

UNITED STATES DISTRICT COURT
DISTRICT OF NEW HAMPSHIRE

IRVING S. BRAUN, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

GT SOLAR INTERNATIONAL, INC.,
THOMAS M. ZARRELLA, ROBERT W.
WOODBURY, JR., EDWIN L. LEWIS,
J. BRADFORD FORTH, ERNEST L.
GODSHALK, RICHARD K. LANDERS,
J. MICHAL CONAWAY, FUSEN E. CHEN,
CREDIT SUISSE SECURITIES (USA) LLC,
UBS SECURITIES LLC, BANC OF
AMERICA SECURITIES LLC, DEUTSCHE
BANK SECURITIES INC., PIPER
JAFFRAY & CO. and THOMAS WEISEL
PARTNERS LLC,

Defendants.

) No.

) CLASS ACTION

) COMPLAINT FOR VIOLATION OF THE
) FEDERAL SECURITIES LAWS

) DEMAND FOR JURY TRIAL

NATURE OF THE ACTION

1. This is a class action on behalf of all persons or entities who acquired the common stock of GT Solar International, Inc. (“GT Solar” or the “Company”) pursuant or traceable to the Company’s false and misleading Registration Statement and Prospectus (collectively, the “Registration Statement”) issued in connection with its July 23, 2008 initial public offering (“IPO”), seeking to pursue remedies under the Securities Act of 1933 (“1933 Act”).

2. GT Solar and its subsidiaries provide manufacturing equipment and “turnkey” manufacturing solutions to the photovoltaic (“PV”) industry worldwide. Its products and solutions are used in the PV manufacturing value chain, including production of solar grade polysilicon, manufacturing of multi-crystalline silicon wafers, production of solar cells, and assembly of complete modules. The Company offers DSS units, polysilicon CVD reactors, STC converters, as well as other PV manufacturing equipment, including wire saws, wafer cleaning and etch systems, slurry recovery systems, cell testing and sorting equipment, and tabber/stringer machines. In addition, it provides various types of equipment manufactured by third parties, including wafer saws, wafer cleaning and inspection systems, PECVD equipment, screen printing equipment, and diffusion furnaces. Further, the Company offers a range of consulting and installation services in connection with product sales. It sells its products and services to polysilicon and solar wafer, cell, and module manufacturers. GT Solar was founded in 1994 and is headquartered in Merrimack, New Hampshire.

3. On July 23, 2008, GT Solar accomplished its IPO of 30.3 million shares at \$16.50 per share for net proceeds of \$500 million, pursuant to the Registration Statement (the “Offering”). The proceeds from the Offering went to GT Solar Holdings, LLC (“GT Solar Holdings”). GT Solar Holdings is controlled by investment firms Oaktree Capital (“Oaktree”) and GFI Energy Ventures (“GFI”). GT Solar Holdings intended to use the net proceeds it received via the Offering to make a distribution to its shareholders.

4. In its first day of trading, GT Solar closed at \$14.59 per share on July 24, 2008.

5. The following day, on July 25, 2008, before the market opened, LDK Solar Co., LTD (“LDK”), GT Solar’s largest customer, issued a press release announcing that it had signed a contract to purchase production equipment from one of GT Solar’s competitors. The press release, entitled “LDK Signs Contract to Purchase JYT Furnace,” stated in part:

LDK Solar Co., Ltd (“LDK Solar”), a leading manufacturer of multicrystalline solar wafers, announced today that it has signed a contract to purchase production equipment from China-based JYT Corporation.

Under this contract, LDK Solar will purchase furnaces used in the manufacturing of multicrystalline and monocrystalline ingots for installation in its manufacturing facilities in Xinyu City. With the world’s largest current ingot loading capacity of 800 KG, LDK Solar expects these furnaces to reduce the Company’s electricity consumption and capital expenditures, while increasing production efficiency. Delivery will commence in 2008, and extend through 2010. LDK Solar is granted the exclusive right by JYT in purchasing and using this new equipment for the contract period. With this additional equipment, LDK Solar expects to reach 3.2 GW of annualized wafer capacity in 2010.

“We are pleased to establish a relationship with JYT,” stated Xiaofeng Peng, Chairman and CEO of LDK Solar. “Our testing of their equipment yielded high quality ingots. By utilizing their cost efficient furnaces, we expect to lower our manufacturing expenses while expanding our wafer capacity.”

“We feel very excited to receive this large order from LDK Solar,” said Mr. Huanpei Feng, Chairman of the Board and CEO of JYT. “The partnership with LDK Solar is an important step toward our goal of becoming a world-class photovoltaic and semiconductor equipment manufacturer. We are determined to provide the best products and services to our customers.”

6. On this news, GT Solar’s stock price declined to as low as \$9.30 per share before closing at \$12.59 per share on July 25, 2008, losing 13% of its value in its second day of trading.

7. The Registration Statement failed to disclose the true extent of the risks surrounding the Company’s relationship with LDK, including the fact that the Company was at imminent risk of losing out on a contract for future orders from LDK due to delays in shipping production equipment to LDK.

JURISDICTION AND VENUE

8. The claims asserted herein arise under and pursuant to §§11 and 15 of the 1933 Act [15 U.S.C. §§77k and 77o].

9. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and §22 of the 1933 Act.

10. Venue is proper in this District pursuant to 28 U.S.C. §1391(b), because the defendants maintain an office in this District and many of the acts and practices complained of herein occurred in substantial part in this District.

11. 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

12. Plaintiff Irving S. Braun acquired the common stock of GT Solar pursuant or traceable to the IPO, as set forth in the accompanying certification, and has been damaged thereby.

13. Defendant GT Solar is headquartered in Merrimack, New Hampshire. Its stock trades in an efficient market on the Nasdaq.

14. Defendant Thomas M. Zarrella (“Zarrella”) was appointed Chief Executive Officer and a director of GT Solar in April 2007. Zarrella joined GT Solar as President and Chief Operating Officer in August 2004. Zarrella signed the false and misleading Registration Statement.

15. Defendant Robert W. Woodbury, Jr. (“Woodbury”) was appointed Chief Financial Officer of GT Solar in January 2008. Woodbury signed the false and misleading Registration Statement.

16. Defendant Edwin L. Lewis (“Lewis”) was appointed Vice President and General Counsel of GT Solar in November 2007 and was appointed Secretary of GT Solar in February 2008. Lewis signed the false and misleading Registration Statement.

17. Defendant J. Bradford Forth (“Forth”) has served as a director of GT Solar since March 2006 and as Chairman of the Board since January 2007. Forth has been a partner at GFI since he joined the firm in March 2006. Forth signed the false and misleading Registration Statement.

18. Defendant Ernest L. Godshalk (“Godshalk”) has served as a director of GT Solar since July 2006. Godshalk signed the false and misleading Registration Statement.

19. Defendant Richard K. Landers (“Landers”) has served as a director of GT Solar since March 2006. Landers is a founding partner of GFI. Landers signed the false and misleading Registration Statement.

20. Defendant J. Michal Conaway (“Conaway”) has served as a director of GT Solar since May 2008. Conaway signed the false and misleading Registration Statement.

21. Defendant Fusen E. Chen (“Chen”) has served as a director of GT Solar since May 2008. Chen signed the false and misleading Registration Statement.

22. The defendants referenced above in ¶¶14-21 are referred to herein as the “Individual Defendants.”

23. Defendant Credit Suisse Securities (USA) LLC (“Credit Suisse”) operates as an investment bank in the United States. Its businesses include securities underwriting, sales and trading, investment banking, private equity, alternative assets, financial advisory services, investment research, and asset management. Credit Suisse acted as financial advisor to GT Solar in connection with the IPO, helping to draft and disseminate the Offering documents.

24. Defendant UBS Securities LLC (“UBS”) is the US investment banking and securities arm of UBS Investment Bank. UBS Investment Bank provides a range of financial products and services worldwide. UBS acted as financial advisor to GT Solar in connection with the IPO, helping to draft and disseminate the Offering documents.

25. Defendant Banc of America Securities LLC (“Banc of America”) is the investment banking arm of Bank of America. Banc of America offers trading and brokerage services; debt and securities underwriting; debt and equity research; and advice on public offerings, leveraged buyouts, and mergers and acquisitions. Banc of America acted as financial advisor to GT Solar in connection with the IPO, helping to draft and disseminate the Offering documents.

26. Defendant Deutsche Bank Securities Inc. (“Deutsche Bank”) is the US investment banking and securities arm of Deutsche Bank. Deutsche Bank provides investment banking products and services. Deutsche Bank acted as financial advisor to GT Solar in connection with the IPO, helping to draft and disseminate the Offering documents.

27. Defendant Piper Jaffray & Co. (“Piper”) is an international middle-market investment bank and institutional securities firm. Piper acted as financial advisor to GT Solar in connection with the IPO, helping to draft and disseminate the Offering documents.

28. Defendant Thomas Weisel Partners LLC (“Thomas Weisel”) is an investment bank specializing in the growth sectors of the economy, including the technology, healthcare and consumer sectors. Thomas Weisel acted as financial advisor to GT Solar in connection with the IPO, helping to draft and disseminate the Offering documents.

CLASS ACTION ALLEGATIONS

29. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons or entities who acquired shares of GT Solar common stock pursuant or traceable to the Company’s false and misleading Registration Statement for its IPO and who were damaged thereby (the “Class”). Excluded from the Class are defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

30. The members of the Class are so numerous that joinder of all members is impracticable. GT Solar stock was actively traded on the NASDAQ. While the exact number of Class members is unknown to plaintiff at this time and can only be ascertained through appropriate discovery, plaintiff believes that there are hundreds of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by GT Solar or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions. GT Solar has more than 30 million shares of stock outstanding.

31. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

32. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

33. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- (a) whether the 1933 Act was violated by defendants' acts as alleged herein;
- (b) whether statements made by defendants to the investing public in the Registration Statement misrepresented material facts about the business, operations and management of GT Solar; and
- (c) to what extent the members of the Class have sustained damages and the proper measure of damages.

34. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the

damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

BACKGROUND

35. GT Solar and its subsidiaries provide manufacturing equipment and “turnkey” manufacturing solutions to the PV industry worldwide. Its products and solutions are used in the PV manufacturing value chain, including production of solar grade polysilicon, manufacturing of multicrystalline silicon wafers, production of solar cells, and assembly of complete modules. The Company offers DSS units, polysilicon CVD reactors, STC converters, as well as other PV manufacturing equipment, including wire saws, wafer cleaning and etch systems, slurry recovery systems, cell testing and sorting equipment, and tabber/stringer machines. In addition, it provides various types of equipment manufactured by third parties, including wafer saws, wafer cleaning and inspection systems, PECVD equipment, screen printing equipment, and diffusion furnaces. Further, the Company offers a range of consulting and installation services in connection with product sales. It sells its products and services to polysilicon and solar wafer, cell, and module manufacturers. GT Solar was founded in 1994 and is headquartered in Merrimack, New Hampshire.

36. GT Solar has entered into a number of equipment and technologies purchase contracts with LDK since June 2005. The importance of LDK’s relationship with GT Solar has grown over the years and recently has become a significant source of the Company’s revenue and income. For the fiscal year ending March 31, 2008, LDK accounted for 62% of GT Solar’s revenue. Importantly, this marked the first year in the Company’s history that GT Solar turned a profit. Likewise, LDK has come to rely upon GT Solar to supply LDK with production equipment necessary for LDK to increase its wafer production capacity. For LDK’s year ending December 31, 2007, GT Solar supplied LDK with all of its DSS furnaces and some of its polysilicon reactors requirements.

37. LDK is currently building two polysilicon plants in order to expand its wafer production capacity. Both plants have a completion date of mid to late 2008. GT Solar is providing LDK with the reactors under its expansion plans. GT Solar has been delayed in shipping certain of the reactors to LDK. A delay in receiving equipment from GT Solar could place LDK behind schedule in its planned production expansion.

THE FALSE AND DEFECTIVE REGISTRATION STATEMENT AND PROSPECTUS

38. On or about July 23, 2008, GT Solar filed with the SEC a Form S-1/A for the IPO (the "IPO Registration Statement").

39. On or about July 24, 2008, the Company filed its Prospectus for the IPO (the "IPO Prospectus"), which forms part of the IPO Registration Statement and which became effective on July 23, 2008, and at least 30.3 million shares of GT Solar common stock were sold to the public at \$16.50 per share, raising \$500 million for the selling shareholder, GT Solar Holdings.

40. The IPO Registration Statement and IPO Prospectus were negligently prepared and, as a result, contained untrue statements of material facts or omitted to state other facts necessary to make the statements made not misleading and were not prepared in accordance with the rules and regulations governing their preparation.

41. The IPO Registration Statement and IPO Prospectus made the following limited representations regarding GT Solar's relationship with LDK and the risk surrounding the relationship:

We currently depend on a small number of customers in any given fiscal year for a substantial part of our sales and revenue.

In each fiscal year, we depend on a small number of customers for a substantial part of our sales and revenue. For example, in the fiscal year ended March 31, 2006 (on a combined basis), three customers accounted for 64% of our revenue; in the fiscal year ended March 31, 2007, three customers accounted for 70% of our revenue; and in the fiscal year ended March 31, 2008, one customer accounted for 62% of our revenue. In addition, as of March 31, 2008, we had a \$1.3 billion order backlog, of which \$769 million was attributable to three customers. As a result, the

default in payment by any of our major customers, the loss of existing orders or lack of new orders in a specific financial period, or a change in the product acceptance schedule by such customers in a specific financial period, could significantly reduce our revenues and have a material adverse effect on our financial condition, results of operations, business and/or prospects. We anticipate that our dependence on a limited number of customers in any given fiscal year will continue for the foreseeable future. There is a risk that existing customers will elect not to do business with us in the future or will experience financial difficulties. Furthermore, many of our customers are at an early stage and many are dependent on the equity capital markets to finance their purchase of our products. As a result, these customers could experience financial difficulties and become unable to fulfill their contracts with us. There is also a risk that our customers will attempt to impose new or additional requirements on us that reduce the profitability of those customers for us. If we do not develop relationships with new customers, we may not be able to increase, or even maintain, our revenue, and our financial condition, results of operations, business and/or prospects may be materially adversely affected.

* * *

Customers

We sell our products and services globally to polysilicon, solar wafer, cell and module manufacturers. Our customers include, or are suppliers to, some of the world's leading solar wafer and cell manufacturers.

In any one year, we typically have a small number of customers, with any one customer representing a significant percentage of our total revenue. In the fiscal year ended March 31, 2006 (on a combined basis), three customers represented 64% of our revenue, in the fiscal year ended March 31, 2007, three customers represented 70% of our revenue and in the fiscal year ended March 31, 2008, one customer represented 62% of our revenue. However, our customers and/or their contribution to our revenue typically change from year to year, as different customers replace equipment and undertake projects to add manufacturing capacity. For example, during the fiscal year ended March 31, 2006 (on a combined basis), our three largest customers by sales were: (i) Tatung Company of America, Inc.; (ii) Boading Tianwei Yingli New Energy Resources Co., Ltd., and (iii) Solar Power Industries, Inc. These three customers accounted for approximately 28%, 25% and 11%, respectively, of our revenue in the fiscal year ended March 31, 2006 (on a combined basis). During the fiscal year ended March 31, 2007, our three largest customers by sales were: (i) Tatung Company of America, Inc., (ii) Glory Silicon Energy Co., Ltd., an affiliate of the Huantai Corporation, and (iii) Sino-American Silicon Products, Inc. These three customers accounted for approximately 42%, 14% and 14% of our revenue, respectively, in the fiscal year ended March 31, 2007. During the fiscal year ended March 31, 2008, one customer, LDK Solar Co. Ltd., accounted for 62% of our revenue. No other customer accounted for more than 10% of our revenue in each of the fiscal years ended March 31, 2006, 2007 and 2008.

We believe that our sales to customers in Asia will continue to increase over the next several years as polysilicon and PV manufacturing continues to grow in that

region. In addition, we expect that our customer mix will change as we continue to broaden our product offering and expand our sales organization. We expect that revenue generated from the sale of our polysilicon products, CVD reactors and STC converters will come from a new base of customers.

42. While the IPO Registration Statement and IPO Prospectus noted the importance of LDK to GT Solar, it concealed GT Solar's failures to adequately supply LDK, including delays in shipments, which threatened GT Solar's relationship with its most important customer.

43. In its first day of trading, GT Solar stock closed at \$14.59 per share on July 24, 2008.

44. The following day, on July 25, 2008, before the market opened, LDK Solar issued a press release announcing that it had signed a contract to purchase production equipment from one of GT Solar's competitors. The press release, entitled "LDK Signs Contract to Purchase JYT Furnace," stated in part:

LDK Solar Co., Ltd ("LDK Solar"), a leading manufacturer of multicrystalline solar wafers, announced today that it has signed a contract to purchase production equipment from China-based JYT Corporation.

Under this contract, LDK Solar will purchase furnaces used in the manufacturing of multicrystalline and monocrystalline ingots for installation in its manufacturing facilities in Xinyu City. With the world's largest current ingot loading capacity of 800 KG, LDK Solar expects these furnaces to reduce the Company's electricity consumption and capital expenditures, while increasing production efficiency. Delivery will commence in 2008, and extend through 2010. LDK Solar is granted the exclusive right by JYT in purchasing and using this new equipment for the contract period. With this additional equipment, LDK Solar expects to reach 3.2 GW of annualized wafer capacity in 2010.

"We are pleased to establish a relationship with JYT," stated Xiaofeng Peng, Chairman and CEO of LDK Solar. "Our testing of their equipment yielded high quality ingots. By utilizing their cost efficient furnaces, we expect to lower our manufacturing expenses while expanding our wafer capacity."

"We feel very excited to receive this large order from LDK Solar," said Mr. Huanpei Feng, Chairman of the Board and CEO of JYT. "The partnership with LDK Solar is an important step toward our goal of becoming a world-class photovoltaic and semiconductor equipment manufacturer. We are determined to provide the best products and services to our customers."

45. On this news, GT Solar's stock price declined to as low as \$9.30 per share before closing at \$12.59 per share on July 25, 2008, losing 23% of its value in its second day of trading.

46. The Registration Statement failed to disclose the true extent of the imminent risks surrounding the Company's relationship with LDK, including the fact that the Company was at risk of losing out on a contract for future orders from LDK due to delays in shipping production equipment to LDK.

COUNT I

Violations of Section 11 of the 1933 Act Against All Defendants

47. Plaintiff repeats and realleges each and every allegation contained above.

48. This Count is brought pursuant to §11 of the 1933 Act, 15 U.S.C. §77k, on behalf of the Class, against all defendants.

49. The Registration Statement for the IPO was inaccurate and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

50. GT Solar is the registrant for the IPO. The defendants named herein were responsible for the contents and dissemination of the Registration Statement.

51. As issuer of the shares, GT Solar is strictly liable to plaintiff and the Class for the misstatements and omissions.

52. None of the defendants named herein made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the Registration Statement were true and without omissions of any material facts and were not misleading.

53. By reasons of the conduct herein alleged, each defendant violated, and/or controlled a person who violated, §11 of the 1933 Act.

54. Plaintiff acquired GT Solar shares pursuant to the Registration Statement for the IPO.

55. Plaintiff and the Class have sustained damages. The value of GT Solar common stock has declined substantially subsequent to and due to defendants' violations.

56. At the time of their purchases of GT Solar shares, plaintiff and other members of the Class were without knowledge of the facts concerning the wrongful conduct alleged herein and could not have reasonably discovered those facts prior to July 25, 2008. Less than one year has elapsed from the time that plaintiff discovered or reasonably could have discovered the facts upon which this complaint is based to the time that plaintiff filed this complaint. Less than three years elapsed between the time that the securities upon which this Count is brought were offered to the public and the time plaintiff filed this complaint.

COUNT II

Violations of Section 15 of the 1933 Act Against the Individual Defendants

57. Plaintiff repeats and realleges each and every allegation contained above.

58. This Count is brought pursuant to §15 of the 1933 Act against the Individual Defendants.

59. Each of the Individual Defendants was a control person of GT Solar by virtue of his or her position as a director and/or senior officer of GT Solar. The Individual Defendants each had a series of direct and/or indirect business and/or personal relationships with other directors and/or officers and/or major shareholders of GT Solar.

60. Each of the Individual Defendants was a culpable participant in the violations of §11 of the 1933 Act alleged in the Count above, based on their having signed or authorized the signing of the Registration Statement and having otherwise participated in the process which allowed the IPO to be successfully completed.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action and certifying plaintiff as a Class representative under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding compensatory damages in favor of plaintiff and the 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 counsel fees and expert fees;

D. Awarding rescission or a rescissory measure of damages; and

E. Such equitable/injunctive or other relief as deemed appropriate by the Court.

JURY DEMAND

Plaintiff hereby demands a trial by jury

DATED: August 1, 2008

By His Attorneys,

SHEEHAN PHINNEY BASS + GREEN,
PROFESSIONAL ASSOCIATION

By: /s/ Christopher Cole

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