CLADDING (ALUCOBOND) CLASS ACTION

IMPORTANT NOTICE

JUDGMENT AND POTENTIAL CLAIM FOR SECURITY IN RESPECT OF CLAIMS AGAINST GERMAN RESPONDENT

WHY IS THIS NOTICE IMPORTANT?

The Federal Court of Australia has ordered that this notice be sent for persons who are likely class members in the "Cladding (Alucobond) Class Action".

This notice provides **important information** about:

a) The recent judgment in the Cladding (Alucobond) Class Action against 3A Composites Gmbh (**3A Composites**) and Halifax Vogel Group Pty Ltd (**HVG**) dismissing the applicant's and sub-group representative's claims;

b) The rights of the lead applicants and class members to appeal that judgment, and the timeframes for any such appeal; and

c) The steps class members can take to seek financial security from 3A Composites' parent company, 3A Composites Holding Germany GmbH (HRB 704427) (**3A Holding**), for any judgment in their favour, in the event an appeal from the Court's judgment is successful.

Previous Notices and Registration

You may have previously received Notices ordered to be issued by the Federal Court on 30 October 2020 (**2020 Notice**) and 12 December 2022 (**2022 Notice**), which provided information and options to register for the class action. You are encouraged to also read the 2020 Notice and 2022 Notice for further important information and as context for this notice.

You may access these notices here: https://www.williamroberts.com.au/class-actions/combustible-cladding/

A. SOME THINGS YOU SHOULD KNOW ABOUT THE CLASS ACTION

What is the class action about?

1. The class action was brought by two owners' corporations (referred to in this notice as the **lead applicants**) seeking compensation (that is, money) for buildings fitted with "Alucobond PE" or "Alucobond Plus" branded Aluminium Composite Panel (**ACP**) cladding (**Alucobond PE Core Cladding**), where the cladding was first supplied between 14 February 2009 and 14 February 2019.
2. The class action is against the manufacturers of the cladding, companies called "**3A Composites**" (**3A**) and "**Halifax Vogel Group**" (**HVG**). The claimed compensation included the cost of removal and replacement of the cladding (whether it has occurred yet or not), the cost of rectification (to the extent replacement is not required), increases in insurance premiums, the costs of building safety assessments, and other the consequential losses. 3A and HVG each denied the allegations made against them.
3. The trial of the class action was heard in the Federal Court of Australia by the Honourable

Justice Anderson, between 26 August 2024 and 3 October 2024.

4. On 27 March 2026, the Hon. Justice Anderson delivered reasons for judgment, which can be accessed here: in The Owners – Strata Plan No 87231 v 3A Composites GmbH & Anor (No 10) [2026] FCA 351 (**Judgment**).

5. As is clear from the reasons in the Judgment, the class action has been unsuccessful.

6. The lead applicants are considering an appeal of the Judgment. They have until 15 June 2026 to do so. In the event that an appeal is not filed by the lead applicants by that date, any Class Member may file an appeal within 21 days from that date (that is, by 6 July 2026: see s 33ZC(6) of the *Federal Court of Australia Act 1976* (Cth).

7. The solicitors running the case are William Roberts Lawyers (**WRL**). A company named Omni Bridgeway (**OBL**) is funding the case by paying the lawyers and covering any exposure to pay the other side's costs.

Am I a Class Member?

8. You are a Class Member if the following criteria are met:

   a. you either:

      i. own or have previously owned a building situated in Australia (**Relevant Building**), or have or previously had an ownership interest in a part of a building situated in Australia (**Relevant Building Part**); or

      ii. have or have previously had a leasehold interest in a Relevant Building and/or Relevant Building Part which includes an obligation to rectify defects of a kind associated with Alucobond PE Core Cladding in the Relevant Building or Relevant Building Part; and

   b. the Relevant Building or the Relevant Building Part is or was fitted with Alucobond PE Core Cladding; and

   c. you have suffered loss or damage for which damages or compensation is claimed (as pleaded in the Amended Statement of Claim); and

   d. the Alucobond PE Core Cladding was first supplied to a consumer (in respect to the Relevant Building or Building Part) in the period between 14 February 2009 and 14 February 2019.

What type of Class Member am I?

9. This is an open class action, which means that unless you have taken steps to opt out in accordance with the Court's previous orders, you are a Class Member if you fit the above definition and remain so.

10. If you have previously entered into a litigation funding agreement with OBL and a retainer with WRL, then you are referred to in this notice as a **Represented Class Member**.

11. If you have not entered into a litigation funding agreement with OBL or a retainer with WRL, then you are an **Unrepresented Class Member**.

Is a Class Member liable for any costs and charges?

12. No. Please refer to paragraphs 5 to 7 of the 2020 and 2022 Notices for more information on the link provided above in the grey shaded box.

How do I know if my building is or was fitted with Alucobond PE Core Cladding?

13. Please refer to paragraphs 8 and 9 of the 2020 and 2022 Notices for more information on the link provided above in the grey shaded box.

B. THE GERMAN SECURITY CLAIM

Background

14. As referred to above, the first respondent in the class action is a German company, 3A Composites. 100% of the shares in 3A Composites are owned by another German company, 3A Holding (3A Composites Holding Germany GmbH, Singen HRB 704427).

15. At the time the class action was commenced, and at all times until December 2025, there was an agreement between 3A Composites and 3A Holding known as a "profit and loss pooling or transfer agreement" (**PLTA**). The PLTA provided that, among other things, 3A Holding was obliged to compensate 3A Composites for any net loss for a financial year if that loss could not be compensated from other profit reserves in accordance with certain German laws.

16. On 5 January 2026, a notice was published on the German commercial registrar that the PLTA between 3A Composites and 3A Holding had been terminated. The termination of the PLTA means that 3A Composites is no longer required to transfer its annual net profits according to its annual financial statement to 3A Holding, and equally, 3A Holding is no longer obliged to compensate any annual net loss of 3A Composites according to its annual financial statement, as they otherwise would have had to do if the PLTA was not terminated. The lead applicants believe that this may affect the financial position of 3A Composites.

17. The PLTA and the notification can be provided by requesting copies from WRL.

Security claim

18. The lead applicants in this class action consider that the effect of the PLTA between 3A Composites and 3A Holding was that, if 3A Composites incurred a net profit according to its annual financial statement, such annual net profit had to be transferred to 3A Holding. Equally, if 3A Composites incurred a net loss according to its annual financial statement, e.g. due to a decision by the Court to pay any compensation that the Court found to be payable to them or to any Class Members (including following any appeal), then 3A Holding was obliged to compensate such annual net loss to 3A Composites in accordance with German law. The lead applicants are of the view that the termination of the PLTA has the potential to put 3A Composites in a lesser financial position to meet any judgment entered

against it in the event of a successful appeal.

19. To protect their position in the event that any appeal from the Judgment is successful, the lead applicants are proposing to make a demand for security from 3A Holding for the claims made by them in the Federal Court of Australia against 3A Composites. This is referred to in this notice as a **German Security Claim**. This procedure is provided for by the German *Stock Corporation Act* (Section 303), which requires any such demand to be made within **six months** from the date the notice of termination of the PLTA was published (that is, by **5 July 2026**).
20. As set out below, the lead applicants' litigation funder, OBL, has committed to fund the lead applicants and any other Represented Group Members to make a German Security Claim. If you are an Unrepresented Group Member and would like to make a German Security Claim to protect any entitlement you may have in the proceeding, you can either make the demand yourself (in which case you would need to fund the costs of any such demand yourself) or you can become a Represented Group Member and appoint representatives of OBL as your agent to make that demand on your behalf. Further details are provided below.
21. You may seek your own independent legal advice on the German Security Claim and any of the other matters the subject of this notice.

C. OPTIONS

OPTION 1 – DO NOTHING

22. If you are a Class Member but not a Represented Class Member and you do not want to become a Represented Class Member in accordance with option 3 below, you may choose to do nothing.
23. If you do nothing, OBL or WRL will **NOT** consider or take any steps to make a German Security Claim on your behalf. This may mean that the amount available to pay compensation to you if any appeal in this proceeding is successful may be less than that available to Class Members who have successfully made a German Security Claim.
24. You should obtain your own independent legal advice if you wish to proceed with this option.

OPTION 2 – MAKE YOUR OWN GERMAN SECURITY CLAIM INDEPENDENTLY

25. If you are a Class Member but not a Represented Class Member and you do not want to become a Represented Class Member in accordance with option 3 below, you may wish to consider making and make your own German Security Claim. This is also the case for those Class Members who have previously registered their interest in the proceeding but did not become a Represented Class Member by entering into a funding agreement with OBL and retainer with WRL. If you take this course, OBL will not fund the costs of any German Security Claim.
26. You should obtain your own independent legal advice if you wish to proceed with this option.

OPTION 3 – REPRESENTED CLASS MEMBERS

27. In accordance with OBL's funding agreement, OBL will fund the making of German Security Claims on behalf of existing Represented Class Members and those that become

Represented Class Members before the **Deadline**, (**4:00pm AEST on 15 June 2026)**, provided such class members have provided to OBL adequate claim information (including as to losses suffered) also prior to the Deadline.

New Represented Class Members

28. If you are a Class Member and wish to become a Represented Class Member, you will need to enter into a litigation funding agreement and retainer with OBL and WRL, respectively. What you need to do is:

    a. go to OBL's website Cladding Class Action - Omni Bridgeway and complete the information form online, after which you will have the option to electronically access the funding pack of documents; alternatively, if you require hard copy documents to complete and return, you may email OBL at: claddingau@omnibridgeway.com, or telephone them on 1800 016 464. On the electronic OBL portal you will also have the ability to submit claim information.

    b. you may provide to OBL additional information concerning your claims, including as to losses suffered by submitting it to: claddingau@omnibridgeway.com, before the Deadline (**4:00pm AEST on 15 June 2026**).

29. The funding agreement covers the funding of your claims more broadly than just the making of any German Security Claim. If you are considering becoming a Represented Class Member, you should carefully read the funding agreement and the retainer, and, if you then do not understand everything, you should get independent legal advice from your own solicitor.

30. Becoming a Represented Class Member will mean you agree to pay, out of any money compensation you are awarded following any successful appeals or settlement: (a) an amount to OBL for costs it has paid to fund the litigation and a commission; and (b) an amount to William Roberts for any component of costs not funded by OBL. However, if you remain a Class Member that does not sign a funding agreement with OBL and retainer with WRL, the Court may still make an order that requires you to contribute out of any money compensation you receive following any successful appeal(s) of the Judgment or settlement.

Existing Represented Class Members

31. If you already are a Represented Class Member because you have entered into a funding agreement with OBL and retainer with WRL, you may provide additional or updated claim information, including for the purpose of any German Security Claim by submitting it before the Deadline (**4:00pm AEST on 15 June 2026**) to claddingau@omnibridgeway.com, together with your assigned claimant ID.

D. TWO IMPORTANT THINGS TO NOTE

32. **This is not a scam**. You can check by visiting the website of the Federal Court of Australia at https://www.fedcourt.gov.au, the website of William Roberts Lawyers www.williamroberts.com.au or Omni Bridgeway: Cladding Class Action - Omni Bridgeway or by emailing them at claddingau@omnibridgeway.com or calling them on 1800 016 464.

33. If there is anything of which you are unsure of or you don't want to speak with William

Roberts Lawyers (or you want to understand their involvement or the funding agreements or retainer better), you should get legal advice from your own solicitor.