

City of Miami General Employees' & Sanitation Employees' Retirement Trust v. Globe Life Inc. f/k/a Torchmark Corporation

COURT: United States District Court for the Eastern District of Texas

CASE NUMBER: 24-cv-376

CLASS PERIOD: 05/08/2019 - 04/10/2024

CASE LEADERS: Hannah Ross, Avi Josefson, Scott R. Foglietta

On April 30, 2024, Bernstein Litowitz Berger & Grossmann LLP ("BLB&G") filed a class action lawsuit in the U.S. District Court for the Eastern District of Texas alleging violations of the federal securities laws by Globe Life Inc. f/k/a Torchmark Corporation ("Globe Life" or the "Company") and certain of the Company's current and former senior executives (collectively, "Defendants"). The action is brought on behalf of all persons or entities that purchased or otherwise acquired shares of Globe Life common stock between May 8, 2019, and April 10, 2024, inclusive (the "Class Period").

BLB&G filed this action on behalf of its client, City of Miami General Employees' & Sanitation Employees' Retirement Trust, and the case is captioned *City of Miami General Employees' & Sanitation Employees' Retirement Trust v. Globe Life Inc. f/k/a Torchmark Corporation*, No. 24-cv-376 (E.D. Tex.). The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. To view the complaint, see the **Case Documents** section of this page.

Globe Life's Alleged Fraud

Globe Life is an insurance company offering a wide range of insurance products, including low-cost life insurance policies that offer comparatively lower payouts. Globe Life operates through five wholly owned subsidiaries, the largest of which, by both premiums collected and number of sales agents employed, is American Income Life Insurance Company ("AIL").

The complaint alleges that, throughout the Class Period, Defendants made numerous materially false and misleading statements and omissions concerning: (i) Globe Life's consistent premium revenue growth, particularly from AIL; and (ii) Globe Life's Code of Business Conduct and Ethics (the "Code of Conduct"). Specifically, Defendants repeatedly attributed the Company's consistent premium revenue growth "to increased agent count and productivity." In addition, Globe Life's Code of Conduct stated, among other things, that "[t]he Company is committed to providing an inclusive and welcoming environment," that "[v]iolence and threatening behavior are not permitted," and that "[t]he use of illegal drugs in the workplace will not be tolerated." As a result of these misrepresentation, Globe Life common stock traded at artificially inflated prices during the Class Period.

The truth was revealed on April 11, 2024, when an investment research firm published a report alleging that, since 2017, Globe Life had engaged in widespread insurance fraud. The report alleged that several Globe Life subsidiaries were underwriting policies for dead and fictitious people, as well as adding policies to existing customers' accounts without their consent. In addition, the investment research firm uncovered evidence that Globe Life subsidiaries

maintained a hostile workplace where sexual harassment, drug use, and sexual assault went unchecked. As a result of these disclosures, the price of Globe Life common stock declined precipitously.

If you wish to serve as Lead Plaintiff for the Class, you must file a motion with the Court no later than July 1, 2024, which is the first business day on which the U.S. District Court for the Eastern District of Texas is open that is 60 days after the publication date of April 30, 2024. Any member of the proposed Class may seek to serve as Lead Plaintiff through counsel of their choice, or may choose to do nothing and remain a member of the proposed Class.

If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact Scott R. Foglietta of BLB&G at 212-554-1903, or via e-mail at scott.foglietta@blbglaw.com.

Case Documents

- April 30, 2024 - Initial Complaint
- April 30, 2024 - PSLRA Notice