

# If you bought Parmalat stock or bonds before December 19, 2003, you could get a payment from a \$50 million partial legal settlement.

A partial settlement has been reached in a U.S. class action lawsuit that includes investors in the United States, Italy, and around the world. The lawsuit is about the prices paid for the common stock and/or bonds of Parmalat Finanziaria S.p.A. and its subsidiaries and affiliates. The settlement provides USD \$50 million to pay Parmalat investors who bought its common stock or bonds from January 5, 1999 through and including December 18, 2003, as well as attorneys' fees and expenses, and administrative costs. The United States District Court for the Southern District of New York authorized this notice and will hold a hearing to decide whether to approve the settlement. If you're included in the Class, you may await further notice about how to ask for a payment, or you may now exclude yourself or object. You can get a detailed Notice at [www.ParmalatSettlement.com](http://www.ParmalatSettlement.com).

## WHO'S INCLUDED?

You are a Class member if you bought Parmalat common stock or bonds from January 5, 1999 through and including December 18, 2003, regardless of where you live or where you purchased your securities. If you're not sure whether you are included, visit the website below.

## WHAT IS THIS CASE ABOUT?

The lawsuit alleges that Parmalat and numerous other defendants (*see* the detailed Notice) participated in a fraudulent financial scheme, resulting in the understatement of Parmalat's debt by nearly \$10 billion and the overstatement of its net assets by over \$16 billion. Parmalat ultimately filed for bankruptcy, and the value of its stock and bonds dramatically declined. All the settling defendants deny that they did anything wrong, and the settlement does not mean that any law was violated. The Court did not decide which side was right. The two sides disagree on how much money could have been awarded if the plaintiffs had won at a trial. Instead, the partial settlement resolves, by agreement, the case against Banca Nazionale del Lavoro (BNL) and several Credit Suisse entities, and will pay money to Class members. The lawsuit is proceeding against Parmalat and all the other defendants including auditing firms, financial institutions, and certain individuals.

## WHAT DOES THE SETTLEMENT PROVIDE?

BNL and the Credit Suisse Defendants agreed to create a cash settlement fund of \$50 million (\$25 million paid by each) to pay valid claims and attorneys' fees, expenses and administrative costs. In addition, the settling defendants endorse certain principles to protect investors. A settlement stipulation, available

at [www.ParmalatSettlement.com](http://www.ParmalatSettlement.com), describes all of the details. The money in the settlement fund will not be distributed yet. The lawyers will pursue the lawsuit against the other defendants, including Parmalat, to see if any future settlements can be distributed together. This could take a year or longer. If settlements are not reached, a trial will be held sometime in the future. Because there is no plan to allocate the money now, it is not possible to determine the amount you could get, or what the average payment will be on a per share or per bond basis. Your payment will depend on the number of valid claim forms that Class members eventually send in, how many shares of Parmalat stock you bought or how many bonds you bought, when you bought and sold them, and the prices you paid.

## HOW DO YOU ASK FOR A PAYMENT?

You do not have to do anything right now. However, you may go to the website to register and request that a claim form be mailed to you when it is ready. If you do not receive a notice in the mail directly, you should register as soon as possible.

## WHAT ARE YOUR OTHER OPTIONS?

If you don't want to be legally bound by the settlement, you must exclude yourself by **19 June 2007**, or you won't be able to sue the defendants who settled, about the legal claims in this case ever again. If you exclude yourself, you will not get money from the settlement. You may stay in the settlement and keep all your rights against the other defendants. If you stay in the settlement, you may object to it by **19 June 2007**. The detailed Notice explains how to exclude yourself or object.

The Court will hold a hearing in this case (*In re Parmalat Securities Litigation*, 04 Civ. 0030 (LAK)) on **19 July 2007**, to consider whether to approve the settlement and a request by the lawyers representing the plaintiffs and Class members (Cohen, Milstein, Hausfeld & Toll, P.L.L.C., of Washington, D.C.; Grant & Eisenhofer, P.A., of Wilmington, DE; and Spector Roseman & Kodroff, P.C., of Philadelphia, PA) for reimbursement of their expenses to date of up to \$6 million from the settlement fund. A future notice will tell you about, and let you comment on, the request they will make for costs incurred in the future, as well as lawyers' fees for investigating the facts, litigating the case, and negotiating the settlement. You may ask to appear at the hearing, but you don't have to. To learn more, go to [www.ParmalatSettlement.com](http://www.ParmalatSettlement.com), or write to Parmalat Settlement, PO Box 4068, Portland, OR 97208-4068, USA.

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