

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re PARMALAT SECURITIES LITIGATION : MASTER DOCUMENT
: :
This document relates to: 04 Civ. 9771 (LAK) : 04 MD 1653 (LAK) ECF Case
: :
: **DEMAND FOR JURY TRIAL**

**GRANT THORNTON INTERNATIONAL'S
AMENDED ANSWER TO THE FIRST AMENDED COMPLAINT**

Defendant Grant Thornton International (“GTI”) by undersigned counsel answers the First Amended Complaint (the “Complaint”) in this action and admits, denies, and alleges as follows:

1. GTI denies the allegations contained in paragraphs 1 through 2 of the Complaint.
2. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 3 of the Complaint.
3. GTI denies the allegations contained in paragraph 4 of the Complaint.
4. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 5 through 23 of the Complaint.
5. GTI denies the allegations contained in paragraph 24 of the Complaint.
6. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 25 of the Complaint, and refers to the Securities and Exchange Commission’s January 20, 2004 complaint for the complete terms thereof.
7. GTI denies the allegations contained in paragraphs 26 through 28 of the Complaint.
8. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 29 of the Complaint.

9. GTI denies the allegations contained in paragraph 30 of the Complaint.
10. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 31 through 33 of the Complaint.
11. GTI denies the allegations contained in paragraphs 34 through 35 of the Complaint.
12. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 36 of the Complaint.
13. GTI denies the allegations contained in paragraph 37 of the Complaint.
14. The allegations contained in paragraph 38 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.
15. GTI denies the allegations contained in paragraph 39 of the Complaint.
16. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 40 through 42 of the Complaint.
17. GTI denies the allegations contained in paragraphs 43 through 46 of the Complaint.
18. GTI denies each and every allegation contained in paragraph 47 of the Complaint, except admits that GTI is a not-for-profit Illinois corporation with its worldwide headquarters in London, United Kingdom and with member and affiliated firms in the United States and elsewhere around the world.
19. GTI admits the allegations contained in paragraph 48 of the Complaint.

20. GTI denies each and every allegation contained in paragraph 49 of the Complaint, except admits that GT-Italy was an Italian Societa per Azioni, was a member firm of GTI, was expelled, and changed its name to Italaudit S.p.A. on January 30, 2004.

21. GTI denies the allegations contained in paragraph 50 of the Complaint.

22. The allegations contained in paragraph 51 of the Complaint are not allegations of fact to which an admission or denial is required, but to the extent one is required GTI denies the allegations.

23. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 52 through 63 of the Complaint.

24. GTI denies each and every allegation contained in paragraph 64 of the Complaint, except admits that GTI is a not-for-profit Illinois corporation and GT-US is an Illinois Limited Liability Partnership.

25. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 65 through 66 of the Complaint.

26. The allegations contained in paragraphs 67 through 69 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.

27. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 70 through 76 of the Complaint.

28. The allegations contained in paragraph 77 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.

29. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 78 through 82 of the Complaint.

30. GTI denies the allegations contained in paragraph 83 of the Complaint.

31. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 84 through 87 of the Complaint.

32. GTI denies the allegations contained in paragraphs 88 through 90 of the Complaint.

33. GTI denies each and every allegation contained in paragraph 91 of the Complaint, except admits that GTI is a not-for-profit Illinois corporation with its global headquarters in London, England, and refers to GTI's website for the complete terms thereof.

34. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 92 through 94 of the Complaint, and refers to Grant Thornton LLP's website for the complete terms thereof.

35. GTI denies each and every allegation contained in paragraph 95 of the Complaint, and refers to the release for the complete terms thereof.

36. GTI denies each and every allegation contained in paragraph 96 of the Complaint, and refers to the report for the complete terms thereof.

37. GTI denies the allegations contained in paragraph 97 of the Complaint.

38. GTI denies each and every allegation contained in paragraph 98 of the Complaint, except admits that member firms of GTI contributed funds that were, in part, used to operate GTI.

39. GTI denies each and every allegation contained in paragraphs 99 through 100 of the Complaint, and refers to its website for the complete terms thereof.

40. GTI denies the allegations contained in paragraph 101 of the Complaint.
41. GTI denies each and every allegation contained in paragraph 102 of the Complaint, and refers to its website for the complete terms thereof.
42. GTI denies each and every allegation contained in paragraph 103 of the Complaint, except admits that GTI member firms send representatives to meetings of GTI, including meetings held in the United States.
43. GTI denies the allegations contained in paragraph 104 of the Complaint.
44. GTI denies each and every allegation contained in paragraph 105 of the Complaint, and refers to the GTI Transparency Report 2005 for the complete terms thereof.
45. GTI denies the allegations contained in paragraphs 106 through 107 of the Complaint.
46. GTI denies each and every allegation contained in paragraphs 108 through 109 of the Complaint, and refers to the memorandum for the complete terms thereof.
47. GTI denies the allegations contained in paragraphs 110 through 111 of the Complaint.
48. GTI denies each and every allegation contained in paragraphs 112 through 115 of the Complaint, and refers to the internal draft documents for the complete terms thereof.
49. GTI denies each and every allegation contained in paragraphs 116 through 117 of the Complaint, and refers to the GTI Policies and Procedures Manual and member firm agreement for the complete terms thereof.
50. GTI denies each and every allegation contained in paragraph 118 of the Complaint, except admits that GT-Italy was the Italian member firm of GTI for a period of time

and Lorenzo Penca, Maurizio Bianchi and Claudio Muollo were partners in GT-Italy for a period of time.

51. GTI denies each and every allegation contained in paragraph 119 of the Complaint, except admits that Penca held the post of Chairman of GT-Italy for a period of time.

52. GTI denies the allegations contained in paragraphs 120 through 121 of the Complaint.

53. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 122 of the Complaint.

54. GTI denies the allegations contained in paragraphs 123 through 126 of the Complaint.

55. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 127 of the Complaint.

56. GTI denies each and every allegation contained in paragraph 128 of the Complaint, and refers to the press release for the complete terms thereof.

57. GTI denies each and every allegation contained in paragraph 129 of the Complaint, and refers to the press release for the complete terms thereof.

58. GTI denies the allegations contained in paragraph 130 of the Complaint.

59. The allegations contained in paragraph 131 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.

60. GTI denies the allegations contained in paragraphs 132 through 135 of the Complaint.

61. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 136 of the Complaint, and refers to Grant Thornton LLP's website for the complete terms thereof.

62. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 137 of the Complaint, and refers to the press release for the complete terms thereof.

63. GTI denies each and every allegation contained in paragraph 138 of the Complaint, and refers to the GTI Transparency Report 2005 for the complete terms thereof.

64. GTI denies the allegations contained in paragraphs 139 through 140 of the Complaint.

65. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 141 of the Complaint.

66. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 142 of the Complaint, and refers to the internal Grant Thornton LLP documents for the complete terms thereof.

67. GTI denies each and every allegation contained in paragraph 143 of the Complaint, except admits that GT-Italy partner Claudio Muollo was a director of the International Business Center in Milan.

68. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 144 of the Complaint.

69. GTI admits the allegations contained in paragraph 145 of the Complaint.

70. GTI denies the allegations contained in paragraph 146 of the Complaint.

71. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 147 of the Complaint.

72. GTI denies the allegations contained in paragraph 148 of the Complaint.

73. GTI denies each and every allegation contained in paragraph 149 of the Complaint, and refers to the Name Use Agreement for the complete terms thereof.

74. GTI denies the allegations contained in paragraphs 150 through 157 of the Complaint.

75. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 158 through 159 of the Complaint.

76. GTI denies the allegations contained in paragraphs 160 through 176 of the Complaint.

77. The allegations contained in paragraph 177 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.

78. GTI denies each and every allegation contained in paragraph 178 of the Complaint, except admits that GTI has a Singapore member firm by the name of Foo Kon Tan Grant Thornton.

79. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 179 through 346 of the Complaint.

80. GTI denies the allegations contained in paragraphs 347 through 349 of the Complaint.

81. The allegations contained in paragraph 350 of the Complaint are not allegations of facts to which an admission or denial is required, but to the extent one is required GTI denies the allegations.

82. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 351 of the Complaint.

83. GTI denies the allegations contained in paragraph 352 of the Complaint.

84. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 353 of the Complaint.

85. The allegations contained in paragraph 354 of the Complaint are not allegations of fact to which an admission or denial is required, but to the extent one is required GTI denies the allegations.

86. GTI denies the allegations contained in paragraph 355 of the Complaint.

87. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 356 through 357 of the Complaint.

88. GTI denies the allegations contained in paragraphs 358 through 360 of the Complaint.

89. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 361 through 364 of the Complaint.

90. GTI denies the allegations contained in paragraphs 365 through 368 of the Complaint.

91. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 369 through 371 of the Complaint.

92. GTI denies the allegations contained in paragraph 372 of the Complaint.

93. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 373 through 375 of the Complaint.

94. GTI denies the allegations contained in paragraphs 376 through 378 of the Complaint.

95. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 379 through 380 of the Complaint.

96. GTI denies the allegations contained in paragraph 381 of the Complaint.

97. GTI denies knowledge or information sufficient to respond to the allegations contained in paragraphs 382 through 386 of the Complaint.

98. GTI denies the allegations contained in paragraphs 387 through 390 of the Complaint.

99. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 391 of the Complaint.

100. GTI denies the allegations contained in paragraphs 392 through 393 of the Complaint.

101. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 394 through 397 of the Complaint.

102. GTI denies the allegations contained in paragraphs 398 through 400 of the Complaint.

103. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 401 through 441 of the Complaint.

104. GTI denies the allegations contained in paragraph 442 of the Complaint.

105. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 443 through 451 of the Complaint.

106. GTI denies the allegations contained in paragraph 452 of the Complaint.

107. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 453 of the Complaint.

108. GTI denies the allegations contained in paragraph 454 of the Complaint.

109. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 455 through 460 of the Complaint.

110. GTI denies each and every allegation contained in paragraph 461 of the complaint, and refers to the CONSOB report dated October 31, 2003 for the complete terms thereof.

111. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 462 through 474 of the Complaint.

112. GTI denies the allegations contained in paragraph 475 of the Complaint.

113. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 476 through 497 of the Complaint.

114. GTI denies the allegations contained in paragraphs 498 through 499 of the Complaint.

115. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 500 through 768 of the Complaint.

116. GTI denies the allegations contained in paragraphs 769 through 770 of the Complaint.

117. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 771 of the Complaint.

118. GTI denies the allegations contained in paragraphs 772 through 775 of the Complaint.

119. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 776, and refers to the report dated May 10, 2000 for the complete terms thereof.

120. GTI denies the allegations contained in paragraph 777 of the Complaint.

121. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 778 through 779 of the Complaint.

122. GTI denies the allegations contained in paragraph 780 of the Complaint.

123. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 781 of the Complaint.

124. GTI denies the allegations contained in paragraphs 782 through 785 of the Complaint.

125. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraphs 786 through 787 of the Complaint, and refers to the indictments for the complete terms thereof.

126. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 788 of the Complaint.

127. GTI denies the allegations contained in paragraphs 789 through 801 of the Complaint.

COUNT I
Professional Malpractice

128. With respect to paragraph 802 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 801 as set forth above.

129. GTI denies the allegations contained in paragraphs 803 through 806 of the Complaint.

130. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 807 of the Complaint.

131. GTI denies the allegations contained in paragraphs 808 through 817 of the Complaint.

COUNT II
Fraud

132. With respect to paragraph 818 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 817 as set forth above.

133. GTI denies the allegations contained in paragraphs 819 through 826 of the Complaint.

134. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 827 of the Complaint.

135. GTI denies the allegations contained in paragraphs 828 through 831 of the Complaint.

COUNT III
Aiding and Abetting Fraud and Constructive Fraud

136. With respect to paragraph 832 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 831 as set forth above.

137. The allegations contained in paragraphs 833 through 835 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.

138. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 836 of the Complaint.

139. GTI denies the allegations contained in paragraph 837 of the Complaint.

140. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 838 of the Complaint.

141. GTI denies the allegations contained in paragraphs 839 through 849 of the Complaint.

COUNT IV
Negligent Misrepresentation

142. With respect to paragraph 850 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1-849 of the Complaint.

143. GTI denies the allegations contained in paragraphs 851 through 859 of the Complaint.

COUNT V
Aiding and Abetting Breach of Fiduciary Duty

144. With respect to paragraph 860 of the of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 859 as set forth above.

145. The allegations contained in paragraphs 861 through 863 of the Complaint state a legal conclusion to which an admission or denial is not required, but to the extent one is required GTI denies the allegations.

146. GTI denies the allegations contained in paragraph 864 of the Complaint.

147. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 865 of the Complaint.

148. GTI denies the allegations contained in paragraphs 866 through 869 of the Complaint.

COUNT VI
Theft and Conversion of Corporate Assets

149. With respect to paragraph 870 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 869 of the Complaint.

150. GTI denies the allegations contained in paragraphs 871 through 872 of the Complaint.

COUNT VII
Conversion

151. With respect to paragraph 873 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 872 of the Complaint.

152. GTI denies the allegations contained in paragraphs 874 through 877 of the Complaint.

153. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 878 of the Complaint.

154. GTI denies the allegations contained in paragraphs 879 through 880 of the Complaint.

COUNT VIII
Unjust Enrichment

155. With respect to paragraph 881 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 880 of the Complaint.

156. GTI denies the allegations contained in paragraphs 882 through 884 of the Complaint.

COUNT IX
Aiding and Abetting Fraudulent Transfer

157. With respect to paragraph 885 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 884 of the Complaint.

158. GTI denies the allegations contained in paragraphs 886 through 891 of the Complaint.

COUNT X
Deepening Insolvency

159. With respect to paragraph 892 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 891 as set forth above.

160. GTI denies the allegations contained in paragraph 893 of the Complaint.

161. GTI denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 894 of the Complaint.

162. GTI denies the allegations contained in paragraphs 895 through 904 of the Complaint.

COUNT XI
Unlawful Civil Conspiracy

163. With respect to the allegations contained in paragraphs 905 of the Complaint, GTI repeats and re-alleges its responses to paragraphs 1 through 904 of the Complaint.

164. GTI denies the allegations contained in paragraphs 906 through 912 of the Complaint.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

Plaintiff's claims are subject to dismissal in their entirety based on the doctrine of in pari delicto.

SECOND AFFIRMATIVE DEFENSE

Plaintiff's claims, in whole or in part, are barred by the statute of limitations and/or the doctrine of laches.

THIRD AFFIRMATIVE DEFENSE

Plaintiff's claims, in whole or in part, are barred by the doctrines of waiver and estoppel.

FOURTH AFFIRMATIVE DEFENSE

Plaintiff's claims, in whole or in part, are barred by the doctrine of unclean hands.

FIFTH AFFIRMATIVE DEFENSE

Any loss allegedly incurred by Plaintiff is not recoverable because all or a portion of that loss resulted from intervening or superseding causes.

SIXTH AFFIRMATIVE DEFENSE

Plaintiff failed to mitigate its alleged damages.

SEVENTH AFFIRMATIVE DEFENSE

Plaintiff's claims, in whole or in part, are barred for lack of standing.

EIGHTH AFFIRMATIVE DEFENSE

Any damage, loss, or liability sustained by Plaintiff must be reduced, diminished, and/or eliminated in proportion to the wrongful or negligent conduct of entities or individuals other than GTI, including Plaintiff, under the principles of equitable allocation, recoupment, set-off, contribution, proportionate responsibility, and comparative fault.

NINTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred because of Plaintiff's spoliation of evidence.

COUNTERCLAIM AND SETOFF

PARTIES

1. GTI is a not-for-profit Illinois corporation with its principal offices in London, United Kingdom.
2. Parmalat Finanziaria S.p.A. was in Extraordinary Administration under the laws of Italy. Parmalat Finanziaria S.p.A. is the 100% owner of Parmalat S.p.A.
3. Parmalat S.p.A. is Parmalat Finanziaria's main operating company. Parmalat S.p.A. is consolidated into the financial statements of Parmalat Finanziaria. Parmalat S.p.A. was also in Extraordinary Administration under the laws of Italy.
4. Enrico Bondi is the Chairman and CEO, and former Extraordinary Commissioner of Parmalat Finanziaria S.p.A., Parmalat S.p.A., and other affiliated entities formerly in Extraordinary Administration.
5. By virtue of Bondi's appointment as the Extraordinary Commissioner of Parmalat, his current position as Chairman and CEO of Parmalat, and his status as Plaintiff in this action, Bondi, on behalf of Parmalat Finanziaria S.p.A., Parmalat S.p.A., and their subsidiary and affiliated companies around the world, including those in the United States, that were under Bondi's Extraordinary Administration (collectively "Parmalat"), is the appropriate representative against whom claims against Parmalat may be made.

COUNTERCLAIM FOR SPOILIATION

6. GTI realleges and incorporates by reference the allegations set forth above.

7. In addition to the fraudulent schemes devised by Parmalat to falsify its financial condition, Parmalat officers, and their direct subordinates, have admitted that they destroyed large amounts of evidence concerning Parmalat's fraud once the fraud started unraveling.

8. On or about December 8, 2003, CONSOB suspended trading in Parmalat securities.

9. By December 10, 2003, Standard & Poor's had reduced Parmalat's credit rating to a "CC" on the grounds that Parmalat had misinformed the agency about its liquidity.

10. On or about December 13, 2003, Luciano Del Soldato, a former Parmalat CAO and CFO, instructed Gianfranco Bocchi, an accountant at Parmalat, to destroy Bonlat documents and other relevant documentation.

11. On December 15, 2003, Parmalat announced in a press release the resignation of Calisto Tanzi, Parmalat's founder, Chairman, and CEO. In that same press release, Parmalat announced that Bondi had taken over as the CEO.

12. Bocchi admitted that he destroyed his computer with a hammer six days after Bondi was named CEO of Parmalat in December 2003.

13. On or about December 19, 2003, Parmalat announced that an alleged \$4.9 billion Bonlat bank account at Bank of America did not exist.

14. On or about December 19, 2003, Standard & Poor's dropped its rating of Parmalat altogether.

15. Del Soldato admitted that all of "Bonlat's books were destroyed by Tonna – I believe – and myself with the use of a shredder."

16. On or about December 23, 2003, Parmalat issued a press release stating its intention to file for bankruptcy protection.

17. Fausto Tonna, Parmalat's CFO from 1987 through 2003, admitted to Italian prosecutors that some documents concerning the Epicurum fund were taken home by Bocchi and later destroyed in the Parmalat offices. Tonna further stated that "the computer supports for all the computers involved," as well as Tonna's laptop itself, were destroyed. Tonna kept some data on a diskette, but he admitted on December 23, 2003, that he had recently destroyed that diskette.

18. On or about December 24, 2003, Parmalat filed for bankruptcy.

19. On or about December 27, 2003, the Court in Parma, Italy declared Parmalat insolvent.

20. Parmalat knew or should have known in early December 2003 that potential litigation would arise, and knew or should have known that Parmalat's records were material to a potential civil action.

21. Bondi should have communicated directly with key Parmalat personnel to prevent them from destroying potential evidence.

22. Neither Bondi nor anyone else at Parmalat took adequate steps to prevent the destruction of Parmalat records, and failed to issue a timely preservation notice.

23. Bondi only first issued a mandatory preservation notice on January 8, 2004.

24. The evidence Parmalat destroyed in this series of acts related to some of the key frauds at Parmalat and belonged to some of the key individuals involved in the fraud at Parmalat.

25. The evidence Parmalat destroyed was material and highly relevant to GTI's counterclaims and defenses in this action. As such, the destruction of this evidence severely prejudices GTI's ability to prosecute its counterclaims and defenses.

26. Parmalat knew or should have known in December 2003 that there was impending litigation, which would arise out of the events that form the basis of this action

and the various actions within the Parmalat Multidistrict Litigation. Thus, Parmalat had a duty to GTI and others to preserve evidence related to the events that form the basis of the Bondi Action and the various actions within the Parmalat Multidistrict Litigation.

27. Parmalat breached its duty to preserve evidence because, among other reasons, Parmalat failed to exercise adequate care to preserve evidence that it knew or should have known was relevant to future litigation.

28. A reasonable person in Parmalat's position should have foreseen that the evidence Parmalat failed to preserve was material to a potential civil action.

29. As a direct and proximate result of Parmalat's failure to exercise adequate care to preserve evidence, GTI has been deprived of evidence important to its ability to defend against Bondi's claims.

30. Parmalat's failure to preserve evidence caused GTI to suffer injuries. GTI asserts that it will prevail on its defenses. In the alternative, but for the loss of the destroyed evidence, GTI had a reasonable probability of prevailing on its defenses against Dr. Bondi's claims.

31. By virtue of the foregoing, GTI has incurred and will incur expenses in defending lawsuits, and may be required to pay damages to third parties based upon the events that form the basis of this action and the various actions within the Parmalat Multidistrict Litigation.

32. GTI therefore seeks damages in an amount to be proven at trial.

WHEREFORE, GTI respectfully requests judgment:

(a) denying all of plaintiffs' claims and dismissing the Complaint against GTI with prejudice;

(b) liquidating GTI's claims against Parmalat and setting off or recouping such claims to the extent of any recovery by Parmalat in this action;

(c) awarding GTI reasonable attorneys' fees, costs and disbursements; and

(d) granting such other and further relief as this Court deems just.

DEMAND FOR JURY TRIAL

Grant Thornton International requests a trial by jury.

DATED: New York, New York
February 27, 2007

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