UNITED STATES DISTRICT COURT
DISTRICT OF NEW HAMPSHIRE

ADAM S. LEVY on behalf of himself and all others similarly situated, Plaintiff, v. THOMAS GUTIERREZ, RICHARD J. GAYNOR, RAJA BAL, J. MICHAEL CONAWAY, KATHLEEN A. COTE, ERNEST L. GODSHALK, MATTHEW E. MASSENGILL, MARY PETROVICH, ROBERT E. SWITZ, NOEL G. WATSON, THOMAS WROE, JR., MORGAN STANLEY & CO. LLC, GOLDMAN, SACHS & CO., AND CANACCORD GENUITY INC., Defendants.	Civ. A. No. **CLASS ACTION** **COMPLAINT FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS** JURY TRIAL DEMANDED **ECF CASE**

Plaintiff Adam S. Levy ("Plaintiff"), by and through his counsel, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff's information and belief is based upon, *inter alia*, counsel's investigation, which includes review and analysis of: (a) regulatory filings made by GT Advanced Technologies Inc. ("GT" or the "Company") with the United States Securities and Exchange Commission ("SEC"); (b) press releases and media reports issued by and disseminated by the Company; (c) analyst reports concerning GT; and (d) other public information regarding the Company.

INTRODUCTION

1. This securities class action is brought on behalf of all persons or entities that: (1) purchased GT's publicly traded securities between November 5, 2013 and 9:40am Eastern

Standard Time on October 6, 2014, when trading in GT stock was halted, inclusive (the "Class Period"); (2) purchased securities in or traceable to the Company's public offering of $214 million in principal amount of 3.00% Convertible Senior Notes due 2020 conducted on or around December 4, 2013, which included $24 million of notes sold pursuant to an overallotment option granted by the Company to certain underwriters (the "Debt Offering"); and (3) purchased securities in or traceable to GT's public offering of 9,942,196 shares of its common stock conducted on or around December 4, 2013, which included 1,292,196 shares sold pursuant to an overallotment option granted by GT to certain underwriters (the "Equity Offering," and together with the Debt Offering, the "Offerings"), and were damaged thereby.

2. The claims asserted herein are alleged against certain of the Company's executive officers, GT's Board of Directors, including the directors that signed the Registration Statement for the Offerings, and the underwriters of the Offerings (collectively, "Defendants"), and arise under Sections 11 and 12(a)(2) of the Securities Act of 1933 (the "Securities Act"), and Section 10(b) of the Securities and Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder.

3. GT is a leading manufacturer of materials for consumer electronics. Historically, the Company had produced photovoltaic and other materials for businesses in the solar industry, but began to diversify away from that core business in 2010 through its acquisition of Crystal Systems, Inc. ("Crystal Systems"). Through that acquisition, GT entered the business of providing sapphire crystal growth equipment to manufacturers. Sapphire crystal is used on consumer devices, including on the camera lenses of Apple's popular iPhones, because it is believed to be more resistant to scratches and cracking than glass. But even though GT has

experience providing the equipment to grow sapphire crystals to manufacturers, the Company has little to no experience supplying the sapphire material itself.

4. On November 4, 2013, the Company announced that it entered into the entirely new business of providing sapphire material to Apple through a multi-year agreement (the "Apple Agreement"). Pursuant to the Apple Agreement, Apple provided GT with a $578 million prepayment payable in four installments, which would be repayable over five years, starting in 2015. Apple could force the Company to repay the prepayments early if GT failed to fulfill certain covenants, and could also withhold prepayment installments from GT if the Company failed to meet certain milestones.

5. The Class Period starts on November 5, 2013, the first trading day after GT reported third quarter fiscal year 2013 results and announced the Apple Agreement. On the Company's earnings conference call, CEO Thomas Gutierrez represented that "[w]e have confidence in the long-term value of this opportunity given the financial and technical resources that both parties are dedicating to the project," and that the Company was in a "good position" with regard to its capital and financing. According to then-CFO Richard J. Gaynor, the Company ended the quarter with approximately $258 million of cash and cash equivalents, and represented that "we are confident that our projected cash levels are adequate to run the business for the foreseeable future."

6. On or around December 4, 2013, GT conducted the Debt Offering and Equity Offering in order to help raise approximately $300 million in additional cash. In the Offering Materials (defined below) for the Offerings, Defendants represented that "[w]e expect that our sapphire material operations will constitute a larger portion of our business going forward than in the past as a result of our supply arrangement with Apple." Defendants also represented that GT

faced purported risks with regard to successfully transitioning its business to provide sapphire material to Apple, and that the material must meet certain specifications by agreed upon deadlines.

7. These statements, and similar statements issued throughout the Class Period, were materially false and misleading. In truth, Company was facing an impending liquidity crisis and knew that it would not be able to meet the requirements of the Apple Agreement without experiencing significant cash-flow problems. Further, the ostensible risks that Defendants identified in the Offering Materials for the Offerings were false and misleading because those risks had already materialized at the time the statements were made and were negatively impacting the Company's business.

8. On September 9, 2014, Apple unveiled two new models of its iPhone device, neither of which would contain displays made from GT's sapphire material. On this news, the price of GT stock dropped from $17.15 per share to $12.78 per share over two trading days, or over 25%. Similarly, the price of the debt issued pursuant to the Debt Offering, which had a face value of $1,000 per note, declined from $1,613 per note on September 9 to $1,279 per note on September 10, 2014, or almost 21%.

9. Then, on October 6, 2014, GT announced that it had filed for bankruptcy. The Company indicated that GT had just $85 million of cash as of September 29, 2014, and listed approximately $1.5 billion in assets and approximately $1.3 billion in liabilities as of June 28, 2014. According to a *Wall Street Journal* article published on October 6, GT filed for bankruptcy because Apple is withholding a $139 million prepayment, which was to be the last of four prepayments from Apple to GT under the Apple Agreement. The Company's $85 million in cash-on-hand is also below a $125 million trigger point that would allow Apple to demand

repayment of the approximately $440 in prepayments that Apple had already advanced. On this news, the price of GT stock declined from $11.05 per share to $0.80 per share, or almost 93%, on heavy trading volume. Similarly, the price of the debt issued pursuant to the Debt Offering, which had a face value of $1,000 per note, declined from $1,083 per note to $315 per note, or almost 71%.

JURISDICTION AND VENUE

10. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331, Section 22 of the Securities Act, 15 U.S.C § 77v, and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

11. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b), (c) and (d). GT maintains its executive offices in this District and many of the acts and conduct that constitute the violations of law complained of herein, including dissemination to the public of materially false and misleading information, occurred in and/or were issued from this District. In connection with the acts alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications, and the facilities of the national securities markets.

PARTIES

A. Plaintiff

12. Plaintiff Adam S. Levy purchased GT securities on the NASDAQ Stock Market ("NASDAQ") during the Class Period and suffered damages as a result of the violations of the federal securities laws alleged herein.

B. Officer Defendants

13. Defendant Thomas Gutierrez ("Gutierrez") is, and was at all relevant times, GT's President, Chief Executive Officer, and Director. Defendant Gutierrez signed the Registration

Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

14. Defendant Richard J. Gaynor ("Gaynor") was, at all relevant times, Vice President and Chief Financial Officer of the Company until his resignation on March 11, 2014. Defendant Gaynor signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

15. Defendant Raja Bal ("Bal") was appointed CFO of the Company effective March 7, 2014. Defendant Bal is the current CFO of GT.

16. Defendants Gutierrez, Gaynor, and Bal are collectively referred to hereinafter as the "Officer Defendants." The Officer Defendants, because of their positions with GT, possessed the power and authority to control the contents of GT's reports to the SEC, press releases, and presentations to securities analysts, money and portfolio managers, and institutional investors. Each of the Officer Defendants was provided with copies of the Company's reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of the Officer Defendants knew that the adverse facts and omissions specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations and omissions which were being made were then materially false and/or misleading.

C. Director Defendants

17. Defendant J. Michal Conaway ("Conaway") is, and was at all relevant times, a Director of GT. Defendant Conaway signed the Registration Statement for the Offerings and is

therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

18. Defendant Kathleen A. Cote ("Cote") is, and was at all relevant times, a Director of GT. Defendant Cote signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

19. Defendant Ernest L. Godshalk ("Godshalk") is, and was at all relevant times, a Director of GT. Defendant Godshalk signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

20. Defendant Matthew E. Massengill ("Massengill") is, and was at all relevant times, a Director of the Company as well as GT's Chairman of the Board. Defendant Massengill signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

21. Defendant Mary Petrovich ("Petrovich") was, at all relevant times, a Director of GT until her resignation from the Board on January 7, 2014. Defendant Petrovich signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

22. Defendant Robert E. Switz ("Switz") is, and was at all relevant times, a Director of the Company. Defendant Switz signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

23. Defendant Noel G. Watson ("Watson") is, and was at all relevant times, a Director of the Company. Defendant Watson signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

24. Defendant Thomas Wroe, Jr. ("Wroe") is, and was at all relevant times, a Director of the Company. Defendant Wroe signed the Registration Statement for the Offerings and is therefore liable under the Securities Act for the untrue and misleading statements and omissions in the Offering Materials for the Offerings.

25. Defendants Conaway, Cote, Godshalk, Massengill, Petrovich, Switz, Watson, and Wroe are collectively referred to herein as the "Director Defendants."

D. Underwriter Defendants

26. Defendant Morgan Stanley & Co. LLC ("Morgan Stanley") was an underwriter of the Offerings as specified herein. As an underwriter of the Offerings, Morgan Stanley was responsible for ensuring the truthfulness and accuracy of the various statements contained in or incorporated by reference into the Offering Materials.

27. Defendant Goldman, Sachs & Co. ("Goldman Sachs") was an underwriter of the Offerings as specified herein. As an underwriter of the Offerings, Goldman Sachs was responsible for ensuring the truthfulness and accuracy of the various statements contained in or incorporated by reference into the Offering Materials.

28. Defendant Canaccord Genuity Inc. ("Canaccord Genuity") was an underwriter of the Offerings as specified herein. As an underwriter of the Offerings, Canaccord Genuity was responsible for ensuring the truthfulness and accuracy of the various statements contained in or incorporated by reference into the Offering Materials.

29. Morgan Stanley, Goldman Sachs, and Canaccord Genuity are collectively referred to herein as the "Underwriter Defendants." The Underwriter Defendants sold and distributed the securities in the Offerings. The extent of the Underwriter Defendants' participation in the Equity Offering, not including the exercise of their overallotment option, is as follows:

Underwriter Defendant	Number of Shares
Morgan Stanley	4,757,500
Goldman Sachs	3,027,500
Canaccord Genuity	865,000
Total	**8,650,000**

30. The extent of the Underwriter Defendants' participation in the Debt Offering, not including the exercise of their overallotment option, is as follows:

Underwriter Defendant	Principal Amount of Notes
Morgan Stanley	$104.5 million
Goldman Sachs	$66.5 million
Canaccord Genuity	$19 million
Total	**$190 million**

RELEVANT NON-PARTY

31. Relevant non-party GT, a Delaware corporation based in Merrimack, New Hampshire, is a diversified technology company that produces advanced materials and equipment for the global consumer electronics, power electronics, solar and LED industries. The Company maintains its principal executive offices at 243 Daniel Webster Highway, Merrimack, New Hampshire, 03054. GT is not named as a Defendant in this Action because it filed for bankruptcy under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for

the District of New Hampshire on October 6, 2014. At all relevant times, the Company's common stock traded on NASDAQ, which is an efficient market, under ticker symbol "GTAT." As of June 28, 2014, there were approximately 138 million shares of GT stock outstanding.

DEFENDANTS VIOLATE THE SECURITIES LAWS

32. GT is a leading manufacturer and supplier of advanced materials and equipment for the global consumer electronics, power electronics, solar, and LED industries. GT's historical business is based in the solar industry, where it provides polysilicon and photovoltaic equipment, services, and technologies. GT also designs and sells high-quality sapphire production equipment and materials for a wide variety of domestic and international markets, including the consumer electronics market. The Company operates in three segments: (1) sapphire; (2) polysilicon; and (3) photovoltaic.

33. With regards to the Company's sapphire segment, GT became a provider of sapphire crystal growth equipment through its acquisition of Crystal Systems, Inc. ("Crystal Systems") in July 2010. But even though GT acquired Crystal Systems approximately four years ago, the Company has very limited experience supplying the sapphire material itself. And the Company's production of sapphire material was to be the linchpin its diversification strategy, an important high-growth area for GT, and the crux of GT's obligations under the Apple Agreement.

34. The Class Period starts on November 5, 2013, the first trading day after GT reported third quarter fiscal year 2013 results and announced that the Company signed a multi-year agreement with Apple to produce sapphire material in an Apple-owned facility in Mesa, Arizona (the "Apple Agreement"). Apple purchased the 1.4 million square-foot facility—about

the size of two dozen football fields—from a solar-panel producer for $113 million and subsequently leased it to GT.

35. Pursuant to the Apple Agreement, the Company would own and operate advanced sapphire crystallization furnaces ("ASF") and related equipment to produce material for sapphire displays, which are supposed to be sturdier than glass. Making the sapphire material requires the ASF to spark a reaction in which cylinders of sapphire grow for over a month, and can then be sliced to less than a millimeter thick for use on gadget screens or other purposes.

36. To finance GT's ambitious expansion, Apple agreed to provide the Company with a $578 million prepayment in four separate installments. GT would repay the prepayment—essentially a loan—over five years, starting in 2015. But the Company's obligation to repay the prepayment may be accelerated under certain circumstances, including if the Company fails to meet certain financial metrics, or fails to meet certain specified technical and performance requirements. The Apple Agreement also requires GT to maintain a minimum level of capacity and requires the Company to meet certain milestones in order to keep receiving the prepayments. Further, the Apple Agreement limited the sapphire that the Company could sell to other customers, while Apple was under no obligation to buy a set amount from GT. Apple met with several other manufacturers who balked at the terms that Apple was offering before Apple settled on GT.

37. In addition to Apple's prepayment, GT also received funds and other benefits from Arizona officials in the form of tax breaks and other incentives to entice the Company to open the sapphire production facility in the Arizona area.

38. In a press release issued after the markets closed on November 4, 2013 announcing the Apple Agreement, GT stated that it "expects this arrangement to be cash positive

and accretive to earnings starting in 2014," and that the Company's sapphire segment would comprise up to approximately 80% of GT's 2014 estimated $600 million to $800 million of total revenue. Further, CEO Gutierrez stated that "[b]y leveraging the new materials operation and our enhanced R&D efforts, we will be well positioned to drive the growth of other sapphire opportunities."

39. Also on November 4, 2013 after the markets closed, the Company held its earnings conference call for its third quarter of 2013. On that call, CEO Gutierrez described the Apple Agreement as "a significant milestone in GT's diversification strategy, and it provides a path to add a recurring revenue stream to our otherwise cyclical equipment business model." Defendant Gutierrez also represented that "[w]e have confidence in the long-term value of this opportunity given the financial and technical resources that both parties are dedicating to the project," and that the Company was in a "good position" with regard to its capital and financing.

40. Then-CFO Gaynor represented on the November 4 earnings call that the Company ended the September quarter with approximately $258 million of cash and cash equivalents, and that "we are confident that our projected cash levels are adequate to run the business for the foreseeable future." CFO Gaynor also announced that the Company was lowering its 2013 revenue guidance from $500 million-$600 million to $290 million-$320 million indicating that the Company's ASF equipment, which they expected to ship to customers, will now likely be used for making their own sapphire. Indeed, according to CEO Gutierrez, the Company expected 2015 revenues to exceed $1 billion, and expected revenues to nearly double from 2014 levels due in substantial part to the Apple Agreement.

41. Given the Apple Agreement, analysts also expected GT's revenue to soar over the long-term. Canaccord Genuity published a research report on November 4 estimating that the

Company's revenue would increase to over $1 billion annually in 2015 and to $1.4 billion annually in 2016. According to a report published by Piper Jaffray on November 5, "[w]e estimate overall revenues to ramp to $1bn in 2015 and potentially to $1.4bn in 2016."

42. The statements set forth above in ¶¶38-40 were materially false and misleading. Defendants knew that there were substantial risks that the Apple Agreement would not be accretive to earnings in 2014, that the Apple Agreement would fail to provide a recurring revenue stream, and that the Company's revenue guidance was inflated given that GT would be unable to meet all the requirements under the Apple Agreement. Defendants also knew that the Company was in a precarious financial position, or soon would be, given the covenants of the Apple Agreement.

43. Just one month after the Company announced the Apple Agreement, GT sought to raise approximately $300 million in capital through the Offerings. Specifically, on December 2, 2013, GT filed a Registration Statement on Form S-3 with the SEC pursuant to which it conducted the Offerings (the "Registration Statement"). The Registration Statement was supplemented through two separate preliminary prospectuses (one for each of the Offerings) both filed with the SEC on December 3, 2013, a Pricing Term Sheet filed with the SEC on December 5, 2013 (the "Pricing Term Sheet"), and two separate Prospectus Supplements (one for each of the Offerings) also filed with the SEC on December 5, 2013 (the "Prospectus Supplements"). The Registration Statement, Pricing Term Sheet and Prospectus Supplements are referred to herein collectively as the "Offering Materials."

44. In the Prospectus Supplement for the Equity Offering, Defendants represented that "[w]e expect that our sapphire material operations will constitute a larger portion of our business going forward than in the past as a result of our supply arrangement with Apple."

Defendants also represented that GT faced risks with regard to successfully transitioning its business to provide sapphire material to Apple, and that the material must meet certain specifications by agreed upon deadlines. These purported risks are important because if they materialize, GT would be subject to significant damages under the Apple Agreement.

45. The Prospectus Supplement for the Debt Offering repeated the same false and misleading statements set forth in ¶44.

46. The statements set forth above in ¶¶44-45 were materially false and misleading. GT's sapphire material operations would not constitute a larger portion of the Company's business going forward because GT's supply arrangement with Apple was failing. Further, the ostensible risks Defendants identified with regard to the Apple Agreement had already materialized at the time the statements were made.

47. On February 24, 2014, the Company held its earnings conference call for the fourth quarter of 2013. On the call, CEO Gutierrez announced that GT received the first two of four prepayments from Apple under the Apple Agreement. According to Defendant Gutierrez, "[w]e're very pleased to have Apple as a sapphire customer, and to be in a position to leverage our proprietary know-how to enable the supply of this versatile material to them." Former CFO Gaynor explained that the Company ended 2013 with approximately $593 million of cash and cash equivalents and restricted cash. According to Defendant Gaynor, "the combination of Apple prepayments received to date, and to be received in the future, will fully fund the capital outlay in Arizona." And in addition to receiving $225 million worth of prepayments under the Apple Agreement, the Company's cash position was bolstered by GT's $300 million capital raise through the Offerings.

48. Further, according to CFO Gaynor, the Company started the year with $593 million in cash, and has received $225 million under the Apple Agreement with "another $350 million to come from that." Additionally, CFO Gaynor stated that GT expects to deploy "some $550 million in terms of investment into the Arizona facility . . . [and] that we expect to have some additional cash from operations being generated during the year."

49. The statements set forth above in ¶¶47-48 were materially false and misleading. Defendants knew that Apple's payments to GT would be insufficient to fund the capital outlay in Arizona, and that there was a substantial risk that Apple would force the Company to repay the prepayments early and/or would withhold future prepayments. Further, Defendants knew that the Company was experiencing significant cash flow problems as a result of the Apple Agreement.

50. On March 14, 2014, GT held a new product and technology briefing. During the briefing, CEO Gutierrez stated that "We talked about the Arizona project. We talked about the fact that it's going quite well. We've received our initial prepayments. We're adding staff and building out the facility. And we've deployed most of the $180 million of plant, property and equipment that we deployed in the fourth quarter, in the fourth quarter was deployed in Arizona."

51. The statements set forth above in ¶50 were materially false and misleading. The Company was experiencing serious problems building out the Arizona facility and was expending a significant amount of capital in the process. Defendants also failed to disclose that the Company would not be eligible to receive the final prepayment from Apple, which would exacerbate the Company's cash problems.

52. On May 8, 2014, the Company held its first quarter 2014 earnings conference call. On that call, Defendant Gutierrez represented that "we expect our Sapphire materials business to provide a solid stream of return revenues once the build out in Arizona is complete. . . . In addition, we have now received three of the four prepayments we expected from Apple. . . . This brings total cash received from April to date to approximately $440 million. I remain very enthusiastic about out Sapphires materials and equipment business. While we cannot be specific with respect to the production ramp in Arizona, we continue to expect our Sapphire business to contribute over 80% of our revenue this year." CEO Gutierrez further stated on the conference call that "we are producing Sapphire [for Apple] and that I expect the Sapphire that we produce will be fully utilized."

53. Defendant Bal, the Company's current CFO, stated that the Company ended the quarter with $509 million in cash—boosted by GT's receipt of its second Apple prepayment of $111 million during the first quarter—cash equivalents and restricted cash as compared to $593 million in December. According to Defendant Bal, GT received its third Apple prepayment of $103 million at the outset of the second quarter (which is not reflected in the first quarter results) and "[w]e expect the total prepayments [under the Apple Agreement] will fully fund[] our capital outlays related to the Arizona project." Defendant Bal further stated that "[w]e expect year-end cash, cash equivalents, and restricted cash of $400 million to $450 million, again reflecting the incremental CapEx discussed earlier."

54. The statements set forth above in ¶¶52-53 were materially false and misleading. Defendants knew that there were substantial risks that the Company's sapphire business would not provide a recurring revenue stream, and that GT was experiencing significant problems fulfilling the terms of the Apple Agreement. Defendants also knew that Apple's prepayments

would not be sufficient to develop the Arizona facility and/or that the Company would not receive all of the prepayments under the Apple Agreement, and that GT would have far less than $400 million to $450 million in cash at year-end.

55. On August 5, 2014, the Company held its second quarter 2014 earnings conference call. On that call, CEO Gutierrez stated that "[t]he build-out of our Arizona facility, which has involved taking a $1.4 million square foot facility from a shell to a functional structure, and the installation of over 1 million square feet of Sapphire growth and fabrication equipment, is nearly complete. And we are commencing the transition to volume production." Further, Defendant Gutierrez told investors that "[t]he fourth prepayment from Apple is contingent upon the achievement of certain operational targets by GT. GT expects to hit these targets and receive the final $139 million prepayment by the end of October 2014. We remain very positive about our Sapphire materials business."

56. CFO Bal reported on the August 5 earnings call that the Company ended the quarter with $333 million of cash, cash equivalents and restricted cash, as compared to $509 million in March. GT's $333 million in cash was boosted by the Company's receipt of Apple's third prepayment in the amount of $103 million. Defendant Bal reiterated that "[t]o date we have received a total of $439 million in prepayments. As Tom noted earlier, the fourth prepayment is contingent on achievement of certain operational targets by GT. We expect to attain these targets and receive the final $139 million prepayment by the end of October."

57. Defendant Gutierrez specifically assured investors on the call that "we don't expect to need to go out into the marketplace to raise additional capital," in spite of the Company's significant cash-burn rate, and that "we're expecting to end the year with approximately $400 million of cash on the balance sheet."

58. And even though on August 5, 2014, the Company disclosed problems and challenges ramping up production at the Arizona facility, CEO Gutierrez represented that "I feel very confident, based on the progress that we're making, that we will achieve the milestone in that timeframe. But as I indicated with a projection of having close to $400 million in the bank at the end of the year, it's not a world-ending event if it slides. Although, again, I don't anticipate that it will slide."

59. The Company also represented in its Form 10-Q for the second quarter of 2014 filed with the SEC on August 7, 2014 that "[t]he Company is currently in compliance, and based on the Company's operational plans and financial forecasts, the Company expects to maintain compliance with the operating metrics and financial covenants in the [Apple] Agreement and management believes that the Company will have sufficient cash resources to fund operations for at least the next twelve months."

60. The statements set forth above in ¶¶55-59 were materially false and misleading. Defendants knew that there were substantial risks that GT would not receive the final $139 million Apple prepayment, would fall out of compliance with the Apple Agreement, and that the build-out of the Arizona facility was experiencing serious set-backs. Further, Defendants knew that they would end the year with much less than $400 million on the Company's balance sheet, and never disclosed the severity of GT's precarious financial position.

61. Indeed, throughout the Class Period, the Company gave no indication of an impending liquidity crisis and continued making reassuring statements to investors regarding the Company's current cash position, expected cash position and revenues, ability to meet the milestones under the Apple Agreement, and the progress GT was making developing the Arizona facility. These statements and omissions were materially false and misleading.

62. On September 9, 2014, Apple unveiled two new models of its iPhone device—the iPhone 6 and the iPhone 6 Plus. During the launch, Apple announced that both models of the iPhone 6 would come with displays produced from ion-strengthened glass, a term that is associated with Gorilla Glass, a competitor of GT's sapphire material. On this news, the price of GT stock dropped from $17.15 per share to $12.78 per share over two trading days, or over 25%. Similarly, the price of the debt issued pursuant to the Debt Offering, which had a face value of $1,000 per note, declined from $1,613 per note on September 9 to $1,279 per note on September 10, 2014, or almost 21%.

63. Then, on October 6, 2014, GT announced that it had filed for bankruptcy under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of New Hampshire. The Company indicated that GT had just $85 million of cash as of September 29, 2014, and listed approximately $1.5 billion in assets and approximately $1.3 billion in liabilities as of June 28, 2014. According to a *Wall Street Journal* article published on October 6, GT filed for bankruptcy because Apple is withholding a $139 million prepayment, which was to be the last of the four prepayments from Apple to GT under the Apple Agreement. The Company's $85 million in cash-on-hand is also below a $125 million trigger point that would allow Apple to demand repayment of approximately $440 million in prepayments that Apple had already advanced to GT. On this news, the price of GT stock declined from $11.05 per share to $0.80 per share, or almost 93%, on heavy trading volume. Similarly, the price of the debt issued pursuant to the Debt Offering, which had a face value of $1,000 per note, declined from $1,083 per note to $315 per note, or almost 71%.

LOSS CAUSATION

64. During the Class Period, as detailed herein, Defendants made materially false and misleading statements and omissions, and engaged in a scheme to deceive the market. This artificially inflated the price of GT securities and operated as a fraud or deceit on the Class. Later, when Defendants' prior misrepresentations and fraudulent conduct were disclosed to the market on September 9, 2014 and October 6, 2014, the price of GT securities fell precipitously, as the prior artificial inflation came out of the price over time. As a result of their purchases of GT securities during the Class Period, Plaintiff and other members of the Class suffered economic loss, i.e., damages, under the federal securities laws.

CLASS ACTION ALLEGATIONS

65. Plaintiff brings this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of all persons or entities who purchased or otherwise acquired: (1) the publicly traded securities of GT during the Class Period; (2) securities in or traceable to the Company's Debt Offering; or (3) securities in or traceable to the Company's Equity Offering (the "Class"). Excluded from the Class are Defendants and their families, directors, and officers of GT and their families and affiliates.

66. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. As of June 28, 2014, there were approximately 138 million shares of GT stock outstanding, owned by hundreds or thousands of investors.

67. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

A. Whether Defendants violated the Securities Act and/or the Exchange Act;

B. Whether Defendants omitted and/or misrepresented material facts;

C. Whether Defendants' statements omitted material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

D. Whether the Officer Defendants and the Director Defendants are personally liable for the alleged misrepresentations and omissions described herein;

E. Whether the price of GT securities was artificially inflated;

F. Whether Defendants' conduct caused the members of the Class to sustain damages; and

G. The extent of damage sustained by Class members and the appropriate measure of damages.

68. Plaintiff's claims are typical of those of the Class because Plaintiff and the Class sustained damages from Defendants' wrongful conduct.

69. Plaintiff will fairly and adequately protect the interests of the Class and has retained counsel experienced in class action securities litigation. Plaintiff has no interests which conflict with those of the Class.

70. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Joinder of all Class members is impracticable.

INAPPLICABILITY OF STATUTORY SAFE HARBOR

71. GT's "Safe Harbor" warnings accompanying its forward-looking statements issued during the Class Period were ineffective to shield those statements from liability.

72. Defendants are also liable for any false or misleading forward-looking statements pleaded herein because, at the time each such statement was made, the speaker knew the statement was false or misleading and the statement was authorized and/or approved by an executive officer of GT who knew that the statement was false. None of the historic or present tense statements made by Defendants were assumptions underlying or relating to any plan, projection, or statement of future economic performance, as they were not stated to be such assumptions underlying or relating to any projection or statement of future economic performance when made, nor were any of the projections or forecasts made by Defendants expressly related to, or stated to be dependent on, those historic or present tense statements when made.

PRESUMPTION OF RELIANCE

73. At all relevant times, the market for GT's securities was an efficient market for the following reasons, among others:

A. GT stock met the requirements for listing, and was listed and actively traded on NASDAQ, a highly efficient and automated market;

B. As a regulated issuer, GT filed periodic public reports with the SEC and NASDAQ;

C. GT regularly and publicly communicated with investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

D. GT was followed by several securities analysts employed by major brokerage firm(s) who wrote reports which were distributed to the sales force and certain customers of their respective brokerage firm(s). Each of these reports was publicly available and entered the public marketplace.

74. As a result of the foregoing, the market for GT securities promptly digested current information regarding GT from all publicly available sources and reflected such information in the price of GT securities. Under these circumstances, all purchasers of GT securities during the Class Period suffered similar injury through their purchase of GT securities at artificially inflated prices and the presumption of reliance applies.

75. A Class-wide presumption of reliance is also appropriate in this action under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972), because the Class' claims are grounded on Defendants' material omissions. Because this action involves Defendants' failure to disclose material adverse information regarding GT's capital position and performance under the Apple Agreement—information that Defendants were obligated to disclose—positive proof of reliance is not a prerequisite to recovery. All that is necessary is that the facts withheld be material in the sense that a reasonable investor might have considered them important in making investment decisions. Given the importance of the Apple Agreement and the Company's capital position, as set forth above, that requirement is satisfied here.

COUNT I

For Violation of Section 11 of the Securities Act Against All Defendants Except Bal

76. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C. § 77k, on behalf of all members of the Class who purchased or otherwise acquired securities sold pursuant or traceable to the Offerings, and who were damaged thereby.

77. This Count expressly excludes and disclaims any allegation that could be construed as alleging fraud or intentional or reckless conduct, as this Count is solely based on claims of strict liability and/or negligence under the Securities Act. For purposes of asserting this Count, Plaintiff does not allege that Defendants acted with scienter or fraudulent intent, which are not elements of a Section 11 claim.

78. Liability under this Count is predicated on the Officer Defendants (except for Bal) and the Director Defendants signing of the Registration Statement for the Offerings and all Defendants' (except for Bal) respective participation in the Offerings, which were conducted pursuant to the Offering Materials. The Offering Materials were false and misleading, contained untrue statements of material facts, omitted to state facts necessary to make the statements not misleading, and omitted to state material facts required to be stated therein.

79. Less than one year has elapsed since the time that Plaintiff discovered, or could reasonably have discovered, the facts upon which this Complaint is based. Less than three years has elapsed since the time that the securities at issue in this Complaint were bona fide offered to the public.

80. By reason of the foregoing, the Defendants named in this Count are each jointly and severally liable for violations of Section 11 of the Securities Act to Plaintiff and the other members of the Class pursuant to Section 11(e).

COUNT II

For Violation of Section 12(a)(2) of the Securities Act Against the Underwriter Defendants

81. This Count is brought pursuant to Section 12(a)(2) of the Securities Act, 15 U.S.C. § 77k, on behalf of all members of the Class who purchased or otherwise acquired GT securities in and/or traceable to the Offerings and who were damaged thereby.

82. This Count expressly excludes and disclaims any allegation that could be construed as alleging fraud or intentional or reckless conduct, as this Count is solely based on claims of strict liability and/or negligence under the Securities Act. For purposes of asserting this Count, Plaintiff does not allege that Defendants acted with scienter or fraudulent intent, which are not elements of a Section 12(a)(2) claim.

83. The Underwriter Defendants were statutory sellers of GT securities that were registered in the Offerings pursuant to the Registration Statement and sold by means of the Offering Materials. By means of the Offering Materials, the Underwriter Defendants sold approximately 10 million shares of stock through the Equity Offering and $214 million in principal amount of notes through the Debt Offering to members of the Class. The Underwriter Defendants were at all relevant times motivated by their own financial interests. In sum, the Underwriter Defendants were sellers, offerors, and/or solicitors of sales of the securities that were sold in the Offerings by means of the materially false and misleading Offering Materials.

84. The Offering Materials contained untrue statements of material fact and omitted other facts necessary to make the statements not misleading, and failed to disclose material facts, as set forth herein.

85. Less than one year has elapsed since the time that Plaintiff discovered, or could reasonably have discovered, the facts upon which this Complaint is based. Less than three years

has elapsed since the time that the securities at issue in this Complaint were bona fide offered to the public.

86. By reason of the foregoing, the Underwriter Defendants are liable for violations of Section 12(a)(2) of the Securities Act to Plaintiff and the other members of the Class who purchased securities in or traceable to the Offerings, and who were damaged thereby.

COUNT III

For Violation of Section 10(b) of the Exchange Act and Rule 10b-5 Against the Officer Defendants

87. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

88. During the Class Period, the Officer Defendants carried out a plan, scheme, and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase GT securities at artificially inflated prices.

89. The Officer Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for GT securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

90. The Officer Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about the Company's financial well-being, operations, and prospects.

91. During the Class Period, the Officer Defendants made the false statements specified above, which they knew or recklessly disregarded to be false or misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

92. The Officer Defendants had actual knowledge of the misrepresentations and omissions of material fact set forth herein, or recklessly disregarded the true facts that were available to them. The Officer Defendants engaged in this misconduct to conceal GT's true condition from the investing public and to support the artificially inflated prices of the Company's securities.

93. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for GT securities. Plaintiff and the Class would not have purchased the Company's securities at the prices they paid, or at all, had they been aware that the market prices for GT securities had been artificially inflated by the Officer Defendants' fraudulent course of conduct.

94. As a direct and proximate result of the Officer Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases of the Company's securities during the Class Period.

95. By virtue of the foregoing, the Officer Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

PRAYER FOR RELIEF

96. WHEREFORE, Plaintiff prays for judgment as follows:

A. Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding compensatory damages in favor of Plaintiff and other Class members against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including attorneys' fees and expert fees;

D. As to the claims set forth under the Securities Act (Sections 11 and/or 12(a)(2)), awarding rescission or a recessionary measure of damages; and

E. Awarding such equitable/injunctive or other further relief as the Court may deem just and proper.

JURY DEMAND

97. Plaintiff demands a trial by jury.

DATED: October 9, 2014

/s/ Jennifer A. Eber

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Counsel for Plaintiff Adam S. Levy and Proposed Lead Counsel for the Class

CERTIFICATION PURSUANT TO
THE FEDERAL SECURITIES LAWS

I, Adam S. Levy, hereby certify, as to the claims asserted under the federal securities laws, that:

1. I have reviewed a complaint and authorize its filing.

2. I did not purchase the securities that are the subject of this action at the direction of counsel or in order to participate in any action arising under the federal securities laws.

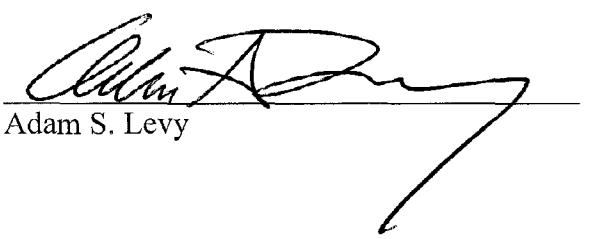
3. I am willing to serve as a representative party on behalf of the Class, including providing testimony at deposition and trial, if necessary.

4. My transactions in the GT Advanced Technology, Inc. securities that are the subject of this action are set forth in the chart attached hereto.

5. I have not sought to serve as a lead plaintiff or representative party on behalf of a class in any action under the federal securities laws filed during the three-year period preceding the date of this Certification.

6. I will not accept any payment for serving as a representative party on behalf of the Class beyond my pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the Class, as ordered or approved by the Court.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 9th day of October, 2014.



Adam S. Levy