

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

	-----X	
ANWAR, <i>et al.</i> ,	⋮	
	⋮	
Plaintiffs,	⋮	
	⋮	
v.	⋮	
	⋮	
FAIRFIELD GREENWICH LIMITED, <i>et al.</i> ,	⋮	MASTER FILE NO. 09-CV-0118 (VM)
	⋮	
Defendants.	⋮	
	⋮	
This Document Relates To: All Actions	⋮	
	⋮	
	-----X	

**FG DEFENDANTS’ ANSWER TO THE
SECOND CONSOLIDATED AMENDED COMPLAINT**

Defendants Fairfield Greenwich Limited (“FGL”), Fairfield Greenwich (Bermuda) Limited (“FGBL”), Fairfield Greenwich Advisors LLC (“FGA”), Fairfield Risk Services Limited (“FRS”), Fairfield Heathcliff Capital LLC (“FHC”), Lourdes Barreneche, Cornelis Boele, Yanko Della Schiava, Harold Greisman, Jacqueline Harary, Vianney d’Hendecourt, Richard Landsberger, Daniel Lipton, Julia Luongo, Mark McKeefry, Charles Murphy, Walter M. Noel, Jr., Andres Piedrahita, Corina Piedrahita, Maria Teresa Pulido Mendoza, Santiago Reyes, Andrew Smith, Philip Toub, Jeffrey Tucker and Amit Vijayvergiya (collectively, “FG Defendants”),¹ through their undersigned counsel, respond to the Second Consolidated Amended Complaint (“SCAC”) as follows:²

¹ Per Judge Marrero’s Order on March 22, 2010, Lion Fairfield Capital Management Limited (“LFCM”) was dismissed from this action and, therefore, no response is required or provided on its behalf.

² Capitalized terms not defined herein shall have the meaning set forth in the SCAC.

NATURE OF THE ACTION

1. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 1 of the SCAC, except aver that Fairfield Greenwich Group (“FGG”) is a marketing name used for certain businesses of a group of related entities and deny that FGG marketed and operated the referenced funds.³

2. The allegations in paragraph 2 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 2 of the SCAC.

3. The allegations in paragraph 3 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 3 of the SCAC.

4. The allegations in paragraph 4 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 4 of the SCAC.

JURISDICTION AND VENUE

5. The allegations in paragraph 5 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 5 of the SCAC, except lack knowledge or information sufficient to form

³ The SCAC characterizes certain individuals and entities as “partners” or “founding partners” of FGG and refers to these individuals and entities collectively as the “FGG partners.” FG Defendants aver that the terms “partner” and “founding partner” were sometimes used, but these individuals and entities were not partners in the legal sense but, rather, the individuals were shareholders of Fairfield Greenwich Limited or its predecessor entities.

a belief as to the truth of the allegations regarding whether at least one Plaintiff is a citizen of a foreign state, and aver that at least one Defendant is a citizen of New York.

6. The allegations in paragraph 6 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 6 of the SCAC.

7. The allegations in paragraph 7 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 7 of the SCAC, except aver that one or more of the Defendants reside in this District and the principal place of business of one or more Defendants is in this District.

PARTIES

8. The allegations in paragraph 8 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 8 of the SCAC.

A. Plaintiffs

1. Fairfield Sentry Limited Investors

1. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 1 of the SCAC.⁴

2. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 2 of the SCAC.

3. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 3 of the SCAC.

⁴ The SCAC contains two sets of allegations numbered 1 through 8. For the purposes of this Answer, FG Defendants conform their responses to the numbering system adopted by Plaintiffs in the SCAC.

4. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 4 of the SCAC.

5. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 5 of the SCAC.

6. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 6 of the SCAC.

7. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 7 of the SCAC.

8. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 8 of the SCAC.

9. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 9 of the SCAC.

10. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 10 of the SCAC.

11. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 11 of the SCAC.

12. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 12 of the SCAC.

13. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 13 of the SCAC.

14. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 14 of the SCAC.

15. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 15 of the SCAC.

16. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 16 of the SCAC.

17. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 17 of the SCAC.

18. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 18 of the SCAC.

19. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 19 of the SCAC.

20. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 20 of the SCAC.

21. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 21 of the SCAC.

22. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 22 of the SCAC.

23. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 23 of the SCAC.

24. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 24 of the SCAC.

25. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 25 of the SCAC.

26. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 26 of the SCAC.

27. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 27 of the SCAC.

28. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 28 of the SCAC.

29. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 29 of the SCAC.

30. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 30 of the SCAC.

31. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 31 of the SCAC.

32. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 32 of the SCAC.

33. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 33 of the SCAC.

34. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 34 of the SCAC.

35. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 35 of the SCAC.

36. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 36 of the SCAC.

37. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 37 of the SCAC.

38. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 38 of the SCAC.

39. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 39 of the SCAC.

40. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 40 of the SCAC.

41. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 41 of the SCAC.

42. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 42 of the SCAC.

43. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 43 of the SCAC.

44. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 44 of the SCAC.

45. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 45 of the SCAC.

46. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 46 of the SCAC.

47. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 47 of the SCAC.

48. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 48 of the SCAC.

49. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 49 of the SCAC.

50. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 50 of the SCAC.

51. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 51 of the SCAC.

52. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 52 of the SCAC.

53. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 53 of the SCAC.

54. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 54 of the SCAC.

55. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 55 of the SCAC.

56. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 56 of the SCAC.

57. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 57 of the SCAC.

58. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 58 of the SCAC.

59. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 59 of the SCAC.

60. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 60 of the SCAC.

61. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 61 of the SCAC.

62. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 62 of the SCAC.

63. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 63 of the SCAC.

64. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 64 of the SCAC.

65. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 65 of the SCAC.

66. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 66 of the SCAC.

67. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 67 of the SCAC.

68. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 68 of the SCAC.

69. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 69 of the SCAC.

70. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 70 of the SCAC.

71. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 71 of the SCAC.

72. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 72 of the SCAC.

73. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 73 of the SCAC.

74. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 74 of the SCAC.

75. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 75 of the SCAC.

76. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 76 of the SCAC.

77. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 77 of the SCAC.

78. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 78 of the SCAC.

2. Fairfield Sigma Limited Investors

79. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 79 of the SCAC.

80. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 80 of the SCAC.

81. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 81 of the SCAC.

82. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 82 of the SCAC.

83. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 83 of the SCAC.

84. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 84 of the SCAC.

85. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 85 of the SCAC.

86. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 86 of the SCAC.

87. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 87 of the SCAC.

88. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 88 of the SCAC.

89. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 89 of the SCAC.

90. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 90 of the SCAC.

91. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 91 of the SCAC.

92. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 92 of the SCAC.

93. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 93 of the SCAC.

94. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 94 of the SCAC.

95. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 95 of the SCAC.

96. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 96 of the SCAC.

97. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 97 of the SCAC.

98. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 98 of the SCAC.

99. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 99 of the SCAC.

100. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 100 of the SCAC.

101. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 101 of the SCAC.

102. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 102 of the SCAC.

103. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 103 of the SCAC.

104. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 104 of the SCAC.

105. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 105 of the SCAC.

106. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 106 of the SCAC.

107. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 107 of the SCAC.

108. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 108 of the SCAC.

3. Greenwich Sentry, L.P. Investors

109. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 109 of the SCAC.

110. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 110 of the SCAC.

111. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 111 of the SCAC.

112. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 112 of the SCAC.

113. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 113 of the SCAC.

114. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 114 of the SCAC.

115. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 115 of the SCAC.

4. Greenwich Sentry Partners, L.P. Investors

116. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 116 of the SCAC.⁵

B. Defendants

1. Fairfield Greenwich Defendants

117. The allegations in paragraph 117 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants, subject to Footnote 3, deny the allegations in paragraph 117 of the SCAC.

⁵ On October 1, 2010, the Plaintiffs filed with the Court a Notice and Order Adding Additional Named Plaintiffs (“Notice”), which seeks to add twenty-four additional named plaintiffs as parties to this Action to the same extent as if they had been named as plaintiffs in the SCAC. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraphs 1 through 24 of the Notice.

118. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 118 of the SCAC, except as follows: (i) FG Defendants, subject to Footnote 3, deny the allegations regarding FGG; (ii) FGL and Mark McKeefry aver that FGL is a company incorporated under the laws of the Cayman Islands, is authorized to do business in New York, was a member of the National Futures Association and was registered with the Commodity Futures Trading Commission as a commodity pool operator until July 2009, served as the Investment Manager for Fairfield Sentry Limited for a period of time ending in 2003, served as the General Partner of Greenwich Sentry, L.P. for a certain period of time, and had certain responsibilities and respectfully refer the Court to the operative documents and agreements concerning FGL for the true and complete contents thereof; and (iii) FGL denies the other allegations in paragraph 118 of the SCAC.

119. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 119 of the SCAC, except as follows: (i) FG Defendants, subject to Footnote 3, deny the allegations regarding FGG; (ii) FGBL, FGL, Mark McKeefry and Amit Vijayvergiya aver that FGBL was a wholly-owned subsidiary of FGL for a period ending January 1, 2008; (iii) FGBL, Walter M. Noel, Jr., Jeffrey Tucker, Andres Piedrahita, Daniel Lipton, Mark McKeefry and Amit Vijayvergiya aver that FGBL served as the Investment Manager for Fairfield Sentry Limited for a certain period of time, served as the Investment Manager for Fairfield Sigma Limited for a certain period of time, and had certain responsibilities and respectfully refer the Court to the operative documents and agreements concerning FGBL for the true and complete contents thereof; (iv) FGBL and Mark McKeefry aver that FGBL is an exempted corporation organized under the laws of Bermuda on June 13, 2003, was registered with the SEC as an investment advisor under the Investment Advisors Act of 1940 for a period of time effective April 20, 2006 to December 3, 2009, served as the General Partner of

Greenwich Sentry, L.P. for periods of time including since March 1, 2006, and served as the General Partner of Greenwich Sentry Partners, L.P. since April 11, 2006; and (v) FGBL denies the other allegations in paragraph 119 of the SCAC.

120. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 120 of the SCAC, except as follows: (i) FG Defendants, subject to Footnote 3, deny the allegations regarding FGG; (ii) FGA and Mark McKeefry aver that FGA is a Delaware limited liability company organized on December 12, 2001, is authorized to do business in New York, is registered with the SEC as an investment advisor effective November 17, 2003, and had certain responsibilities and respectfully refer the Court to the operative documents and agreements concerning FGA for the true and complete contents thereof; and (iii) FGA denies the other allegations in paragraph 120 of the SCAC.

121. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 121 of the SCAC, except as follows: (i) FG Defendants, subject to Footnote 3, deny the allegations regarding FGG; (ii) FRS, FGL, Mark McKeefry and Amit Vijayvergiya aver that FRS is a wholly-owned subsidiary of FGL; (iii) FRS, Mark McKeefry and Amit Vijayvergiya aver that FRS had certain responsibilities and respectfully refer the Court to the operative documents and agreements concerning FRS for the true and complete contents thereof; (iv) FRS and Mark McKeefry aver that FRS is incorporated under the laws of Bermuda; and (v) FRS denies the other allegations in paragraph 121 of the SCAC.

122. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 122 of the SCAC, except as follows: (i) FG Defendants, subject to Footnote 3, deny the allegations regarding FGG; (ii) FHC, FGL, Daniel Lipton and Mark McKeefry aver that FHC is a wholly-owned subsidiary of FGL; (iii) FHC, FGBL and Mark McKeefry aver that FHC is an affiliate of FGBL; (iv) FHC, Daniel Lipton and Mark

McKeefry aver that FHC was registered with the SEC as a broker-dealer, was a member of the National Association of Securities Dealers, was a member of the Securities Investor Protection Corporation, and transacted business in New York; (v) FHC and Mark McKeefry aver that FHC is a limited liability company organized under the laws of Delaware and is registered as a foreign corporation to do business in New York; and (vi) FHC denies the other allegations in paragraph 122 of the SCAC.

123. Defendant LFCM was dismissed from this action on March 22, 2010. No additional response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 123 of the SCAC, except deny, subject to Footnote 3, the allegations regarding FGG.

124. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 124 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker, Andres Piedrahita, Corina Piedrahita and Walter M. Noel, Jr. aver that Walter M. Noel, Jr. is an American citizen and a resident of Connecticut; (iii) Jeffrey Tucker, Andres Piedrahita and Walter M. Noel, Jr. aver that Walter M. Noel, Jr. served as a general partner of certain funds and served as a director of certain funds for certain periods of time, including Fairfield Sentry Limited and Fairfield Sigma Limited; (iv) Jeffrey Tucker, Corina Piedrahita and Walter M. Noel, Jr. aver that Walter M. Noel, Jr. received a Bachelor of Arts from Vanderbilt University in 1952, a Master of Arts in Economics from Harvard University in 1953 and an LL.B. from Harvard Law School in 1959; and (v) Walter M. Noel, Jr. denies the other allegations in paragraph 124 of the SCAC.

125. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 125 of the SCAC, except as follows: (i) FG Defendants

deny, subject to Footnote 3, the allegations regarding FGG; (ii) Walter M. Noel, Jr., Andres Piedrahita and Jeffrey Tucker aver that Jeffrey Tucker is an American citizen; and (iii) Jeffrey Tucker denies the other allegations in paragraph 125 of the SCAC, except lacks knowledge or information sufficient to form a belief as to the truth of the allegation regarding who could authorize movement of cash into and out of accounts that certain Funds maintained at Bernard L. Madoff Investment Securities LLC (“BMIS”), and avers that he is a resident of New York, received a B.A. from Syracuse University in 1966, and received a J.D. from Brooklyn Law School in 1969.

126. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 126 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) FGBL and Andres Piedrahita aver that Andres Piedrahita is a Director of FGBL; (iii) Walter M. Noel, Jr., Jeffrey Tucker, Yanko Della Schiava, Philip Toub, Corina Piedrahita and Andres Piedrahita aver that Andres Piedrahita is a son-in-law of Walter M. Noel, Jr.; (iv) Walter M. Noel, Jr., Corina Piedrahita and Andres Piedrahita aver that Andres Piedrahita holds a Bachelor’s Degree from Boston University; (v) Jeffrey Tucker, Corina Piedrahita and Andres Piedrahita aver that Andres Piedrahita is a Colombian citizen and a resident of Madrid; and (vi) Andres Piedrahita denies the other allegations in paragraph 126 of the SCAC, except lacks knowledge or information sufficient to form a belief as to the truth of the allegation regarding who could authorize movement of cash into and out of accounts that certain Funds maintained at BMIS.

127. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 127 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) FGBL, Walter M. Noel, Jr., Jeffrey Tucker, Andres Piedrahita and Amit Vijayvergiya aver that Amit Vijayvergiya worked

primarily out of FGBL's Bermuda office; (iii) FGBL, Walter M. Noel, Jr., Jeffrey Tucker and Amit Vijayvergiya aver that Amit Vijayvergiya focused on quantitative risk analysis; (iv) FGBL, Jeffrey Tucker, Andres Piedrahita and Amit Vijayvergiya aver that Amit Vijayvergiya served as Chief Risk Officer of FGL and certain of its affiliates; (v) FGBL, Andres Piedrahita and Amit Vijayvergiya aver that Amit Vijayvergiya served as President of FGBL; (vi) FGBL and Amit Vijayvergiya aver that Amit Vijayvergiya served as President of FGBL from on or about September 2008; and (vii) Amit Vijayvergiya denies the other allegations in paragraph 127 of the SCAC, except avers that he could authorize the movement of cash into and out of accounts that certain Funds maintained at BMIS as of July 2006 (but lacks knowledge or information sufficient to form a belief as to the truth of the allegation he was one of four individuals who could do so), holds an M.B.A. from Schulich School of Business at York University, holds a B.S. in Statistics from the University of Manitoba, holds a B.A. in Economics from the University of Western Ontario, is a Chartered Financial Analyst, and has a Financial Risk Manager Certification.

128. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 128 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Walter M. Noel, Jr., Jeffrey Tucker and Daniel Lipton aver that Daniel Lipton is a Certified Public Accountant; (iii) Jeffrey Tucker and Daniel Lipton aver that Daniel Lipton could authorize the movement of cash into and out of accounts that certain Funds maintained at BMIS as of July 2006, was previously employed at Ernst & Young, and resides and works in New York City; and (iv) Daniel Lipton denies the other allegations in paragraph 128 of the SCAC, except avers that he received a B.A. in Economics from Tufts University and received an M.B.A. in dual degrees in Accounting and Finance from New York University's Stern School of Business.

129. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 129 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Mark McKeefry aver that Mark McKeefry is admitted to the bars of California and New York, holds a B.S. from Carnegie Mellon University, and holds a J.D. from Fordham University; and (iii) Mark McKeefry denies the other allegations in paragraph 129 of the SCAC, except avers that he was a member of the Law Review at Fordham University, spent approximately eight years in private law practice, and holds FINRA Series 7, 24, 63 and 65 licenses for which a Form U-5, Uniform Termination Notice for Securities Industries Registration, was filed with respect to such licenses on October 12, 2009.

130. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 130 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Richard Landsberger aver that Richard Landsberger served as a director of LFCM for a certain period of time, that his responsibilities included business development in Europe and Asia, that he directly marketed certain products to a global institutional client base, that he graduated from Boston University, and that he was employed previously at PaineWebber and Citicorp Securities; and (iii) Richard Landsberger denies the other allegations in paragraph 130 of the SCAC, except avers that he received a B.A. from Boston University and an M.B.A. from Cornell University.

131. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 131 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Maria Teresa Pulido Mendoza aver that Maria Teresa Pulido Mendoza was previously employed at Citi Private Bank and James D. Wolfensohn, Inc.; and (iii) Maria Teresa Pulido Mendoza denies the other

allegations in paragraph 131 of the SCAC, except avers that she received a B.A. in Economics, *cum laude*, from Columbia University, received an M.B.A., *magna cum laude*, from MIT Sloan School of Management, and was previously employed at Bankers Trust/Deutsche Bank and McKinsey.

132. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 132 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG and respectfully refer the Court to the referenced “marketing materials” for the true and complete contents thereof; (ii) FGBL avers that David Horn served as a director of FGBL for a certain period of time; (iii) FGL and Jeffrey Tucker aver that David Horn served as a director of FGL for a certain period of time; and (iv) Jeffrey Tucker avers that David Horn was previously employed at Morgan Stanley.

133. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 133 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Andrew Smith aver that Andrew Smith is a graduate of Dartmouth College and holds FINRA Series 7 and 63 licenses for which a Form U-5, Uniform Termination Notice for Securities Industries Registration, was filed with respect to such licenses on April 15, 2009; and (iii) Andrew Smith denies the other allegations in paragraph 133 of the SCAC.

134. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 134 of the SCAC, except as follows: FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; and Charles Murphy denies the other allegations in paragraph 134 of the SCAC, except avers that he holds a J.D. from Harvard Law School, holds an M.B.A. from MIT’s Sloan School, and holds a B.A. from Columbia College.

135. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 135 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Walter M. Noel, Jr., Jeffrey Tucker, Andres Piedrahita, Philip Toub, Corina Piedrahita and Yanko Della Schiava aver that Yanko Della Schiava is a son-in-law of Walter M. Noel, Jr.; and (iii) Yanko Della Schiava denies the other allegations in paragraph 135 of the SCAC.

136. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 136 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG and respectfully refer the Court to the referenced “marketing brochures” for the true and complete contents thereof; (ii) Walter M. Noel, Jr., Jeffrey Tucker, Andres Piedrahita, Yanko Della Schiava, Corina Piedrahita and Philip Toub aver that Philip Toub is a son-in-law of Walter M. Noel, Jr.; (iii) Walter M. Noel, Jr., Jeffrey Tucker and Philip Toub aver that Philip Toub holds a B.A. from Middlebury College; and (iv) Philip Toub denies the other allegations in paragraph 136 of the SCAC.

137. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 137 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG and respectfully refer the Court to the referenced “marketing materials” for the true and complete contents thereof; (ii) Jeffrey Tucker and Lourdes Barreneche aver that Lourdes Barreneche holds FINRA Series 7 and 63 licenses; and (iii) Lourdes Barreneche denies the other allegations in paragraph 137 of the SCAC, except avers that she received a Master of Arts from New York University.

138. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 138 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG and respectfully refer the Court to the

referenced “marketing materials” for the true and complete contents thereof; (ii) Jeffrey Tucker and Cornelis Boele aver that Cornelis Boele holds a B.A. from Clark University and holds FINRA Series 7 and 63 licenses; and (iii) Cornelis Boele denies the other allegations in paragraph 138 of the SCAC.

139. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 139 of the SCAC, except as follows: FG Defendants deny, subject to Footnote 3, the allegations regarding FGG and respectfully refer the Court to the referenced “marketing materials” for the true and complete contents thereof; and Vianney d’Hendecourt denies the other allegations in paragraph 139 of the SCAC, except avers that he holds a Bachelor of Business Administration Degree from European University in Antwerp (Belgium).

140. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 140 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Jacqueline Harary aver that Jacqueline Harary graduated from Oglethorpe University and holds FINRA series 7 and 63 licenses; and (iii) Jacqueline Harary denies the other allegations in paragraph 140 of the SCAC, except avers that she holds a B.A. from Oglethorpe University.

141. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 141 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Santiago Reyes aver that Santiago Reyes graduated from the University of Texas, holds a degree from the London School of Economics, and holds FINRA Series 7 and 63 licenses; and (iii) Santiago Reyes denies the other allegations in paragraph 141 of the SCAC, except avers that he holds a

B.A. from the University of Texas and holds a Master of Economic History from the London School of Economics.

142. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 142 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Julia Luongo aver that Julia Luongo received an L.L.M. in Taxation from New York University, is admitted to the bar of New York, and is a Certified Public Accountant; and (iii) Julia Luongo denies the other allegations in paragraph 142 of the SCAC, except avers that she received a B.B.A. in Accounting from Loyola College, received a J.D. from Seton Hall University, *magna cum laude*, where she was a law review editor, is admitted to the bar of New Jersey, and was previously employed at PricewaterhouseCoopers.

143. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 143 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Jeffrey Tucker and Harold Greisman aver that Harold Greisman received a B.A. from Tufts University and received an M.B.A. from NYU's Stern School of Business; and (iii) Harold Greisman denies the other allegations in paragraph 143 of the SCAC.

144. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 144 of the SCAC, except as follows: (i) FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; (ii) Walter M. Noel, Jr., Jeffrey Tucker, Andres Piedrahita, Yanko Della Schiava, Philip Toub and Corina Piedrahita aver that Corina Piedrahita is the wife of Andres Piedrahita; (iii) Walter M. Noel, Jr., Jeffrey Tucker, Andres Piedrahita and Corina Piedrahita aver that Corina Piedrahita is a graduate of Yale University; (iv) Walter M. Noel, Jr., Andres Piedrahita and Corina Piedrahita aver that Corina

Piedrahita is a U.S. citizen; and (v) Corina Piedrahita denies the other allegations in paragraph 144 of the SCAC.

145. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 145 of the SCAC, except as follows: FG Defendants deny, subject to Footnote 3, the allegations regarding FGG; and Jeffrey Tucker avers that Robert Blum graduated from the University of Pennsylvania and holds a J.D. from the University of Chicago Law School.

146. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 146 of the SCAC, except as follows: FG Defendants deny, subject to Footnote 3, the allegations regarding FGG and respectfully refer the Court to the referenced Private Placement Memorandum (“PPM”) and referenced information from the Massachusetts Proceeding for the true and complete contents thereof; and Jeffrey Tucker avers that Gregory Bowes graduated from Bowdoin College.

147. FG Defendants admit that paragraph 147 of the SCAC refers to the persons identified in paragraphs 124 through 146 collectively as the “Individual Defendants.”

148. FG Defendants deny the allegations in paragraph 148 of the SCAC, except respectfully refer the Court to the referenced exhibit from the Massachusetts Proceeding for the true and complete contents thereof.

149. FG Defendants deny the allegations in paragraph 149 of the SCAC.

150. The allegations in paragraph 150 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 150 of the SCAC, except admit that paragraph 150 of the SCAC refers to the persons and entities identified in paragraph 150 collectively as the “Fairfield Defendants”

and Plaintiffs have asserted claims against them for alleged negligent misrepresentation, gross negligence, breach of fiduciary duty and breach of contract.⁶

151. The allegations in paragraph 151 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 151 of the SCAC, except admit that paragraph 151 of the SCAC refers to the persons identified in paragraph 151 collectively as the “Fairfield Fraud Claim Defendants” and Plaintiffs have asserted alleged fraud claims against them.

152. The allegations in paragraph 152 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 152 of the SCAC, except admit that paragraph 152 of the SCAC refers to the persons identified in paragraph 152 collectively as the “Fairfield Fee Claim Defendants” and Plaintiffs have asserted only alleged fee-related claims against them.

2. PricewaterhouseCoopers Defendants

153. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 153 of the SCAC.

154. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 154 of the SCAC, except aver, on information and belief, that PwC Canada issued unqualified audit opinions for the financial statements of the Funds for audit years 2006 and 2007.

155. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 155 of the SCAC, except deny, on information and belief,

⁶ Pursuant to the Court’s Decision and Order dated August 18, 2010 (the “*Anwar II* Order”), Maria Teresa Pulido Mendoza will be treated as a “Fairfield Fee [Claim] Defendant” despite the allegations in paragraph 150 of the SCAC. No response to paragraph 150 of the SCAC is provided on behalf of LFCM.

that PwC Netherlands audited Greenwich Sentry, L.P. for audit year 2004, and aver, on information and belief, that PwC Netherlands issued unqualified audit opinions for the financial statements of Fairfield Sentry Limited for the audit years 2002, 2003, 2004 and 2005, and issued unqualified audit opinions for the financial statements of Fairfield Sigma Limited for audit years 2003, 2004 and 2005.

3. Citco Defendants

156. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 156 of the SCAC.

157. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 157 of the SCAC, except aver, on information and belief, that: (i) Citco Fund Services served as the administrator, registrar and transfer agent for Fairfield Sentry Limited and Fairfield Sigma Limited since at least July 2003; (ii) Citco Fund Services served as the administrator for Greenwich Sentry, L.P. and Greenwich Sentry Partners, L.P. since at least August 2006; and (iii) Citco Fund Services had certain responsibilities to the Funds and respectfully refer the Court to the operative documents and agreements concerning Citco Fund Services for the true and complete contents thereof.

158. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 158 of the SCAC.

159. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 159 of the SCAC, except aver, on information and belief, that: (i) Citco Global Custody N.V. (“Citco Global”) served as the Custodian for Fairfield Sentry Limited since at least July 2003; (ii) Citco Global served as the Custodian for Fairfield Sigma Limited since at least August 2003; (iii) in 2006, Citco Bank Nederland N.V., Dublin Branch (“Citco Bank”) began to serve as Custodian for Fairfield Sentry Limited and Citco Global began

to serve as Depositary for Fairfield Sentry Limited; and (iv) Citco Fund Services had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements concerning Citco Fund Services for the true and complete contents thereof.

160. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 160 of the SCAC, except aver, on information and belief, that: (i) Citco Bank served as the Bank for Fairfield Sentry Limited since at least July 2003; (ii) in 2006, Citco Bank began to serve as Custodian for Fairfield Sentry Limited and Citco Global began to serve as Depositary for Fairfield Sentry Limited; and (iii) Citco Bank had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements concerning Citco Bank for the true and complete contents thereof.

161. The allegations in paragraph 161 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 161 of the SCAC, except FGBL avers that it paid Citco Fund Services (Bermuda) Limited (“CFSB”) for certain services and respectfully refers the Court to the operative documents and agreements concerning CFSB for the true and complete contents thereof.

162. FG Defendants admit that paragraph 162 of the SCAC refers to the entities identified in paragraph 162 collectively as “Citco.”

163. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 163 of the SCAC, except FGBL avers that Brian Francoeur served as a director of FGBL for a certain period of time and respectfully refers the Court to the referenced PPM for the true and complete terms thereof.

164. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 164 of the SCAC, except FGDL denies that Ian Pilgrim was a director of FGDL during each year of the time period 2003 to 2005.

4. GlobeOp Defendant

165. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 165 of the SCAC, except aver, on information and belief, that GlobeOp Financial Services, LLC (“GlobeOp”) served as the Administrator of Greenwich Sentry, L.P. for a period of time ending August 2006 and had certain responsibilities to Greenwich Sentry, L.P. and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

ALLEGATIONS OF FACT

A. Bernard Madoff’s Massive Ponzi Scheme

166. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 166 of the SCAC, except aver, on information and belief, that BMIS and Bernard L. Madoff (collectively with BMIS, “Madoff”) perpetrated a fraudulent scheme and aver that FG Defendants had no knowledge of the fraud prior to December 11, 2008.

167. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 167 of the SCAC, except aver, on information and belief, that Madoff was arrested, charged and is currently serving a prison sentence, and respectfully refer the Court to the referenced criminal complaint and relevant sentencing documents for the true and complete contents thereof.

B. Fairfield Greenwich Group’s Relationship with Madoff

168. FG Defendants deny, subject to Footnote 3, the allegations in paragraph 168 of the SCAC, except aver, on information and belief, that certain businesses were in operation in or

about 1983 that came to be referred to under the marketing name FGG and that Andres Piedrahita has been referred to as a “founding partner” of FGG.

169. FG Defendants deny the allegations in paragraph 169 of the SCAC, except aver, on information and belief, that Madoff purported to execute a split-strike conversion strategy on behalf of the Funds and that Madoff served as a custodian or sub-custodian for a substantial portion of the Funds’ assets.

170. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 170 of the SCAC, except aver, on information and belief, that: (i) Fairfield Sentry Limited was incorporated in 1990 as an international business company in the Territory of the British Virgin Islands (“BVI”); (ii) Madoff purported to execute a split-strike conversion strategy on behalf of Fairfield Sentry Limited; (iii) Madoff served as a custodian or sub-custodian for a substantial portion of Fairfield Sentry Limited’s assets; (iv) Fairfield Sentry Limited was created primarily for foreign investors; (v) investments in Fairfield Sentry Limited were made from outside New York; and (vi) on July 21, 2009, the BVI Court ordered that Fairfield Sentry Limited be liquidated and appointed Kenneth Krys and Christopher Stride as the liquidators of Fairfield Sentry Limited.

171. FG Defendants deny the allegations in paragraph 171 of the SCAC, except aver, on information and belief, that: (i) Fairfield Sigma Limited was an international business company organized under the laws of the BVI; (ii) Fairfield Sigma Limited was invested in Fairfield Sentry Limited and, during the period of such investment, Madoff served as sub-custodian for a substantial portion of Fairfield Sentry Limited’s assets; (iii) Fairfield Sigma Limited was created for foreign investors; (iv) investments in Fairfield Sigma Limited were made from outside New York; and (v) on July 21, 2009, the BVI Court ordered that Fairfield Sigma Limited be liquidated and appointed Kenneth Krys and Christopher Stride as the

liquidators of Fairfield Sigma Limited, and respectfully refer the Court to the referenced PPM for the true and complete terms thereof.

172. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 172 of the SCAC, except aver, on information and belief, that: (i) Greenwich Sentry, L.P. is a Delaware limited partnership organized December 27, 1990 under the name Aspen/Greenwich Limited Partnership; (ii) Aspen/Greenwich Limited Partnership changed its name to Greenwich Sentry, L.P. on December 4, 1992; (iii) operations commenced under the name Greenwich Sentry, L.P. on January 1, 1993; (iv) Madoff purported to execute a split-strike conversion strategy on behalf of Greenwich Sentry, L.P.; (v) Madoff served as a custodian for a substantial portion of Greenwich Sentry, L.P.'s assets; and (vi) Greenwich Sentry, L.P. was created for United States investors and sold limited partnership interests to United States investors, including investors in New York.

173. FG Defendants deny the allegations in paragraph 173 of the SCAC, except aver, on information and belief, that: (i) Greenwich Sentry Partners, L.P. is a Delaware limited partnership, was organized on April 11, 2006, commenced operations on May 1, 2006 and is registered to do business in New York; (ii) Madoff purported to execute a split-strike conversion strategy on behalf of Greenwich Sentry Partners, L.P.; (iii) Madoff served as a custodian for a substantial portion of Greenwich Sentry Partner, L.P.'s assets; and (iv) Greenwich Sentry Partners, L.P. was created for United States investors and limited partnership interests were sold to United States investors, including investors in New York.

174. FG Defendants admit that paragraph 174 of the SCAC refers to the funds identified in paragraphs 169 through 173 collectively as the "Funds."

175. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 175 of the SCAC, except respectfully refer the Court to the referenced SEC complaint for the true and complete contents thereof.

C. Nature and Structure of the Fairfield Greenwich Group

176. The allegations in paragraph 176 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny, subject to Footnote 3, the allegations in paragraph 176 of the SCAC.

177. The allegations in paragraph 177 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny, subject to Footnote 3, the allegations in paragraph 177 of the SCAC.

178. The allegations in paragraph 178 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny, subject to Footnote 3, the allegations in paragraph 178 of the SCAC.

179. FG Defendants deny, subject to Footnote 3, the allegations in paragraph 179 of the SCAC, except respectfully refer the Court to the referenced brochure for the true and complete contents thereof.

180. FG Defendants deny the allegations in paragraph 180 of the SCAC.

D. Fairfield Defendants' False Representations and Omissions in Marketing the Funds and Their Breaches of Fiduciary Duties to Investors

181. The allegations in paragraph 181 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 181 of the SCAC, except aver, on information and belief, that certain investors or their nominees were provided certain PPMs and Confidential Offering Memoranda ("COM") and that certain website information was available to investors, and respectfully refer

the Court to the relevant documents and website information for the true and complete content thereof.

182. The allegations in paragraph 182 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 182 of the SCAC.

183. The allegations in paragraph 183 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 183 of the SCAC and respectfully refer the Court to the referenced documents and marketing materials for the true and complete contents thereof.

1. Defendants' False Representations and Omissions
Regarding the Split-Strike Conversion Strategy

184. FG Defendants deny the allegations in paragraph 184 of the SCAC, except aver that the strategy of the Funds was described as including a "split-strike conversion" strategy and respectfully refer the Court to the referenced PPMs and COMs for the true and complete terms thereof.

185. FG Defendants deny the allegations in paragraph 185 of the SCAC, except aver, on information and belief, that Madoff perpetrated a Ponzi scheme and aver that FG Defendants had no knowledge of the fraudulent scheme prior to December 11, 2008.

186. The allegations in paragraph 186 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 186 of the SCAC.

2. Defendants' False Representations and Omissions Regarding the Funds' Track Record of Profitability

187. FG Defendants deny the allegations in paragraph 187 of the SCAC, except respectfully refer the Court to the referenced PPMs and "update reports" for the true and complete contents thereof.

188. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 188 of the SCAC, except aver, on information and belief, that information Madoff reported on returns was false.

189. The allegations in paragraph 189 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 189 of the SCAC.

3. Defendants' False Representations and Omissions in Fund Reports to Investors

190. FG Defendants deny the allegations in paragraph 190 of the SCAC, except respectfully refer the Court to the referenced reports for the true and complete contents thereof.

191. FG Defendants deny the allegations in paragraph 191 of the SCAC, except respectfully refer the Court to the referenced Semi-Annual Reports and Monthly Strategy Reviews for the true and complete contents thereof.

192. FG Defendants deny the allegations in paragraph 192 of the SCAC.

4. Defendants' False Representations and Omissions Concerning Due Diligence and Oversight of Madoff

193. FG Defendants deny the allegations in paragraph 193 of the SCAC.

194. FG Defendants deny the allegations in paragraph 194 of the SCAC, except respectfully refer the Court to the referenced PPMs for the true and complete terms thereof.

195. FG Defendants deny the allegations in paragraph 195 of the SCAC, except respectfully refer the Court to the referenced PPMs for the true and complete terms thereof.

196. FG Defendants deny the allegations in paragraph 196 of the SCAC, except aver that certain FG Defendants conducted substantial due diligence and respectfully refer the Court to the referenced documents for the true and complete terms thereof.

197. FG Defendants deny the allegations in paragraph 197 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

198. FG Defendants deny the allegations in paragraph 198 of the SCAC, except aver that certain FG Defendants conducted substantial due diligence and respectfully refer the Court to the referenced document for the true and complete contents thereof.

199. FG Defendants deny the allegations in paragraph 199 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

200. FG Defendants deny the allegations in paragraph 200 of the SCAC, except respectfully refer the Court to the referenced documents for the true and complete contents thereof.

201. FG Defendants deny the allegations in paragraph 201 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

202. FG Defendants deny the allegations in paragraph 202 of the SCAC, except respectfully refer the Court to the referenced documents for the true and complete contents thereof.

203. FG Defendants deny the allegations in paragraph 203 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

204. FG Defendants deny the allegations in paragraph 204 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

205. FG Defendants deny the allegations in paragraph 205 of the SCAC.

206. FG Defendants deny the allegations in paragraph 206 of the SCAC.

207. FG Defendants deny the allegations in paragraph 207 of the SCAC, except respectfully refer the Court to the referenced emails for the true and complete contents thereof.

208. FG Defendants deny the allegations in paragraph 208 of the SCAC, except respectfully refer the Court to the referenced email for the true and complete contents thereof.

209. FG Defendants deny the allegations in paragraph 209 of the SCAC, except respectfully refer the Court to the referenced email for the true and complete content thereof.

210. FG Defendants deny the allegations in paragraph 210 of the SCAC.

211. FG Defendants deny the allegations in paragraph 211 of the SCAC, except aver that they did not contact the counterparties regarding Madoff's trades.

212. FG Defendants deny the allegations in paragraph 212 of the SCAC.

213. FG Defendants deny the allegations in paragraph 213 of the SCAC.

214. FG Defendants deny the allegations in paragraph 214 of the SCAC, except respectfully refer the Court to the referenced Consent Order for the true and complete contents thereof.

215. FG Defendants deny the allegations in paragraph 215 of the SCAC.

216. FG Defendants deny the allegations in paragraph 216 of the SCAC.

E. The Fairfield Defendants Ignored Red Flags of Madoff's Fraud

217. FG Defendants deny the allegations in paragraph 217 of the SCAC.

1. Madoff's Secretive Operations

218. FG Defendants deny the allegations in paragraph 218 of the SCAC, except respectfully refer the Court to the referenced memorandum for the true and complete contents thereof.

219. FG Defendants deny the allegations in paragraph 219 of the SCAC.

2. Key Positions Held by Madoff Family Members

220. FG Defendants deny the allegations in paragraph 220 of the SCAC.

3. Madoff's Custody of Assets

221. FG Defendants deny the allegations in paragraph 221 of the SCAC, except aver that Madoff served as a custodian or sub-custodian for a substantial portion of the Funds' assets.

4. Madoff's Unknown Auditing Firm

222. FG Defendants deny the allegations in paragraph 222 of the SCAC, except lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 222 regarding employees, peer review and activities of Friehling & Horowitz.

5. Madoff's Paper Trading Records

223. FG Defendants deny the allegations in paragraph 223 of the SCAC, except lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 223 of the SCAC regarding statements and reports by Madoff to other Defendants.

6. Madoff's Consistent Investment Returns

224(a). FG Defendants deny the allegations in paragraph 224(a) of the SCAC,⁷ except lack knowledge or information sufficient to form a belief as to Madoff's full reporting of his results and claims and the results that others were able to achieve.

224. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 224 of the SCAC, except deny the statement in paragraph 224 of the SCAC alleging that FG Defendants ignored so-called "red flags."

F. The Fairfield Defendants Falsely Reassured Investors Who Made Inquiries

225. FG Defendants deny the allegations in paragraph 225 of the SCAC, except respectfully refer the Court to the referenced emails for the true and complete contents thereof.

226. FG Defendants deny the allegations in paragraph 226 of the SCAC, except respectfully refer the Court to the referenced email for the true and complete contents thereof.

227. FG Defendants deny the allegations in paragraph 227 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

228. FG Defendants deny the allegations in paragraph 228 of the SCAC, except respectfully refer the Court to the referenced email for the true and complete contents thereof.

229. FG Defendants deny the allegations in paragraph 229 of the SCAC, except respectfully refer the Court to the referenced emails for the true and complete contents thereof.

230. FG Defendants deny the allegations in paragraph 230 of the SCAC, except aver that on or about October 2, 2008, Defendants Jeffrey Tucker, Mark McKeefry and Amit

⁷ FG Defendants number this paragraph 224(a) since Plaintiffs did not provide a number for the allegations between paragraphs 223 and 224 of the SCAC.

Vijayvergiya (by telephone) attended a meeting at BMIS with Bernard L. Madoff and Frank DiPascali.

231. FG Defendants deny the allegations in paragraph 231 of the SCAC, except respectfully refer the Court to the referenced email for the true and complete contents thereof.

232. FG Defendants deny the allegations in paragraph 232 of the SCAC.

233. FG Defendants deny the allegations in paragraph 233 of the SCAC, except respectfully refer the Court to the referenced email and document for the true and complete contents thereof.

G. The Fairfield Defendants Assisted Madoff in Thwarting an SEC Investigation

234. FG Defendants deny the allegations in paragraph 234 of the SCAC.

H. The Fairfield Defendants Attempted to Raise Money to Keep Madoff Afloat in Late 2008

235. FG Defendants deny the allegations in paragraph 235 of the SCAC, except aver that Madoff's fraud was not revealed until December 11, 2008.

I. The Fairfield Defendants and Fairfield Fee Claim Defendants Earned Massive Fees from Funneling Plaintiffs' Assets into the Madoff Fraud

236. FG Defendants deny the allegations in paragraph 236 of the SCAC, except aver, on information and belief, that profits and asset values reported by Madoff were false, and aver that certain fees were based on reported asset values.

237. FG Defendants deny the allegations in paragraph 237 of the SCAC, except respectfully refer the Court to the referenced PPMs for the full and complete terms thereof.

238. FG Defendants deny the allegations in paragraph 238 of the SCAC, except aver that FGL and FGBL were entitled to and did receive certain fees and respectfully refer the Court

to the referenced PPMs and to audited financial statements for the true and complete contents thereof.

239. FG Defendants deny the allegations in paragraph 239 of the SCAC, except aver that FGL and FGBL were entitled to and did receive certain fees and respectfully refer the Court to the referenced PPMs and to audited financial statements for the true and complete contents thereof.

240. FG Defendants deny the allegations in paragraph 240 of the SCAC, except respectfully refer the Court to the referenced PPM and Investment Management Agreements for the true and complete terms thereof.

241. FG Defendants deny the allegations in paragraph 241 of the SCAC, except aver, on information and belief, that financial information reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent.

242. FG Defendants deny the allegations in paragraph 242 of the SCAC, except aver that Fairfield Sigma Limited's assets were invested in Fairfield Sentry Limited and that Fairfield Sigma Limited earned fees, and respectfully refer the Court to the referenced PPMs for the true and complete terms thereof.

243. FG Defendants deny the allegations in paragraph 243 of the SCAC, except aver, on information and belief, that data reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent, and aver that Fairfield Sigma Limited earned fees, and respectfully refer the Court to the referenced financial statements for the true and complete terms thereof.

244. FG Defendants deny the allegations in paragraph 244 of the SCAC, except aver, on information and belief, that financial information reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent.

245. FG Defendants deny the allegations in paragraph 245 of the SCAC, except respectfully refer the Court to the referenced COMs for the true and complete terms thereof.

246. FG Defendants deny the allegations in paragraph 246 of the SCAC, except aver that the General Partner of Greenwich Sentry, L.P. and the General Partner of Greenwich Sentry Partners, L.P. were entitled to and did receive certain fees and respectfully refer the Court to the referenced COMs and to audited financial statements for the true and complete contents thereof.

247. FG Defendants deny the allegations in paragraph 247 of the SCAC, except aver that the FGA was entitled to and did receive certain fees and respectfully refer the Court to the referenced COMs for the true and complete contents thereof.

248. FG Defendants deny the allegations in paragraph 248 of the SCAC, except aver, on information and belief, that financial information reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent.

249. FG Defendants deny the allegations in paragraph 249 of the SCAC, except aver that FG Defendants had no knowledge of Madoff's fraud prior to December 11, 2008.

J. Fairfield Defendants Agreed to Provide Full Restitution to Massachusetts Investors in the Funds

250. FG Defendants deny the allegations in paragraph 250 of the SCAC, except aver, on information and belief, that on April 1, 2009 the Enforcement Section of the Massachusetts Securities Division of the Office of the Secretary of the Commonwealth ("Securities Division") filed a complaint in order to commence an adjudicatory proceeding against FGA and FGBL (referred to collectively in the complaint as "Fairfield").

251. FG Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations in paragraph 251 of the SCAC, except deny the allegation regarding FGG

and aver that the Securities Division conducted interviews with Walter M. Noel, Jr., Jeffrey Tucker, Amit Vijayvergiya and Daniel Lipton.

252. FG Defendants deny the allegations in paragraph 252 of the SCAC, except respectfully refer the Court to the referenced Administrative Complaint for the true and complete contents thereof.

253. FG Defendants deny the allegations in paragraph 253 of the SCAC, except respectfully refer the Court to the referenced Administrative Complaint for the true and complete contents thereof.

254. FG Defendants deny the allegations in paragraph 254 of the SCAC, except respectfully refer the Court to the referenced Administrative Complaint for the true and complete contents thereof.

255. FG Defendants deny the allegations in paragraph 255 of the SCAC.

256. FG Defendants deny the allegations in paragraph 256 of the SCAC, except aver, on information and belief, that on August 12, 2009 FGA and FGBL filed a Pre-Hearing Memorandum with the Securities Division and respectfully refer the Court to that Pre-Hearing Memorandum for the true and complete contents thereof.

257. FG Defendants deny the allegations in paragraph 257 of the SCAC, except aver, on information and belief, that on September 8, 2009 FGA and FGBL consented to entry of an order by the Securities Division without admitting or denying the Securities Division's allegations of fact and without any adjudication of any issue of law or fact, and respectfully refer the Court to the referenced order for the true and complete contents thereof.

258. The allegations in paragraph 258 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the

allegations in paragraph 258 of the SCAC and respectfully refer the Court to the referenced order for the true and complete terms thereof.

K. PricewaterhouseCoopers Failed to Audit the Funds According to U.S. and International Standards and Misrepresented the Financial Condition of the Funds

259. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 259 of the SCAC, except aver, on information and belief, that: (i) PwC Netherlands conducted independent audits of the financial statements of Fairfield Sentry Limited and Fairfield Sigma Limited for audit years 2002, 2003, 2004 and 2005; (ii) PwC Netherlands conducted an independent audit of the financial statements of Greenwich Sentry, L.P. for audit year 2005; and (iii) PwC Canada conducted independent audits of the financial statements of Fairfield Sentry Limited, Fairfield Sigma Limited, Greenwich Sentry Limited, L.P. and Greenwich Sentry Partners, L.P. for audit years 2006 and 2007, and respectfully refer the Court to the referenced engagement letter for the true and complete contents thereof.

260. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 260 of the SCAC, except aver, on information and belief, that PwC entities provided auditing services in certain years to certain Funds, and respectfully refer the Court to the relevant documents for the scope of these services.

1. PwC Issued Clean Audit Opinions for the Funds

261. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 261 of the SCAC, except aver, on information and belief, that PwC Netherlands issued an unqualified audit opinion for the financial statements of Greenwich Sentry, L.P. for audit year 2005, and respectfully refer the Court to that opinion and the audited financial statements for the true and complete contents thereof.

262. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 262 of the SCAC, except aver, on information and belief, that PwC Canada issued unqualified audit opinions for the financial statements of Greenwich Sentry, L.P. for audit years 2006 and 2007, and respectfully refer the Court to those opinions and the audited financial statements for the true and complete contents thereof.

263. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 263 of the SCAC, except aver, on information and belief, that PwC Netherlands issued unqualified audit opinions for the financial statements of Fairfield Sentry Limited for audit years 2002, 2003, 2004 and 2005, and respectfully refer the Court to those opinions and the audited financial statements for the true and complete contents thereof.

264. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 264 of the SCAC, except aver, on information and belief, that PwC Canada issued unqualified audit opinions for the financial statements of Fairfield Sentry Limited for audit years 2006 and 2007, and respectfully refer the Court to those opinions and the audited financial statements for the true and complete contents thereof.

265. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 265 of the SCAC, except aver, on information and belief, that PwC Netherlands issued unqualified audit opinions for the financial statements of Fairfield Sigma Limited for audit years 2003, 2004 and 2005, and respectfully refer the Court to those opinions and the audited financial statements for the true and complete contents thereof.

266. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 266 of the SCAC, except aver, on information and belief, that PwC Canada issued unqualified audit opinions for the financial statements of Fairfield

Sigma Limited for audit years 2006 and 2007, and respectfully refer the Court to those opinions and the audited financial statements for the true and complete contents thereof.

267. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 267 of the SCAC, except aver, on information and belief, that PwC Canada issued unqualified audit opinions for the financial statements of Greenwich Sentry Partners, L.P. for audit years 2006 and 2007, and respectfully refer the Court to those opinions and the audited financial statements for the true and complete contents thereof.

2. PwC Operates As a Unitary International Professional Services Organization

268. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 268 of the SCAC, except admit that paragraph 268 of the SCAC states that “PwC” is used to refer to all the PricewaterhouseCoopers entities.

269. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 269 of the SCAC.

270. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 270 of the SCAC, except admit that paragraph 270 of the SCAC states that references to “PwC” shall include PwC International, PwC Netherlands and PwC Canada, and respectfully refer the Court to the referenced audit reports for the true and complete contents thereof.

271. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 271 of the SCAC, except respectfully refer the Court to the referenced March 15, 2005 letter for the true and complete contents thereof.

272. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 272 of the SCAC, except respectfully refer the Court to the referenced PwC memorandum for the true and complete contents thereof.

273. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 273 of the SCAC, except respectfully refer the Court to the referenced PwC memorandum for the true and complete contents thereof.

274. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 274 of the SCAC, except deny, on information and belief, the accuracy of the amount of assets under management listed for Fairfield Sentry Limited and Greenwich Sentry, L.P., and respectfully refer the Court to the referenced Form ADV for the true and complete contents thereof.

3. PwC Owed Duties to Plaintiffs and Knew Investors
in the Funds Would Rely on Clean Audit Opinions

275. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 275 of the SCAC, except aver, on information and belief, that: (i) the audit opinions in the audited financial statements of Fairfield Sentry Limited for audit years 2007, 2005 and 2003 are addressed to the directors and shareholders of Fairfield Sentry Limited; (ii) the audit opinion in the audited financial statements of Fairfield Sigma Limited for the audit year 2007 is addressed to the directors and shareholders of Fairfield Sigma Limited; (iii) the audit opinions in the audited financial statements of Greenwich Sentry, L.P. for audit years 2007 and 2005 are addressed to the partners of Greenwich Sentry, L.P.; and (iv) the audit opinion in the audited financial statements of Greenwich Sentry Partners, L.P. for audit year 2007 is addressed to the partners of Greenwich Sentry Partners, L.P., and respectfully refer

the Court to the referenced audit opinions and other documents for the true and complete contents thereof.

276. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 276 of the SCAC, except respectfully refer the Court to the referenced Audit Plan for the true and complete contents thereof.

277. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 277 of the SCAC, except respectfully refer the Court to the referenced Audit Plan for the true and complete contents thereof.

278. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 278 of the SCAC, except respectfully refer the Court to the referenced engagement letters and other documents for the true and complete contents thereof.

279. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 279 of the SCAC.

4. PwC Recklessly Performed Its Audits and Made Misrepresentations Regarding the Funds

a) *PwC Was Required, at a Minimum, to Obtain Independent Verification that the Funds' Assets Existed*

280. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 280 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to United States generally accepted auditing standards (“GAAS”), the Auditing Standards Board’s Statements of Auditing Standards (“AU”), the International Auditing and Assurance Standards Board’s (“IAASB”) International Standards on Auditing (“ISA”) and other relevant documents for the true and complete contents thereof.

281. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 281 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the Generally Accepted Account Principles (“GAAP”), the International Financial Reporting Standards (“IFRS”) and other relevant documents for the true and complete contents thereof.

282. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 282 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the standards promulgated by the American Institute of Certified Public Accountants (“AICPA”), the standards promulgated by the IAASB and other relevant documents for the true and complete contents thereof.

283. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 283 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the GAAS, ISA and other relevant documents for the true and complete contents thereof.

284. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 284 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, ISA, GAAS and other relevant documents for the true and complete contents thereof.

285. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 285 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, ISA, GAAS and other relevant documents for the true and complete contents thereof.

286. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 286 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the GAAS, AU, ISA and other relevant documents for the true and complete contents thereof.

287. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 287 of the SCAC, except respectfully refer the Court to the referenced Audit Plan for the true and complete contents thereof.

288. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 288 of the SCAC, except respectfully refer the Court to the referenced Audit Plan for the true and complete contents thereof.

289. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 289 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, ISA and other relevant documents for the true and complete contents thereof.

290. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 290 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the GAAS, AU and other relevant documents for the true and complete contents thereof.

291. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 291 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU and other relevant documents for the true and complete contents thereof.

292. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 292 of the SCAC, except respectfully refer the Court to the referenced PwC Guide for the true and complete contents thereof.

293. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 293 of the SCAC, except respectfully refer the Court to the referenced website for the true and complete contents thereof.

294. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 294 of the SCAC, except respectfully refer the Court to the referenced 2008 Global Annual Review for the true and complete contents thereof.

295. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 295 of the SCAC, except respectfully refer the Court to the referenced Guide for the true and complete contents thereof.

296. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 296 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the forgoing documents regarding such responsibilities and standards for the true and complete contents thereof.

297. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 297 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU and other relevant documents for the true and complete contents thereof.

298. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 298 of the SCAC, except aver, on information and belief,

that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, ISA and other relevant documents for the true and complete contents thereof.

299. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 299 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU and other relevant documents for the true and complete contents thereof.

300. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 300 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, the referenced PPMs and other relevant documents for the true and complete contents thereof.

301. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 301 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU and other relevant documents for the true and complete contents thereof.

302. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 302 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, the referenced Guide and other relevant documents for the true and complete contents thereof.

303. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 303 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU and other relevant documents for the true and complete contents thereof.

b) *PwC Failed to Verify the Existence of the Funds' Madoff Investments*

304. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 304 of the SCAC, except respectfully refer the Court to the referenced reports and financial statements for the true and complete contents thereof.

305. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 305 of the SCAC, except aver, on information and belief, that auditors have certain responsibilities and standards, and respectfully refer the Court to the AU, ISA and other relevant documents for the true and complete contents thereof.

306. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 306 of the SCAC, except respectfully refer the Court to the Audit Plan for the true and complete contents thereof.

307. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 307 of the SCAC, except respectfully refer the Court to the referenced Audit Plan for the true and complete contents thereof.

308. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 308 of the SCAC.

309. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 309 of the SCAC, except respectfully refer the Court to the referenced Audit Plan for the true and complete contents thereof.

310. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 310 of the SCAC.

311. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 311 of the SCAC.

c) PwC Violated Its Duties to Fund Investors

312. The allegations in paragraph 312 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 312 of the SCAC.

313. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 313 of the SCAC.

314. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 314 of the SCAC, except deny the allegations regarding the activities of FG Defendants and the Funds.

315. The allegations in paragraph 315 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 315 of the SCAC regarding PwC and deny the other allegations in paragraph 315 of the SCAC.

5. PwC's Substantial Assistance to Fairfield Defendants' Fraud and Breaches of Fiduciary Duty

316. The allegations in paragraph 316 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 316 of the SCAC regarding PwC and deny the other allegations in paragraph 316 of the SCAC.

317. FG Defendants lack knowledge or information sufficient to form a belief as the truth of the allegations in paragraph 317 of the SCAC regarding PwC and deny the other allegations in paragraph 317 of the SCAC.

318. The allegations in paragraph 318 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 318 of the SCAC regarding PwC and deny the other allegations in paragraph 318 of the SCAC.

L. Citco Violated Its Obligations to Provide Financial Services to Fund Investors

1. Citco Operates as a Single Global Financial Services Provider

319. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 319 of the SCAC, except respectfully refer the Court to the referenced website for the true and complete contents thereof.

320. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 320 of the SCAC.

321. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 321 of the SCAC, except respectfully refer the Court to the referenced website for the true and complete contents thereof.

322. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 322 of the SCAC, except respectfully refer the Court to the referenced website for the true and complete contents thereof.

323. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 323 of the SCAC, except respectfully refer the Court to the referenced administration agreement and websites for the true and complete contents thereof.

2. Citco Holds Itself Out as a Superior Financial Services Provider

324. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 324 of the SCAC, except respectfully refer the Court to the referenced website for the true and complete contents thereof.

325. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 325 of the SCAC, except respectfully refer the Court to the referenced website for the true and complete contents thereof.

326. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 326 of the SCAC, except respectfully refer the Court to the referenced websites for the true and complete contents thereof.

3. Citco Committed to Serve as the Funds' Administrator

327. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 327 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

328. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 328 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

329. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 329 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and

Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

4. Citco Committed to Serve as Custodian for Fairfield Sentry and Sigma

330. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 330 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

331. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 331 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

5. Citco Owed Duties to Plaintiffs as Fund Investors

332. The allegations in paragraph 332 of the SCAC state legal conclusions to which no response it required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 332 of the SCAC.

333. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 333 of the SCAC.

334. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 334 of the SCAC.

335. The allegations in paragraph 335 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 335 of the SCAC.

6. Citco's Performance of Its Duties to Plaintiffs Was Grossly Deficient

336. The allegations in paragraph 336 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 336 of the SCAC regarding Citco and deny the other allegations in paragraph 336 of the SCAC.

337. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 337 of the SCAC, except respectfully refer the Court to the referenced agreement for the true and complete terms thereof.

338. The allegations in paragraph 338 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 338 regarding Citco and deny the other allegations in paragraph 338 of the SCAC.

339. The allegations in paragraph 339 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 339 of the SCAC regarding Citco and deny the other allegations in paragraph 339 of the SCAC.

340. The allegations in paragraph 340 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 340 of the SCAC, except aver that in general Plaintiffs could have made redemptions.

7. Citco Provided Substantial Assistance to the Fairfield Defendants' Fraud and Breaches of Fiduciary Duty

341. The allegations in paragraph 341 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 341 of the SCAC regarding Citco and deny the other allegations in paragraph 341 of the SCAC.

342. The allegations in paragraph 342 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 342 of the SCAC regarding Citco and deny the other allegations in paragraph 342 of the SCAC.

8. Citco Collected Unearned Fees

343. The allegations in paragraph 343 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 343 of the SCAC regarding Citco and deny the other allegations in paragraph 343 of the SCAC, except aver, on information and belief, that financial information reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent, and respectfully refer the Court to the referenced PPMs and administration agreements for the true and complete contents thereof.

M. GlobeOp Violated Its Obligations to Greenwich Sentry Investors

344. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 344 of the SCAC, except aver, on information and belief, that GlobeOp provided administrative services to Greenwich Sentry, L.P. for a period of time

ending August 2006 and respectfully refer the Court to the referenced website for the true and complete contents thereof.

345. FG Defendants deny the allegations in paragraph 345 of the SCAC, except aver, on information and belief, that GlobeOp had certain responsibilities to Greenwich Sentry, L.P. and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

346. The allegations in paragraph 346 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 346 of the SCAC.

347. The allegations in paragraph 347 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 347 of the SCAC.

N. Defendants' Fraudulent Concealment of Their Breaches of Duty

348. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 348 of the SCAC, except deny the statement in paragraph 348 of the SCAC alleging wrongful conduct of FG Defendants and aver that until news reports became known on and after December 11, 2008 the existence of Madoff's fraud could not have been discovered through the exercise of reasonable diligence.

349. The allegations in paragraph 349 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 349 of the SCAC.

350. The allegations in paragraph 350 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 350 of the SCAC.

CLASS ACTION ALLEGATIONS

351. The allegations in paragraph 351 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 351 of the SCAC, except aver that the Plaintiffs purport to bring this action as a putative class action as stated.

352. FG Defendants state that paragraph 352 of the SCAC is a description of Plaintiffs' claims to which no response is required.

353. The allegations in paragraph 353 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 353 of the SCAC.

CLAIMS FOR RELIEF

Count 1

Fraud against Fairfield Fraud Claim Defendants (Purchaser Claims)⁸

354. FG Defendants repeat and restate their responses to the foregoing paragraphs.

355. FG Defendants deny the allegations in paragraph 355 of the SCAC.

356. FG Defendants deny the allegations in paragraph 356 of the SCAC.

357. FG Defendants deny the allegations in paragraph 357 of the SCAC.

⁸ Count 1 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 1 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 1 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 1, "FG Defendants" excludes the FG Defendants against whom Count 1 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

358. FG Defendants deny the allegations in paragraph 358 of the SCAC.
359. FG Defendants deny the allegations in paragraph 359 of the SCAC.

Count 2
Fraud against Fairfield Fraud Claim Defendants (Holder Claims)⁹

360. FG Defendants repeat and restate their responses to the foregoing paragraphs.
361. FG Defendants deny the allegations in paragraph 361 of the SCAC.
362. FG Defendants deny the allegations in paragraph 362 of the SCAC.
363. FG Defendants deny the allegations in paragraph 363 of the SCAC.
364. FG Defendants deny the allegations in paragraph 364 of the SCAC.
365. FG Defendants deny the allegations in paragraph 365 of the SCAC.
366. FG Defendants deny the allegations in paragraph 366 of the SCAC.

Count 3
Violation of Section 10(b) and Rule 10b-5 against Fairfield Fraud Claim Defendants¹⁰

367. FG Defendants repeat and restate their responses to the foregoing paragraphs.
368. The allegations in paragraph 368 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the

⁹ Count 2 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 2 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 2 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 2, “FG Defendants” excludes the FG Defendants against whom Count 2 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

¹⁰ Count 3 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 3 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 3 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 3, “FG Defendants” excludes the FG Defendants against whom Count 3 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

allegations in paragraph 368 of the SCAC, except aver that Plaintiffs purport to assert this Count as alleged.

369. FG Defendants deny the allegations in paragraph 369 of the SCAC.

370. FG Defendants deny the allegations in paragraph 370 of the SCAC.

371. FG Defendants deny the allegations in paragraph 371 of the SCAC.

372. FG Defendants deny the allegations in paragraph 372 of the SCAC.

373. FG Defendants deny the allegations in paragraph 373 of the SCAC.

374. The allegations in paragraph 374 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 374 of the SCAC.

Count 4
Violation of Section 20(a) against Fairfield Fraud Claim Defendants and Defendants Landsberger, Murphy, and Smith¹¹

375. FG Defendants repeat and restate their responses to the foregoing paragraphs.

376. FG Defendants deny the allegations in paragraph 376 of the SCAC.

377. FG Defendants deny the allegations in paragraph 377 of the SCAC.

378. The allegations in paragraph 378 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 378 of the SCAC.

¹¹ Count 4 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 4 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 4 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 4, “FG Defendants” excludes the FG Defendants against whom Count 4 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

Count 5
Negligent Misrepresentation against Fairfield Defendants (Purchaser Claims)¹²

- 379. FG Defendants repeat and restate their responses to the foregoing paragraphs.
- 380. FG Defendants deny the allegations in paragraph 380 of the SCAC.
- 381. FG Defendants deny the allegations in paragraph 381 of the SCAC.
- 382. FG Defendants deny the allegations in paragraph 382 of the SCAC.
- 383. FG Defendants deny the allegations in paragraph 383 of the SCAC.
- 384. FG Defendants deny the allegations in paragraph 384 of the SCAC.
- 385. FG Defendants deny the allegations in paragraph 385 of the SCAC.
- 386. FG Defendants deny the allegations in paragraph 386 of the SCAC.

Count 6
Negligent Misrepresentation against Fairfield Defendants (Holder Claims)¹³

- 387. FG Defendants repeat and restate their responses to the foregoing paragraphs.
- 388. FG Defendants deny the allegations in paragraph 388 of the SCAC.
- 389. FG Defendants deny the allegations in paragraph 389 of the SCAC.
- 390. FG Defendants deny the allegations in paragraph 390 of the SCAC.

¹² Count 5 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 5 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 5 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 5, “FG Defendants” excludes the FG Defendants against whom Count 5 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

¹³ Count 6 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 6 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 6 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 6, “FG Defendants” excludes the FG Defendants against whom Count 6 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

- 391. FG Defendants deny the allegations in paragraph 391 of the SCAC.
- 392. FG Defendants deny the allegations in paragraph 392 of the SCAC.
- 393. FG Defendants deny the allegations in paragraph 393 of the SCAC.
- 394. FG Defendants deny the allegations in paragraph 394 of the SCAC.

Count 7
Gross Negligence against Fairfield Defendants¹⁴

- 395. FG Defendants repeat and restate their responses to the foregoing paragraphs.
- 396. FG Defendants deny the allegations in paragraph 396 of the SCAC.
- 397. FG Defendants deny the allegations in paragraph 397 of the SCAC.
- 398. FG Defendants deny the allegations in paragraph 398 of the SCAC.
- 399. FG Defendants deny the allegations in paragraph 399 of the SCAC.
- 400. The allegations in paragraph 400 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 400 of the SCAC.
- 401. The allegations in paragraph 401 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 401 of the SCAC.

¹⁴ Count 7 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 7 is not directed. Accordingly, with respect to the responses to Count 7, “FG Defendants” excludes the FG Defendants against whom Count 7 is not directed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

Count 8
Breach of Fiduciary Duty against Fairfield Defendants¹⁵

402. FG Defendants repeat and restate their responses to the foregoing paragraphs.

403. FG Defendants deny the allegations in paragraph 403 of the SCAC.

404. The allegations in paragraph 404 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 404 of the SCAC.

405. The allegations in paragraph 405 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 405 of the SCAC, except aver, on information and belief, that FGBL served as the General Partner of Greenwich Sentry, L.P. since at least March 1, 2006 and served as the General Partner of Greenwich Sentry Partners, L.P. since April 2006.

406. FG Defendants deny the allegations in paragraph 406 of the SCAC, except aver, on information and belief, that FGL served as the General Partner of Greenwich Sentry, L.P. for a certain period of time and that Walter M. Noel, Jr. and Jeffrey Tucker served as General Partners of Greenwich Sentry, L.P. for a period of time ending January 1998, and respectfully refer the Court to the referenced COMs for the true and complete terms thereof.

407. FG Defendants deny the allegations in paragraph 407 of the SCAC, except respectfully refer the Court to the referenced document for the true and complete contents thereof.

¹⁵ Count 8 is not alleged against all FG Defendants and, therefore, no response is required from those FG Defendants against whom Count 8 is not directed. Additionally, pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 8 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 8, “FG Defendants” excludes the FG Defendants against whom Count 8 is not directed or has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

408. The allegations in paragraph 408 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 408 of the SCAC.

409. FG Defendants deny the allegations in paragraph 409 of the SCAC.

Count 9
Third-Party Beneficiary Breach of Contract against Fairfield Defendants and Fairfield Fee Claim Defendants¹⁶

410. FG Defendants repeat and restate their responses to the foregoing paragraphs.

411. The allegations in paragraph 411 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 411 of the SCAC, except respectfully refer the Court to the referenced agreements and PPM for the true and complete terms thereof.

412. FG Defendants deny the allegations in paragraph 412 of the SCAC.

413. FG Defendants deny the allegations in paragraph 413 of the SCAC, except aver, on information and belief, that FGBL served as the Investment Manager for Fairfield Sentry Limited for a period of time beginning in 2003 and that FGBL had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements concerning FGBL for the true and complete contents thereof.

414. The allegations in paragraph 414 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the

¹⁶ Pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 9 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 9, “FG Defendants” excludes the FG Defendants against whom Count 9 has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

allegations in paragraph 414 of the SCAC, except aver, on information and belief, that FGL served as the Investment Manager for Fairfield Sentry Limited for a period of time ending in 2003 and that FGL had certain responsibilities to Fairfield Sentry Limited and respectfully refer the Court to the operative documents and agreements concerning FGL for the true and complete contents thereof.

415. FG Defendants deny the allegations in paragraph 415 of the SCAC, except aver, on information and belief, that FGBL served as the General Partner of Greenwich Sentry, L.P. since at least March 2006, that FGBL served as General Partner of Greenwich Sentry Partners, L.P. since April 2006, that FGL served as General Partner of Greenwich Sentry, L.P. for a certain period of time, and that FGL and FGBL had certain responsibilities to Greenwich Sentry, L.P. and Greenwich Sentry Partners, L.P. and respectfully refer the Court to the operative documents and agreements concerning FGBL for the true and complete contents thereof.

416. The allegations in paragraph 416 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 416 of the SCAC.

Count 10
Constructive Trust against Fairfield Defendants and Fairfield Fee Claim
Defendants¹⁷

417. FG Defendants repeat and restate their responses to the foregoing paragraphs.

418. The allegations in paragraph 418 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 418 of the SCAC.

¹⁷ Pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 10 of the SCAC and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 10.

419. FG Defendants deny the allegations in paragraph 419 of the SCAC, except aver, on information and belief, that certain fees were calculated based on reported net profits and assets of the Funds.

420. The allegations in paragraph 420 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 420 of the SCAC.

Count 11
Mutual Mistake against Fairfield Defendants and Fairfield Fee Claim
Defendants¹⁸

421. FG Defendants repeat and restate their responses to the foregoing paragraphs.

422. FG Defendants deny, subject to Footnote 3, the allegations in paragraph 422 of the SCAC, except aver that certain FG Defendants were paid amounts derived from fees received by Fairfield entities.

423. The allegations in paragraph 423 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 423 of the SCAC.

424. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 424 of the SCAC.

425. FG Defendants state that paragraph 425 of the SCAC is a description of Plaintiffs' demand to which no response is required. To the extent that a response is required, FG

¹⁸ Pursuant to the *Anwar II* Order, the Court dismissed the claims in Count 11 against one or more of the FG Defendants, for whom no response is required. Accordingly, with respect to the responses to Count 11, "FG Defendants" excludes the FG Defendants against whom Count 11 has been dismissed, but to the extent that a response by them is required, those FG Defendants join the responses of the remaining FG Defendants.

Defendants deny the allegations in paragraph 425 of the SCAC, except aver that Plaintiffs purport to make a demand as stated

Count 12
Gross Negligence against PricewaterhouseCoopers¹⁹

426. FG Defendants repeat and restate their responses to the foregoing paragraphs.

427. The allegations in paragraph 427 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 427 of the SCAC.

428. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 428 of the SCAC.

429. The allegations in paragraph 429 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 429 of the SCAC.

430. The allegations in paragraph 430 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 430 of the SCAC regarding PwC and deny the other allegations in paragraph 430 of the SCAC.

431. The allegations in paragraph 431 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

¹⁹ Count 12 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 12.

information sufficient to form a belief as to the truth of the allegations in paragraph 431 of the SCAC.

432. The allegations in paragraph 432 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 432 of the SCAC.

Count 13
Negligence against PricewaterhouseCoopers²⁰

433. FG Defendants repeat and restate their responses to the foregoing paragraphs.

434. The allegations in paragraph 434 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 434 of the SCAC.

435. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 435 of the SCAC.

436. The allegations in paragraph 436 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 436 of the SCAC.

437. The allegations in paragraph 437 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

²⁰ Count 13 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 13.

information sufficient to form a belief as to the truth of the allegations in paragraph 437 of the SCAC.

Count 14
Negligent Misrepresentation against PricewaterhouseCoopers²¹

438. FG Defendants repeat and restate their responses to the foregoing paragraphs.

439. The allegations in paragraph 439 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 439 of the SCAC.

440. The allegations in paragraph 440 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 440 of the SCAC.

441. The allegations in paragraph 441 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 441 of the SCAC.

442. The allegations in paragraph 442 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 442 of the SCAC.

²¹ Count 14 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 14.

443. The allegations in paragraph 443 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 443 of the SCAC.

444. The allegations in paragraph 444 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 444 of the SCAC.

445. The allegations in paragraph 445 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 445 of the SCAC.

Count 15
Third-Party Beneficiary Breach of Contract against PricewaterhouseCoopers²²

446. FG Defendants repeat and restate their responses to the foregoing paragraphs.

447. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 447 of the SCAC.

448. The allegations in paragraph 448 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 448 of the SCAC.

²² Count 15 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 15.

449. The allegations in paragraph 449 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 449 of the SCAC.

450. The allegations in paragraph 450 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 450 of the SCAC.

Count 16
Aiding and Abetting Breach of Fiduciary Duty against
PricewaterhouseCoopers²³

451. FG Defendants repeat and restate their responses to the foregoing paragraphs.

452. The allegations in paragraph 452 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 452 of the SCAC.

453. The allegations in paragraph 453 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 453 of the SCAC.

454. The allegations in paragraph 454 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 454 of the SCAC.

²³ Count 16 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 16.

Count 17
Aiding and Abetting Fraud against PricewaterhouseCoopers²⁴

455. FG Defendants repeat and restate their responses to the foregoing paragraphs.

456. The allegations in paragraph 456 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 456 of the SCAC.

457. The allegations in paragraph 457 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 457 of the SCAC.

458. The allegations in paragraph 458 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 458 of the SCAC.

459. The allegations in paragraph 459 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 459 of the SCAC.

Count 18
Violation of Section 10(b) and Rule 10b-5 against PwC Canada and PwC Netherlands²⁵

460. FG Defendants repeat and restate their responses to the foregoing paragraphs.

461. The allegations in paragraph 461 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

²⁴ Count 17 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 17.

²⁵ Count 18 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 18.

information sufficient to form a belief as to the truth of the allegations in paragraph 461 of the SCAC, except aver that Plaintiffs purport to assert this Count as stated.

462. The allegations in paragraph 462 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 462 of the SCAC.

463. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 463 of the SCAC, except aver, on information and belief, that PwC Canada or PwC Netherlands issued an audit opinion with respect to the financial statements of certain of the Funds for certain audit years and respectfully refer the Court to the referenced audit opinions and financial statements for the true and complete contents thereof.

464. The allegations in paragraph 464 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 464 of the SCAC.

465. FG Defendants deny the allegations in paragraph 465 of the SCAC.

466. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 466 of the SCAC regarding PwC and deny the other allegations in paragraph 466 of the SCAC.

467. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 467 of the SCAC regarding PwC and deny the other allegations in paragraph 467 of the SCAC.

468. The allegations in paragraph 468 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

information sufficient to form a belief as to the truth of the allegations in paragraph 468 of the SCAC.

Count 19

Violation of Section 20(a) against PricewaterhouseCoopers International²⁶

469. FG Defendants repeat and restate their responses to the foregoing paragraphs.

470. The allegations in paragraph 470 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 470 of the SCAC.

471. The allegations in paragraph 471 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 471 of the SCAC.

472. The allegations in paragraph 472 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 472 of the SCAC.

Count 20

Third-Party Beneficiary Breach of Contract against Citco²⁷

473. FG Defendants repeat and restate their responses to the foregoing paragraphs.

²⁶ Count 19 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 19.

²⁷ Count 20 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 20.

474. The allegations in paragraph 474 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 474 of the SCAC.

475. The allegations in paragraph 475 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 475 of the SCAC, except respectfully refer the Court to the referenced agreements for the true and complete terms thereof.

476. The allegations in paragraph 476 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 476 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

477. The allegations in paragraph 477 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 477 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

478. The allegations in paragraph 478 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 478 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Greenwich Sentry, L.P. and Greenwich Sentry

Partners, L.P. and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

479. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 479 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Greenwich Sentry, L.P. and Greenwich Sentry Partners, L.P. and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

480. The allegations in paragraph 480 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 480 of the SCAC, except aver, on information and belief, that Fairfield Sentry Limited and Fairfield Sigma Limited entered agreements with Citco Bank and Citco Global for custodial services.

481. FG Defendants deny the allegations in paragraph 481 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

482. FG Defendants deny the allegations in paragraph 482, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

483. FG Defendants deny the allegations in paragraph 483 of the SCAC, except aver, on information and belief, that one or more Citco entities had certain responsibilities to Fairfield Sentry Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

484. The allegations in paragraph 484 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 484 of the SCAC.

485. The allegations in paragraph 485 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 485 of the SCAC.

486. The allegations in paragraph 486 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 486 of the SCAC.

Count 21
Breach of Fiduciary Duty against Citco²⁸

487. FG Defendants repeat and restate their responses to the foregoing paragraphs.

488. The allegations in paragraph 488 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 488 of the SCAC, except aver, on information and belief, that Citco Fund Services had certain responsibilities to one or more of the Funds and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

489. The allegations in paragraph 489 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

²⁸ Count 21 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 21.

information sufficient to form a belief as to the truth of the allegations in paragraph 489 of the SCAC.

490. The allegations in paragraph 490 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 490 of the SCAC, except aver, on information and belief, that Citco Bank and Citco Global had certain responsibilities to Fairfield Sentry Limited and Fairfield Sigma Limited and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

491. The allegations in paragraph 491 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 491 of the SCAC.

492. The allegations in paragraph 492 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 492 of the SCAC.

493. The allegations in paragraph 493 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 493 of the SCAC.

494. The allegations in paragraph 494 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 494 of the SCAC.

495. The allegations in paragraph 495 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 495 of the SCAC.

496. The allegations in paragraph 496 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 496 of the SCAC.

497. The allegations in paragraph 497 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 497 of the SCAC.

498. The allegations in paragraph 498 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 498 of the SCAC.

499. The allegations in paragraph 499 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 499 of the SCAC, except aver, on information and belief, that financial information reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent.

500. The allegations in paragraph 500 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

information sufficient to form a belief as to the truth of the allegations in paragraph 500 of the SCAC.

Count 22
Gross Negligence against Citco²⁹

501. FG Defendants repeat and restate their responses to the foregoing paragraphs.

502. The allegations in paragraph 502 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 502 of the SCAC.

503. The allegations in paragraph 503 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 503 of the SCAC.

504. The allegations in paragraph 504 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 504 of the SCAC.

Count 23
Negligence against Citco³⁰

505. FG Defendants repeat and restate their responses to the foregoing paragraphs.

²⁹ Count 22 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 22.

³⁰ Count 23 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 23.

506. The allegations in paragraph 506 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 506 of the SCAC.

507. The allegations in paragraph 507 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 507 of the SCAC.

508. The allegations in paragraph 508 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 508 of the SCAC.

Count 24
Aiding and Abetting Breach of Fiduciary Duty against Citco³¹

509. FG Defendants repeat and restate their responses to the foregoing paragraphs.

510. The allegations in paragraph 510 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 510 of the SCAC.

511. The allegations in paragraph 511 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 511 of the SCAC.

³¹ Count 24 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 24.

512. The allegations in paragraph 512 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 512 of the SCAC.

513. The allegations in paragraph 513 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 513 of the SCAC.

514. The allegations in paragraph 514 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 514 of the SCAC.

Count 25
Aiding and Abetting Fraud against Citco³²

515. FG Defendants repeat and restate their responses to the foregoing paragraphs.

516. The allegations in paragraph 516 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 516 of the SCAC.

517. The allegations in paragraph 517 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 517 of the SCAC.

518. The allegations in paragraph 518 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 518 of the SCAC.

³² Count 25 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 25.

519. The allegations in paragraph 519 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 519 of the SCAC.

520. The allegations in paragraph 520 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 520 of the SCAC.

Count 26
Violation of Section 10(b) and Rule 10b-5 against Citco Fund Services and Citco Canada³³

521. FG Defendants repeat and restate their responses to the foregoing paragraphs.

522. The allegations in paragraph 522 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 522 of the SCAC, except aver that Plaintiffs purport to assert this Count as stated.

523. The allegations in paragraph 523 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 523 of the SCAC.

524. The allegations in paragraph 524 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 524 of the SCAC regarding Citco and deny the other allegations in paragraph 524 of the SCAC.

³³ Count 26 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 26.

525. The allegations in paragraph 525 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 525 of the SCAC.

526. The allegations in paragraph 526 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 526 of the SCAC.

Count 27
Violation of Section 20(a) against Citco Group³⁴

527. FG Defendants repeat and restate their responses to the foregoing paragraphs.

528. The allegations in paragraph 528 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 528 of the SCAC.

529. The allegations in paragraph 529 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 529 of the SCAC.

530. The allegations in paragraph 530 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

³⁴ Count 27 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 27.

information sufficient to form a belief as to the truth of the allegations in paragraph 530 of the SCAC.

Count 28
Negligent Misrepresentation against Citco Fund Services, Citco Canada, and
Citco Group³⁵

531. FG Defendants repeat and restate their responses to the foregoing paragraphs.

532. FG Defendants state that paragraph 532 of the SCAC is a description of Plaintiffs' claims to which no response is required.

533. The allegations in paragraph 533 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 533 of the SCAC.

534. The allegations in paragraph 534 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 534 of the SCAC.

535. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 535 of the SCAC.

536. The allegations in paragraph 536 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 536 of the SCAC regarding Citco and deny the other allegations in paragraph 536 of the SCAC.

³⁵ Count 28 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 28.

537. The allegations in paragraph 537 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 537 of the SCAC regarding Citco and deny the other allegations in paragraph 537 of the SCAC.

538. The allegations in paragraph 538 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 538 of the SCAC.

539. The allegations in paragraph 539 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 539 of the SCAC.

540. The allegations in paragraph 540 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 540 of the SCAC.

Count 29
Breach of Fiduciary Duty against GlobeOp³⁶

541. FG Defendants repeat and restate their responses to the foregoing paragraphs.

542. The allegations in paragraph 542 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 542 of the

³⁶ Count 29 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 29.

SCAC, except aver, on information and belief, that GlopeOp had certain responsibilities to Greenwich Sentry, L.P. and respectfully refer the Court to the operative documents and agreements for the true and complete contents thereof.

543. The allegations in paragraph 543 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 543 of the SCAC.

544. The allegations in paragraph 544 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 544 of the SCAC.

545. The allegations in paragraph 545 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 545 of the SCAC.

546. The allegations in paragraph 546 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 546 of the SCAC.

547. The allegations in paragraph 547 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 547 of the SCAC.

548. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 548 of the SCAC, except aver, on information and belief, that financial information reported by Madoff has, after Madoff's arrest in December 2008, been found to be fraudulent.

549. The allegations in paragraph 549 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 549 of the SCAC.

Count 30
Gross Negligence against GlobeOp³⁷

550. FG Defendants repeat and restate their responses to the foregoing paragraphs.

551. The allegations in paragraph 551 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 551 of the SCAC.

552. The allegations in paragraph 552 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 552 of the SCAC regarding GlopeOp and deny the other allegations in paragraph 552 of the SCAC.

553. The allegations in paragraph 553 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or

³⁷ Count 30 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 30.

information sufficient to form a belief as to the truth of the allegations in paragraph 553 of the SCAC.

Count 31
Negligence against GlobeOp³⁸

554. FG Defendants repeat and restate their responses to the foregoing paragraphs.

555. The allegations in paragraph 555 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 555 of the SCAC.

556. The allegations in paragraph 556 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 556 of the SCAC.

557. The allegations in paragraph 557 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 557 of the SCAC.

Count 32
Breach of Fiduciary Duty against Francoeur, Pilgrim and Citco³⁹

558. FG Defendants repeat and restate their responses to the foregoing paragraphs.

³⁸ Count 31 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 31.

³⁹ Count 32 is not directed at FG Defendants and, therefore, no response is required. Nevertheless, in an abundance of caution, FG Defendants respond to the paragraphs in Count 32.

559. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 559 of the SCAC, except aver, on information and belief, that Brian Francoeur served as a director of FGBL for a certain period of time.

560. FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 560 of the SCAC, except aver, on information and belief, that Ian Pilgrim served as a director of FGBL for a certain period of time.

561. FG Defendants deny the allegations in paragraph 561 of the SCAC, except aver that FGBL's Board of Directors had certain duties to FGBL and that FGBL had certain responsibilities and respectfully refer the Court to the operative documents and agreements concerning FGBL for the true and complete contents thereof.

562. The allegations in paragraph 562 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 562 of the SCAC regarding Brian Francoeur and Ian Pilgrim and deny the other allegations in paragraph 562 of the SCAC.

563. The allegations in paragraph 563 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 563 of the SCAC.

564. The allegations in paragraph 564 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 564 of the SCAC.

565. The allegations in paragraph 565 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 565 of the SCAC.

Count 33
Unjust Enrichment against All Defendants

566. FG Defendants repeat and restate their responses to the foregoing paragraphs.

567. FG Defendants state that paragraph 567 of the SCAC is a description of Plaintiffs' claims to which no response is required. To the extent that a response is required, FG Defendants aver that the Plaintiffs purport to assert this Count as stated.

568. The allegations in paragraph 568 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 568 of the SCAC.

569. The allegations in paragraph 569 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 569 of the SCAC.

570. The allegations in paragraph 570 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 570 of the SCAC.

571. FG Defendants state that paragraph 571 of the SCAC is a description of Plaintiffs' claims to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 571 of the SCAC, except aver that Plaintiffs purport to seek restitution and an order as stated.

572. The allegations in paragraph 572 of the SCAC state legal conclusions to which no response is required. To the extent that a response is required, FG Defendants deny the allegations in paragraph 572 of the SCAC.

JURY TRIAL DEMANDED

FG Defendants hereby join in Plaintiffs' demand for a trial by jury for all issues so triable.

AFFIRMATIVE AND OTHER DEFENSES

FG Defendants assert the following affirmative and other defenses with respect to the causes of action alleged in the SCAC. In doing so, FG Defendants do not concede that the assertion of such defenses imposes any burden of proof on FG Defendants with respect thereto. FG Defendants have not yet completed their investigation and, to the extent that investigation and/or discovery warrant, reserve the right to supplement, amend or withdraw any or all of the following affirmative or other defenses prior to any trial of this action.

FIRST DEFENSE

Plaintiffs fail to state a claim against FG Defendants upon which relief may be granted.

SECOND DEFENSE

Plaintiffs fail to plead their fraud claims against FG Defendants with particularity.

THIRD DEFENSE

The federal securities law claims brought under Section 10(b) and Section 20(a) of the Securities Exchange Act of 1934 by Plaintiffs who invested in Fairfield Sentry Limited and Fairfield Sigma Limited fail under the transactional test established in *Morrison v. National Australia Bank*, 130 S. Ct. 2869 (2010).

FOURTH DEFENSE

Plaintiffs' non-fraud common law claims against FG Defendants are preempted by the Martin Act, N.Y. Gen. Bus. Law, Art. 23-A, §§ 352 et seq.

FIFTH DEFENSE

Plaintiffs' common law claims against FG Defendants are precluded by the Securities Litigation Uniform Standards Act, 15 U.S.C. § 78bb(f)(1).

SIXTH DEFENSE

Plaintiffs lack standing and/or capacity to bring their claims against FG Defendants.

SEVENTH DEFENSE

Fairfield Greenwich Group is a marketing name used for certain businesses of a group of related entities. It was and is not a partnership and FG Defendants were not and are not partners of the Fairfield Greenwich Group.

EIGHTH DEFENSE

Plaintiffs have unclean hands and the doctrine of *in pari delicto* applies.

NINTH DEFENSE

Plaintiffs are estopped from asserting their claims against FG Defendants.

TENTH DEFENSE

The applicable statute of limitations has run and the doctrine of laches applies.

ELEVENTH DEFENSE

Plaintiffs have waived their claims against FG Defendants.

TWELTH DEFENSE

Plaintiffs' claims against FG Defendants are barred by the doctrines of ratification and affirmation.

THIRTEENTH DEFENSE

Plaintiffs' claims against FG Defendants are barred by the election of remedies doctrine.

FOURTEENTH DEFENSE

Plaintiffs' claims against FG Defendants are barred to the extent that their investments were in violation of the applicable laws or regulations of their foreign countries of origin.

FIFTEENTH DEFENSE

Plaintiffs' claims against FG Defendants are barred to the extent that their investments were in violation of the Funds' suitability requirements.

SIXTEENTH DEFENSE

FG Defendants were not the sole or partial cause of Plaintiffs' alleged injuries or damages.

SEVENTEENTH DEFENSE

Any injury or damages Plaintiffs suffered was caused by the intervening and superseding conduct of others for whom FG Defendants are not responsible, including but not limited to, Madoff, BMIS and their employees.

EIGHTEENTH DEFENSE

FG Defendants had no knowledge of, or reasonable grounds to believe, that Madoff and BMIS were engaged in fraud.

NINETEENTH DEFENSE

FG Defendants neither owed nor breached any duty to Plaintiffs.

TWENTIETH DEFENSE

FG Defendants were not in privity with Plaintiffs.

TWENTY-FIRST DEFENSE

FG Defendants did not act recklessly, maliciously or with scienter.

TWENTY-SECOND DEFENSE

FG Defendants acted in good faith, with reasonable care and diligence.

TWENTY-THIRD DEFENSE

This action is not maintainable as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure.

TWENTY-FOURTH DEFENSE

Plaintiffs represented themselves to be sophisticated investors who knowingly and voluntarily assumed the risks inherent in the investments at issue.

TWENTY-FIFTH DEFENSE

Plaintiffs did not actually, directly and individually rely on any alleged representations, acts or omissions by FG Defendants.

TWENTY-SIXTH DEFENSE

Plaintiffs did not justifiably or reasonably rely on any alleged representations, acts or omissions by FG Defendants.

TWENTY-SEVENTH DEFENSE

Plaintiffs represented and warranted, prior to their investments, that they did not rely on any representations other than those contained in the PPMs or COMs pursuant to which they invested.

TWENTY-EIGHTH DEFENSE

Plaintiffs' claims against FG Defendants are barred, in whole or in part, by the terms of the offering material pursuant to which they invested.

TWENTY-NINTH DEFENSE

The alleged misstatements Plaintiffs attribute to FG Defendants are forward-looking statements accompanied by meaningful cautionary language and therefore are not actionable under the Private Securities Litigation Reform Act of 1995 and the bespeaks caution doctrine.

THIRTIETH DEFENSE

FG Defendants did not know, and in the exercise of reasonable care could not have known, of the existence of the alleged false or misleading statements and omissions of material fact referenced in the SCAC.

THIRTY-FIRST DEFENSE

FG Defendants were entitled to and did, reasonably and in good faith, rely upon the acts and representations of Madoff, BMIS, other defendants in this action and third parties with respect to the transactions and events that are the subject of the claims asserted in the SCAC against FG Defendants.

THIRTY-SECOND DEFENSE

FG Defendants relied in good faith on the advice of counsel.

THIRTY-THIRD DEFENSE

FG Defendants are protected from liability by the exculpatory clauses contained in the Greenwich Sentry, L.P. Limited Partnership Agreements, the Greenwich Sentry Partners, L.P. Limited Partnership Agreements, the Fairfield Sentry Limited Investment Management Agreements and the Fairfield Sigma Limited Investment Management Agreement.

THIRTY-FOURTH DEFENSE

FG Defendants are protected from liability under the business judgment rule.

THIRTY-FIFTH DEFENSE

FG Defendants are protected from liability under Title 6, Chapter 17-407 of the Delaware Code.

THIRTY-SIXTH DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the economic loss rule.

THIRTY-SEVENTH DEFENSE

Individual FG Defendants are not liable for any alleged representations, acts or omissions that occurred prior to their association with the Fairfield-related entities.

THIRTY-EIGHTH DEFENSE

Plaintiffs' claims are barred, in whole or in part, against FG Defendants who were not signatories to the Fairfield Sentry Investment Management Agreements, the Fairfield Sigma Investment Management Agreement, the Greenwich Sentry, L.P. Limited Partnership Agreements and/or the Greenwich Sentry Partners, L.P. Limited Partnership Agreements.

THIRTY-NINTH DEFENSE

Plaintiffs fail to join necessary and indispensable parties in this action.

FORTIETH DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the existence of valid and enforceable contracts governing the subject matter of their claims.

FORTY-FIRST DEFENSE

Plaintiffs' purported injuries and damages are nonexistent, speculative and/or not of the nature or to the extent alleged.

FORTY-SECOND DEFENSE

Plaintiffs' claims against FG Defendants are barred because of the contributing and/or comparative negligence and fault of Plaintiffs.

FORTY-THIRD DEFENSE

Any recovery which might otherwise be had by Plaintiffs should be reduced and diminished because their own culpable conduct caused or contributed to any damages or injury that they sustained.

FORTY-FOURTH DEFENSE

Plaintiffs failed to mitigate, minimize or avoid their damages, if any.

FORTY-FIFTH DEFENSE

Plaintiffs are not entitled to punitive damages.

FORTY-SIXTH DEFENSE

Any recovery by Plaintiffs against FG Defendants is to be offset by any and all other recoveries by Plaintiffs, including, but not limited to: (i) any and all proceeds Plaintiffs have received or will receive in settlement of all or some of their claims against the defendants in this action; (ii) any other payments that Plaintiffs have recovered or will recover from others, including but not limited to, recovery from the trustee for the Madoff bankruptcy estate and the liquidators of Fairfield Sentry Limited and Fairfield Sigma Limited; (iii) any and all redemptions received by Plaintiffs from Fairfield Sentry Limited, Fairfield Sigma Limited, Greenwich Sentry, L.P. and Greenwich Sentry Partners, L.P.; (iv) any tax rebates or recoveries; and (v) any and all other benefits received by Plaintiffs through or on account of their investments in the Funds.

FORTY-SEVENTH DEFENSE

Any damages recoverable by Plaintiffs from FG Defendants are limited to the percentage of fault attributable to FG Defendants.

FORTY-EIGHTH DEFENSE

FG Defendants are entitled to recover contribution from others for any liability they incur to Plaintiffs.

FORTY-NINTH DEFENSE

Pursuant to New York General Obligations Law § 15-108, in the event a release or covenant not to sue or not to enforce a judgment is given by Plaintiffs to any other person liable or claimed to be liable in tort for the same injury that is the subject of the SCAC, then Plaintiffs' claims against FG Defendants should be reduced by the amount stipulated by the release or the covenant, or in the amount of the consideration paid for it, or the amount of the released tortfeasor's equitable share of the damages under Article 14 of the New York Civil Practice Law and Rules, whichever is greatest.

FIFTIETH DEFENSE

Pursuant to 15 U.S.C. § 78u-4(f)(7)(B), in the event that a covered person enters into a settlement with Plaintiffs prior to final verdict or judgment, FG Defendants are entitled to a reduction in any verdict or judgment rendered against it in this action by the greater of (i) the amount that corresponds to the percentage of responsibility of that covered person or (ii) the amount paid to Plaintiffs by that covered person.

FIFTY-FIRST DEFENSE

Plaintiffs are not entitled to equitable relief because they have an adequate remedy at law.

FIFTY-SECOND DEFENSE

FG Defendants hereby adopt and incorporate by reference any and all other defenses asserted or to be asserted by any other defendant to the extent FG Defendants may share in such defense.

FIFTY-THIRD DEFENSE

FG Defendants hereby reserve and reassert all affirmative defenses available under any applicable federal or state law.

COUNTERCLAIMS AND CROSS-CLAIMS

FG Defendants expressly reserve all rights with respect to all counterclaims or cross-claims that may be revealed during the course of investigation and/or discovery.

WHEREFORE, having fully answered, FG Defendants respectfully request entry of judgment:

- (a) against Plaintiffs and in favor of FG Defendants;
- (b) dismissing with prejudice all claims asserted against FG Defendants;
- (c) awarding FG Defendants the costs of defending this action, including attorneys' fees, costs and disbursements; and
- (d) granting such other and further relief as the Court may deem just and proper.

Dated: New York, New York
October 15, 2010

SIMPSON THACHER & BARTLETT LLP

By: /s/ Mark G. Cunha
Mark G. Cunha
Peter E. Kazanoff
425 Lexington Avenue
New York, NY 10017-3954
(212) 455-2000

Attorneys for Defendants Fairfield Greenwich Ltd., Fairfield Greenwich (Bermuda) Ltd., Fairfield Greenwich Advisors LLC, Fairfield Risk Services Ltd., Fairfield Heathcliff Capital LLC, Daniel Lipton, Mark McKeefry, Richard Landsberger, Charles Murphy, Andrew Smith, Lourdes Barreneche, Yanko Della Schiava, Vianney d'Hendecourt, Jacqueline Harary, Harold Greisman, Julia Luongo, Maria Teresa Pulido Mendoza, Corina Piedrahita, Santiago Reyes, and Philip Toub

O'SHEA PARTNERS LLP

By: /s/ Michael E. Petrella
Sean F. O'Shea
Michael E. Petrella
521 Fifth Avenue, 25th Floor
New York, NY 10175
(212) 682-4426

Attorneys for Cornelis Boele

KASOWITZ BENSON TORRES &
FRIEDMAN LLP

By: /s/ Marc Kasowitz
Marc Kasowitz
Daniel J. Fetterman
1633 Broadway
New York, NY 10019
(212) 506-1700

Attorneys for Jeffrey Tucker

DECHERT LLP

By: /s/ Andrew Levander
Andrew Levander
David Hoffner
1095 Avenue of the Americas
New York, NY 10036
(212) 698-3500

Attorneys for Andres Piedrahita

WHITE & CASE LLP

By: /s/ Glenn Kurtz
Glenn Kurtz
Andrew Hammond
1155 Avenue of the Americas
New York, NY 10036
(212) 819-8200

Attorneys for Walter M. Noel, Jr.

DEBEVOISE & PLIMPTON LLP

By: /s/ Mark Goodman
Mark Goodman
Helen Cantwell
919 Third Avenue
New York, NY 10022
(212) 909-6000

Attorneys for Amit Vijayvergiya