



\$190M may be available to class action under Fairview's insurance

******BREAKING NEWS*******



Class Actions Sydney

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By Miklos Bolza |

Cladding manufacturer Fairview Architectural may have \$190 million in insurance to cover the claims in a class action over its allegedly combustible cladding products.

The potential funds available under the insurance was revealed in a notice to group members in the William Roberts-led class action that was approved by the Federal SIGN UP

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4 \$190M may be available to class action under Fairview's insurance Court on Wednesday in the lead-up to mediation later this year.

"The applicant believes Fairview has insurance policies which are likely responsive to at least part of the claims of the applicant and class members and which may result in up to \$190 million in total being available to the applicant and class members in the event the class actions succeeds," the notice says.

William Roberts filed the class action against Fairview in June of last year, alleging it misrepresented the quality of its allegedly highly flammable Vitrabond cladding. The class action, funded by Omni Bridgeway, seeks compensation for the cost of replacing the cladding and costs associated with making any affected buildings safe.

Settlement negotiations in the matter are scheduled for two days in December this year in front of former Federal Court judge Peter Jacobson QC.

In August last year, the Federal Court heard that the lead applicant in the case had a claim for \$5.8 million.

Fairview entered voluntary administration in July 2020, citing challenges from COVID-19 and \$1.5 million it had spent defending the class action. In October, a related entity purchased Fairview however, bringing the company back to life and ensuring all creditors were paid in full. 5 ASIC's insider trading case against Westpac should be heard ASAP, says judge

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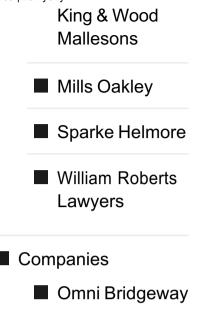
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"In October 2020, the Fairview business and jobs were saved through the successful re-purchase of company assets by a related entity. All trade creditors were paid in full, all jobs were saved and provision for a creditor liability trust includes a \$1 million cash fund contribution plus access to the old company's insurance policies," the firm said in a statement last November.

Fairview's website describes Vitrabond as an aluminium composite panel comprised of a fire resistant core, sandwiched between either two aluminium or other natural metal cover sheets. Fairview admits the core is combustible, but maintains Vitrabond has excellent large scale fire resistance.

Fairview lists more than 50 projects on its website that have used Vitrabond across Australia, including: the Melbourne Airport tower; Star City Casino and Royal Randwick Racecourse in Sydney; the Attorney-General's Department building in Canberra; Canberra Airport; the ABC Headquarters in Brisbane; and Metricon Stadium on the Gold Coast.

Vitrabond apartment buildings promoted by Fairview include Connor Central Park, Duo Central Park, Harbour Mill, Mirage and The Monarch in Sydney; 1 McNab Avenue, Bunjil Place, George Windsor, Joulia, Jacques, Momentum and XI Apartments in Melbourne; Gasworks in Brisbane; and the Kingston Foreshore in the ACT.



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William Roberts and Omni Bridgeway filed their first cladding class action in February 2019 against fellow market leader Halifax Vogel Group (HVG) and German manufacturer 3A Composites over the Alucobond polyethylene cladding, which is also installed in countless buildings across Australia. The case against Fairview was filed a few months later in June.

HVF has denied the material itself was unsafe, instead saying that its suitability for use in certain buildings would depend on an assessment by a builder, architect or certifier.

Justice Michael Wigney is currently overseeing both class actions.

William Roberts and Omni Bridgeway are continuing to investigate possible class actions against other polyethylene core cladding manufacturers.

The Australian class actions were filed after major fires around the world in buildings that used polyethylene core cladding. Most notably, the 23 storey Lacrosse tower in Melbourne caught fire on November 25, 2014 and the Grenfell tower in London caught fire on June 14, 2017, resulting in loss of lives and property.

The NSW government issued a retroactive ban on the use of certain aluminium cladding which took effect on August 15, 2018, and applies to cladding where the core is more than 30 percent PE. In Victoria, orders to remove and replace flammable cladding have been issued to owners of several buildings.

Fairview is represented by Mills Oakley. 3A Composites is represented by King & Wood Mallesons. HVF Group is represented by Sparke Helmore.

The Fairview class action is The Owners – Strata Plan No 91086 v Fairview Architectural Pty Ltd ACN 111 935 963. The Halifax Vogel and 3A Composites class action is The Owners – Strata Plan 87231 v 3A Composites GmbH & Anor.

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