Settlement Distribution Scheme will include a confidential schedule containing a "Loss Assessment Formula" which details how each Registered Group Member's entitlement will be calculated. The proposed Settlement Distribution Scheme and the Loss Assessment Formula are subject to Court approval.
10. The amount of compensation to be paid to each Registered Group Member under the Settlement Distribution Scheme will depend on a number of factors, such as the number of shares purchased by that Registered Group Member, the date of purchase, whether any of those shares were sold, and the overall losses of all Registered Group Members sharing in the Proposed Settlement, the total amount of the deductions from the Settlement Sum which are approved by the Court and any interest earned on the Settlement Sum prior to final distributions.
11. The proposed Settlement Distribution Scheme, excluding the confidential Loss Assessment Formula, may be obtained from www.vocationclassaction.com.au. If you wish to obtain a copy of the confidential Loss Assessment Formula, you may do so signing and returning a confidentiality undertaking to obtain a copy of the confidential Loss Assessment Formula.

Releases

12. The Proposed Settlement, if approved, includes releases in favour of the Respondents (i.e. the respondents, cross-respondents and their related entities (including officers and former officers) in respect of:
 - a. all claims made by the Applicant and Group Members against the Respondents in the Vocation Class Action;

b. any claims (present and future) the Applicant and Group Members may have against the Respondents:

- i. which are raised in the Vocation Class Action;
- ii. which were at any time the subject of the Vocation Class Action or any part of the Vocation Class Action; or
- iii. which relate to the facts, matters, circumstances or issues the subject of the Vocation Class Action or any part of the Vocation Class Action;

wherever and whenever arising, whether known or unknown at the time the Proposed Settlement was agreed, and whether arising at common law, equity or under statute.

13. If the Proposed Settlement is approved by the Court, all Group Members, including Unregistered Group Members (but excluding those who opted-out pursuant to the Court's opt out process ordered on 7 December 2018), will be bound by the settlement and will not be permitted to make any further claims against any of the Respondents in relation to the facts, matters, circumstances or issues the subject of the Vocation Class Action or any part of the Vocation Class Action.

E. REGISTRATION OF CLAIMS FOR PROPOSED SETTLEMENT

14. On around 21 January 2019, a notice like this one was distributed which informed Group Members of a Court order requiring persons to register their claims by no later than **4 March 2019** (the **Class Deadline**) if they wished to participate in any future settlement of the claim.
15. If you registered your claim prior to the Class Deadline, or your claims were deemed to already be registered (because you had entered into a funding agreement with the Funders or a retainer with Slater and Gordon or Maurice Blackburn), **you do not need to do anything further** to participate in the settlement.
16. If you are an Unregistered Group Member, then unless the Court otherwise orders, you are still a Group Member (unless you have opted out pursuant to the Court's opt out process ordered on 7 December 2018) but are not entitled to participate in the Proposed Settlement (if approved by the Court) and you are not entitled to receive any compensation from it. Further, as set out above, if the Proposed Settlement is approved by the Court, Unregistered Group Members who have not opted out pursuant to the Court's opt out process ordered on 7 December 2018 will be bound by the settlement and will be barred from making any further claims against the Respondents which relate to the facts, matters, circumstances or issues the subject of the Vocation Class Action or any part of the Vocation Class Action.
17. If you are an Unregistered Group Member and you now wish to participate in the Proposed Settlement, please notify Omni Bridgeway on 1800 016 464 or by email at 402626@omnibridgeway.com by no later than 26 February 2021. Your wish to register for the Proposed Settlement after the Class Deadline will be notified to the Court, which will decide on the settlement approval whether you are entitled to participate in the settlement
18. If you are unsure as to whether or not you are a Registered Group Member in the Vocation Class Action, please contact Omni Bridgeway on 1800 016 464 or by email at 402626@omnibridgeway.com.

F. COURT APPROVAL PROCESS

19. Pursuant to section 33V of the *Federal Court of Australia Act 1976* (Cth) (the **Act**), the Proposed Settlement is subject to Court approval. Before the Court will approve the Proposed Settlement, it must be satisfied that the Proposed Settlement is fair and reasonable in the interests of all Group Members. The Court will also determine whether the proposed distribution of the Settlement Sum under the Settlement Distribution Scheme is reasonable, including the proposed distributions for legal costs and funding fees, referred to in paragraphs 6a – d above.
20. The Settlement Approval Hearing will take place on at 10.15am (AEST) on 19 March 2021. You are entitled to attend the hearing and you may file a Notice of Objection to the Proposed Settlement and/or any aspect of the proposed distribution of the Settlement Sum.
21. If the Proposed Settlement is approved by the Court, the Settlement Sum will be distributed in the manner described in section D of this Notice.
22. If the Proposed Settlement is not approved by the Court, the Vocation Class Action will continue and there will be no distribution of monies to Registered Group Members unless and until the Applicant is successful in the proceeding, or a further settlement is reached and approved by the Court.

G. WHAT YOU MUST DO

23. **If you do not object** to the Proposed Settlement, then **there is nothing further you need to do at this stage.**
24. If you are a Registered Group Member and the Proposed Settlement is approved by the Court, you will receive further correspondence about your entitlement to receive compensation from the Settlement Sum.
25. If you are an Unregistered Group Member, and you now wish to participate in the Proposed Settlement, please notify Omni Bridgeway on 1800 016 464 or by email at 402626@omnibridgeway.com by no later than 26 February 2021. Your wish to register for the Proposed Settlement after the Class Deadline will be notified to the Court, which will decide on the settlement approval whether you are entitled to participate in the settlement.
26. **If you do wish to object** to the Proposed Settlement then you must, by no later than 4.00pm (AEST) on 26 February 2021, complete the Notice of Objection (which is below and can also be downloaded from www.vocationclassaction.com.au) and file it with the Court by sending it by email to:

vicreg@fedcourt.gov.au

27. If you intend to object to the Proposed Settlement, you may wish to obtain independent legal advice. You may also wish to review the materials in support of settlement approval filed by the Applicant. The Applicant's lawyers will make such material available to you for inspection on request, subject to signing an appropriate confidentiality undertaking. You should however be aware that the Applicant is not required to file that material until 5 March 2021. If upon review of that material you decide to withdraw or amend your objection, you **must** notify the Court by email to the address above.
28. You **may** also attend the Settlement Approval Hearing to explain the basis of your objection to the Judge if you wish to do so.

29. As noted above, the hearing of the application for settlement approval will take place at 10.15am (AEST) on 19 March 2021.

H. FURTHER INFORMATION

30. Copies of relevant Court documents, including the Second Further Amended Originating Application, Second Further Amended Consolidated Statement of Claim, the Respondents' Defences to the Second Further Amended Consolidated Statement of Claim can be obtained by obtaining by downloading them from www.vocationclassaction.com.au.
31. If you need further information about the Proposed Settlement or if you have any questions about the matters contained in this Notice, please contact Omni Bridgeway on 1800 016 464 or by email at 402626@omnibridgeway.com.

Notice of Objection to Proposed Settlement

VOCATION CLASS ACTION No VID 434 of 2015

Complete this form if you wish to submit an objection to the Proposed Settlement.

Your Notice of Objection will be considered by the Court when it is determining whether or not to approve the Proposed Settlement.

If you wish to object to the Proposed Settlement, your Notice of Objection must be received by the Court by 4pm (AEST) on 26 February 2021.

If you do NOT wish to object to the proposed settlement, you do NOT need to return this form.

TO: The Federal Court of Australia, by email to vicreg@fedcourt.gov.au

The person identified below gives notice pursuant to paragraph 9 of the orders of the Honourable Justice Middleton made on 17 December 2020 that the person **OBJECTS** to the Proposed Settlement of this proceeding.

A DETAILS OF OBJECTOR

Name:	
ACN/ABN <i>[if company]</i> :	
Capacity <i>[e.g., individual, partnership, trustee/agent]</i> :	
Telephone:	
Email:	
Postal address:	
HIN/SRN under which Vocation securities were traded:	
Total number of Vocation securities acquired (purchased) by the objector during the period 27 November 2013 to 4 December 2014 (inclusive)	
Total number of Vocation securities disposed of (sold) by the objector during the period 27 November 2013 to 4 December 2014 (inclusive)	

Please annex documentary evidence from a third party (e.g. transaction receipts) in support of each acquisition of Vocation securities during the period 27 November 2013 to 4 December 2014 (inclusive).

B GROUND(S) OF OBJECTION

My submissions in support of my objection to the proposed settlement are as follows *[set out in the space below any submissions you wish to make, attach additional pages if necessary]*:

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C ATTENDANCE AT HEARING AT 10.15am (AEST) on 19 March 2021

<input type="checkbox"/> I intend to appear before the Court at the hearing at 10.15am (AEST) on 19 March 2021 <i>[If you intend to appear, please complete the following]:</i> <input type="checkbox"/> I will appear on my own behalf <input type="checkbox"/> I will be represented by a lawyer:
<input type="checkbox"/> I do not intend to appear, but wish for my submissions to be considered in my absence

Signed:	
Name of person signing:	
Position <i>[if applicable]</i> :	
Date:	

Second signature <i>[if company]</i> :	
Name of person signing:	
Position <i>[if applicable]</i> :	
Date:	