



AlaFile E-Notice

35-CV-1996-000040.00

Judge: HON. EDDIE HARDAWAY

To: DONALD V WATKINS
dvw@donaldwatkins.com

NOTICE OF ELECTRONIC FILING

IN THE CIRCUIT COURT OF GREENE COUNTY, ALABAMA

CAROL BELL ET AL VS STATE MUTUAL INSURANCE CO. INC.
35-CV-1996-000040.00

The following matter was FILED on 9/19/2018 3:40:02 PM

D001 STATE MUTUAL INSURANCE CO.

MOTION TO ADD PARTY

[Filer: WATKINS DONALD VARNADO]

Notice Date: 9/19/2018 3:40:02 PM

MATTIE ATKINS
CIRCUIT COURT CLERK
GREENE COUNTY, ALABAMA
400 MORROW AVENUE
EUTAW, AL, 35462

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mattie.atkins@alacourt.gov



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CIRCUIT COURT OF
GREENE COUNTY, ALABAMA
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STATE OF ALABAMA

Revised 3/5/08

Cas

Unified Judicial System

35-GREENE

 District Court
 Circuit Court

CV1

CAROL BELL ET AL VS STATE MUTUAL
INSURANCE CO. INC.**CIVIL MOTION COVER SHEET**

Name of Filing Party: D001 - STATE MUTUAL INSURANCE CO.

Name, Address, and Telephone No. of Attorney or Party. If Not Represented.

DONALD V WATKINS
2160 HIGHLAND AVE S SUITE 100
BIRMINGHAM, AL 35205
Attorney Bar No.: WAT022

 Oral Arguments Requested**TYPE OF MOTION****Motions Requiring Fee**

- Default Judgment (\$50.00)
Joinder in Other Party's Dispositive Motion
(i.e. Summary Judgment, Judgment on the Pleadings,
or other Dispositive Motion not pursuant to Rule 12(b))
(\$50.00)
- Judgment on the Pleadings (\$50.00)
- Motion to Dismiss, or in the Alternative
Summary Judgment (\$50.00)
- Renewed Dispositive Motion (Summary
Judgment, Judgment on the Pleadings, or other
Dispositive Motion not pursuant to Rule 12(b)) (\$50.00)
- Summary Judgment pursuant to Rule 56 (\$50.00)
- Motion to Intervene (\$297.00)
- Other _____
pursuant to Rule _____ (\$50.00)

*Motion fees are enumerated in §12-19-71(a). Fees
pursuant to Local Act are not included. Please contact the
Clerk of the Court regarding applicable local fees.

Local Court Costs \$ 0 _____

Motions Not Requiring Fee

- Add Party
- Amend
- Change of Venue/Transfer
- Compel
- Consolidation
- Continue
- Deposition
- Designate a Mediator
- Judgment as a Matter of Law (during Trial)
- Disburse Funds
- Extension of Time
- In Limine
- Joinder
- More Definite Statement
- Motion to Dismiss pursuant to Rule 12(b)
- New Trial
- Objection of Exemptions Claimed
- Pendente Lite
- Plaintiff's Motion to Dismiss
- Preliminary Injunction
- Protective Order
- Quash
- Release from Stay of Execution
- Sanctions
- Sever
- Special Practice in Alabama
- Stay
- Strike
- Supplement to Pending Motion
- Vacate or Modify
- Withdraw
- Other _____
pursuant to Rule _____ (Subject to Filing Fee)

Check here if you have filed or are filing contemporaneously
with this motion an Affidavit of Substantial Hardship or if you
are filing on behalf of an agency or department of the State,
county, or municipal government. (Pursuant to §6-5-1 Code
of Alabama (1975), governmental entities are exempt from
prepayment of filing fees)

Date:
9/19/2018 3:36:24 PM

Signature of Attorney or Party
/s/ DONALD V WATKINS



**IN THE CIRCUIT COURT
OF GREENE COUNTY, ALABAMA**

AUBREY WAYNE TIDMORE, et al.)
Plaintiffs,)

v.)

STATE MUTUAL INSURANCE)
COMPANY, et al.)

Defendants.)

CIVIL ACTION NO.: CV-95-066

CAROL BELL, et al.)

Plaintiffs,)

v.)

STATE MUTUAL INSURANCE)
COMPANY, et al.)

Defendants.)

CIVIL ACTION NO.: CV-96-040

**STATE MUTUAL’S MOTION TO ADD GUARANTEE TRUST LIFE
INSURANCE, INC., AS A PARTY-DEFENDANT FOR POST-JUDGMENT
RELIEF PURPOSES, AND ITS VERIFIED MOTION FOR FURTHER RELIEF**

State Mutual Insurance Company (hereinafter referred to as “State Mutual” or the “Company”) moves the Court to add Guarantee Trust Life Insurance Company, Inc. (“GTL”), as a party-defendant for post-judgment relief purposes under Ala. R. Civ. P. Rule 19, and moves the Court for further relief in this national class action case based upon the facts and circumstances shown below:

GTL is a Putative Rule 19 Party Defendant for Post-Judgment Equitable Relief

1. GTL is a national insurance company headquartered in Glennville, Illinois. GTL is licensed by the Alabama Insurance Department to conduct business in Alabama and has sold insurance products in Alabama since 1952.
2. GTL's registered agent for service of process in Alabama is CT CORPORATION SYSTEM, 2 North Jackson Street, Suite 605, Montgomery, AL 36104.
3. At all times material to this Motion, GTL conducted business throughout the State of Alabama and within the 17th Judicial Circuit. As such, venue is proper under Ala. Code §6-3-7 (a)(4). Furthermore, this case involves a certified national class action. The named class representatives and numerous Consent Decree policyholders reside within the 17th Judicial Circuit, as referenced in Ala. Code §6-3-7 (b).

Basis for Adding GTL as a Rule 19 Party Defendant

4. In 2015, State Mutual formed a strategic business alliance with Dubuque, Iowa-based PSI Holding, LLC, d/b/a Platinum Supplemental Insurance, Inc. ("Platinum"). Under this business alliance, Platinum's multi-state workforce of insurance agents began selling cancer insurance policies in certain Midwestern and Southern states under the State Mutual brand name. These policies have evolved into a valuable block of business for State Mutual.
5. The State Mutual-Platinum business alliance is providing State Mutual a valuable business opportunity and the marketing infrastructure to achieve a growing and sustained competitive advantage in the cancer insurance policy marketplace.
6. The State Mutual-Platinum alliance is weakening the market share previously enjoyed by GTL in the cancer policy business. In many cases, GTL policyholders

- have replaced their GTL cancer policies with the newer, superior quality, State Mutual cancer policies.
7. Beginning in November 2015, GTL organized, orchestrated, and oversaw the implementation of an ongoing business interference plan wherein GTL contacted its former cancer policyholders and advised them to file administrative complaints against State Mutual and/or its agents with various state insurance commissions.
 8. GTL prepared a standardized complaint/affidavit for the former GTL policyholders to sign. Beginning in December of 2015, GTL started mailing the executed version of the policyholder complaints/affidavits from its corporate headquarters to insurance departments in Arkansas, Colorado, Kansas, Minnesota, Missouri, Nebraska, Oklahoma South Dakota, and Texas. This GTL conduct is ongoing and is spreading false, misleading, and deceptive information about State Mutual and its business ethics in the marketplace. It is also tarnishing State Mutual's brand with state regulators and policyholders.
 9. On December 9, 2015, GTL filed an arbitration demand against Platinum alleging a violation of a Marketing Agreement, dated April 4, 2002, and Settlement Agreement, dated July 9, 2015, that were executed between the parties. The arbitration demand was aimed at impeding and/or undermining Platinum's business relationship with State Mutual.
 10. On June 20, 2016, GTL lost its request for preliminary relief in the arbitration case against Platinum. This loss was based upon lack of evidence by GTL to support its claims against Platinum. The evidence submitted by GTL during this round in the arbitration proceeding is contained in a 188-pages arbitration hearing

- transcript and exhibits. After the loss, GTL turned its sights directly on State Mutual (and another competitor/provider of cancer policies).
11. On July 1, 2016, GTL sent a threatening letter to State Mutual alleging that the company's agents were engaged in various forms of "twisting" conduct with respect to the GTL policyholders who were replacing their cancer policies with State Mutual cancer policies. The letter identified four State Mutual/Platinum agents whom GTL claimed had engaged in twisting. GTL's claim of twisting was not true.
 12. GTL also sent threatening letters directly to State Mutual/Platinum agents alleging that they had committed "twisting" conduct with respect to the replacement of GTL cancer policies with State Mutual policies. These letters have had a chilling effect on the willingness of some agents to sell State Mutual policies to former GTL policyholders.
 13. On July 25, 2018, GTL sent another letter to State Mutual that made unfounded market conduct allegations against State Mutual insurance agents who sell competing cancer insurance policies. The letter also threatened legal action against State Mutual, "if the twisting behavior continues unchecked."
 14. State Mutual reviewed the allegations raised in GTL's July 25th letter, investigated the matter, and found the allegations lacking in merit.
 15. The threat contained in the July 25th letter is a continuation of GTL's pattern and practice of interfering with State Mutual's business relationships with Platinum, its insurance agents who sell cancer policies, and State Mutual's cancer policyholders.

16. GTL has also abused the regulatory process by encouraging its former cancer policyholders who bought State Mutual cancer policies to file administrative complaints against State Mutual and/or its agents with various state insurance departments.
17. GTL has also encouraged State Mutual policyholders to cancel their cancer policies.
18. GTL's continuous and sustained pattern and practice of harmful business conduct directly impairs, impedes, and/or undermines State Mutual's ability to protect the Court ordered dividend participation benefits conferred upon the *Aubrey Wayne Tidmore, et. al.*, and *Carol Bell, et. al.*, class members in the June 15, 1998 Order and Final Judgment, as well as the dividend participation benefits packages awarded to the non-class policyholders protected by the Court's March 1, 2010, and February 19, 2016 Consent Decrees.
19. The economic benefits to the class members and non-class policyholders/Consent Decree parties are derived from State Mutual's divisible surplus, which is generated by the Company's overall profits. Since 1998, State Mutual has conferred dividend participation on the class members and non-class dividend participating policyholders on an annual basis.
20. GTL's conduct, as described above, negatively impacts State Mutual's profitability and divisible surplus. In turn, this impermissible GTL market conduct activity adversely impacts the amount of dividend participation State Mutual can share with 1998 class members and 2010 and 2016 non-class member policyholders/parties.

21. State Mutual has attempted to resolve this matter by voluntary means, but to no avail. GTL's market conduct and tortious interference with State Mutual's affirmative obligations under the 1998 Order and Final Judgment and 2010 and 2016 Consent Orders continue unabated.
22. GTL is a necessary party-defendant for the purpose of safeguarding State Mutual's ability to meet its affirmative obligations under the 1998 Order and Final Judgment, the 2010 Consent Decree, and the 2016 Consent Decree.
23. The subject-matter of this Motion for Further Relief has not been litigated in any judicial venue. The injunctive relief sought by State Mutual falls squarely within the ambit of this Court's authority to protect the integrity of its 1998 Final Order and Judgment and 2010 and 2016 Consent Decrees, as well as the economic benefits and other relief conferred upon the plaintiffs and Consent Decree policyholders.
24. As discussed below, State Mutual seeks permanent injunctive relief (a) enjoining GTL from engaging in prohibited forms of market conduct activities that have the purpose or effect of adversely impacting the benefits that State Mutual is mandated to provide to class members and Consent Decree policyholders/parties, (b) enjoining GTL from prosecuting, filing, maintaining, pursuing or participating as a litigant (by intervention or otherwise, either directly, individually or representatively or in any other capacity) in any separate action asserting any claims or defenses which arise from or relate to post-judgment relief sought by State Mutual in its pending Motion for Further Relief, and (c) granting State Mutual such other and different equitable relief that may be necessary to protect

the Company's rights and obligations under the 1998 Order and Final Judgment and the 2010 and 2016 Consent Decrees.

25. State Mutual will serve a copy of this Motion on GTL's registered agent for service of process for the State of Alabama. State Mutual will also serve GTL with a copy of the Court's September 19, 2018 Order scheduling a hearing on the Motion for November 19, 2018 at 9 a.m. at the Greene County Courthouse in Eutaw, Alabama.

History of the Litigation

26. The history of this litigation is chronicled in a website established and maintained by State Mutual to facilitate the company's full and complete implementation of Court ordered relief for policyholders protected by the 2016 Consent Decree. The website address is: <http://www.tidmorevsmic.com>.
27. As discussed in greater detail below, the law of this case establishes that this Court has the inherent equitable power to: (a) protect the injunctive relief embodied in the June 15, 1998 Order and Final Judgment, March 1, 2010 Consent Decree, and February 19, 2016 Consent Decree, and (b) add parties under Rule 19 that are necessary to protect the economic benefits flowing to State Mutual's dividend participating policyholders, whether original class members or parties added for judgment enforcement purposes. This principle of law was affirmed by the Alabama Supreme Court in *Ex Parte State Mutual Insurance Company* (re: *Aubrey Wayne Tidmore, et al, v. State Mutual Insurance Company, et al*); *State Mutual Insurance Company v. Betty J. Payne et. al.*, 715 So.2d. 207 (Ala. Sup. Ct., 1997).

28. The *Tidmore* and *Bell* actions were brought against State Mutual on behalf of a national class of policyholders defined as follows:

“All persons who since January 1, 1978, purchased State Mutual Insurance Company policies as described herein but who have cash surrendered, or lapsed the policies since January 1, 1992 and all persons who since January 1, 1978 purchased and are now holders of whole life policies issued by State Mutual Insurance Company described as Life Paid up at 90 (LP90), Life Paid Up at 95 (LP95), Life Paid Up as 65 (LP65) and Graded Premium Whole Life (GPWL) policies and to whom State Mutual Insurance allegedly represented that certain dividend scale projections in connection with these policies would be in effect throughout the life of the policies and/or may have suppressed the fact that the dividend scale projections could later change or be lowered, and, as a result, the members of the class were or may be in the future injured upon the subsequent lowering of said dividend. Excluding, however, any person who was a named Plaintiff in any separate lawsuit filed on or before August 3, 1995 which alleged fraud, concealment, failure to disclose or misrepresentation in connection with the purchase, sale or issuance of any one or more State Mutual policies.”

29. On or about June 15, 1998, the Court entered the Order and Final Judgment in this matter and retained jurisdiction as stated in this Order as follows:

“9. This court reserves and maintains continuous jurisdiction over State Mutual and the members of the Class with respect to all matters in relation to the settlement or the consummation of the Settlement; the validity of the Settlement; the construction and enforcement of the Settlement in any orders entered pursuant thereto; in any disputes which may arise between Class Members with respect to the persons entitled to receive the proceeds of any amounts payable to Class Members under the Settlement Agreement; and the entry enforcement of this FINAL JUDGMENT and the injunctions contained herein, including modification of this Final Judgment, jurisdiction to revoke this Order and Final Judgment in its entirety and reinstate all claims dismissed or claims, actions, causes of action and liabilities related pursuant to paragraph 5 hereof; to tax court costs, and all other matters pertaining to the Settlement or its implementation and enforcement.”

The March 1, 2010 Consent Decree

30. On October 12, 2009, State Mutual filed a Motion for Further Relief seeking declaratory and injunctive relief with respect to the Company’s right to adjust

dividends across-the-board on approximately 5,500 Life Span Term Policies/Riders issued by State Mutual.

31. On December 11, 2009, the Court received testimony and evidence regarding that part of State Mutual's Motion pertaining to approximately 2,272 riders on policies governed by the Class Action Order dated June 15, 1998. Following the hearing, the Court entered a December 29, 2009, Amended Order that found, inter alia:

- a. The Court had jurisdiction over this matter. The Order and Final Judgment, dated June 15, 1998, reserved and maintained "continuous jurisdiction over State Mutual and the class members with respect to all matters relating to the settlement or the consummation of the settlement; the validity of the settlement; the construction and enforcement of the settlement in any orders entered pursuant thereto; in any disputes which may arise between class members with respect to the persons entitled to receive the proceeds of any amounts payable to class members under the Settlement Agreement; and the entry and enforcement of this final judgment and the injunctions contained herein, including modification of this final judgment, jurisdiction to revoke this Order and Final Judgment in its entirety and reinstate all claims dismissed or claims, actions, causes of action and liabilities related pursuant to paragraph 5 hereof; to tax court costs, and all other matters pertaining to the settlement or its implementation and enforcement".
- b. The matters before the Court involved certain Life Span term policies/riders where the dividends were not lowered at the same time that

the dividends on the LP95, LP90, LP65 and GPWL policies were lowered, all of which are covered in the subject matter of original class action lawsuit.

- c. State Mutual, pursuant to Court order, reserved unto itself the right to declare the amount of annual dividends in the future using its sound business judgment. Prior notices and explanations had been given to the class setting forth the non-guaranteed nature of the dividends and the Company's reservation of the rights to declare an amount of annual dividends in the future.
- d. The uncontested testimony and evidence at the December 11, 2009, hearing supported a projected dividend cut on all Life Span term policies. The proposed dividend cut tracked the Court's previously approved "contribution principal" to bring the dividends of these policies/riders in line with the class action policies and in compliance with Actuarial Standard of Practice No. 15, which supports using the same dividend factor for virtually identical classes of policies and/or riders.
- e. The Court considered the factors necessary to support injunctive relief against the plaintiff class and further found that: (a) the class had ample notice of these proceedings; (b) the class was represented by able class counsel whose firm was designated original class counsel; (c) class counsel filed a thoughtful response in opposition to the motion; (d) the law and uncontested facts adduced at the hearing established that, in the absence of permanent injunctive relief against the class, State Mutual

would suffer irreparable harms which could likely jeopardize the Company's solvency; and (e) State Mutual had no adequate remedy at law.

32. The Court bifurcated the hearing on State Mutual's motion by first addressing and adjudicating the issues relating to the 2,272 class members and reserved a ruling on the requested preliminary and permanent injunctive relief pending a determination of the rights of the non-party stand-alone policyholders as they are impacted by the legal issues raised in the motion. State Mutual's request for a temporary restraining order against the non-party policyholders was granted.
33. The Court recognized that State Mutual's exercise of its dividend declaration rights must be applied uniformly within a particular line or block of business or policies. The Court also found that State Mutual had to declare its dividend before December 31, 2009, in order to establish the company's liabilities for 2010.
34. The Court determined that State Mutual met its burden of proof for the issuance of a temporary restraining order against the non-class member stand-alone policyholders, enjoining them from instituting, prosecuting or maintaining any legal proceedings in any court relating to the issues before the Court in the Motion for Further Relief. Actuarial Standard of Practice No. 15 mandated that State Mutual use the same dividend factor for virtually identical classes of policies and/or riders. The Court order facilitated the implementation of this actuarial standard for all policies and riders within this class of Life Span term insurance products. Using its equitable powers to protect the Court's prior decrees and injunctions, as recognized in *Ex Parte State Mutual Insurance Company, supra*,

- the Court's December 29, 2009, temporary restraining order effectively authorized State Mutual to make its dividend declaration across-the-board with the Life Span term insurance products, whether they are riders or free-standing policies.
35. The Court appointed Vanessa A. Searight as Guardian Ad Litem to represent the interests of the newly added non-class members during the pendency of State Mutual's Motion for Further Relief, as it applies to them, and to afford them a meaningful opportunity to be heard on the motion. Ms. Searight subsequently associated Mr. James Stewart to assist her in the discharge of her duties to the newly added parties, which the Court approved.
36. State Mutual and the Guardians Ad Litem negotiated an amicable resolution to the matters in the pending motion relating to the newly added parties and agreed to a March 1, 2010, Consent Decree, which was entered in the case following an approval hearing by the Court. The Consent Decree outlined a customer appreciation package that conferred substantive benefits upon the newly added parties that State Mutual had no legal duty to otherwise provide.
37. State Mutual and the newly added parties agreed that in consideration for the substantive benefits extended to the newly added parties in this Consent Decree, the temporary restraining order against them entered on December 29, 2009, and extended on January 7, 2010, should be made a permanent injunction.
38. In addition to the findings agreed upon between State Mutual and the Guardians Ad Litem, the Court made the following independent findings, among others:

- a. Having affirmed State Mutual's right to cut dividends for plaintiff class members in accordance with the factors set out in the June 15, 1998, Final Judgment, the central question for the March 1, 2010, hearing was whether the newly added parties could offer the Court credible evidence and/or recognized legal authority as to why the across-the-board dividend cuts approved in the December 29, 2009, Order for Life Span Term policies and riders should not apply to them through the Court's issuance of a preliminary and permanent injunction.
- b. The March 1, 2010, phase of the bifurcated proceedings was not a re-litigation of State Mutual's right to cut the dividends, as codified in the June 15, 1998, Final Judgment. The Court found that the Company already enjoyed that well-established right with respect to all classes of policyholders without judicial review. What State Mutual sought in its motion was the judicially recognized right to implement these cuts in accordance with the formula approved by the Court for original class members on an across-the-board basis for all persons who hold Life Span Term policies and riders, as required by Actuarial Standard No.15.
- c. The gravamen of policyholder opposition to State Mutual's motion centered on the mistaken belief that the Company has no legal right to reduce dividends on Life Span Term policies and riders (and other classes of policies) using its sound business judgment. While understandable, this argument was judicially found to be erroneous and

had no basis in fact. The marketing materials accompanying all of the dividend participating policies specifically state that these dividends are not guaranteed.

39. In approving the Consent Decree based upon the clear facts in this case and the controlling case law, the Court affirmed its power to effectuate and protect its jurisdiction and its decrees.
40. The Court retained jurisdiction over the newly added parties for the purpose of monitoring the full implementation of the benefits package awarded them and compliance with the injunctive relief against them, and otherwise to enforce the June 15, 1998 Order and Final Judgment and March 1, Consent Decree.

The February 19, 2016 Consent Decree

41. On November 23, 2015, State Mutual filed a motion that sought further relief under Paragraph 9 of the June 15, 1998 Order and Final Judgment and the March 1, 2010, Consent Decree to protect and enforce the economic rights granted to (a) the original class members under the 1998 Order and Final Judgment and (b) the added policyholders under the March 1, 2010 Consent Decree.
42. State Mutual had approximately 6,000 additional dividend participating life insurance policies at issue. Like the policies involved in the original case and in the 2010 Consent Decree, these other policies are long-term life insurance products. They had not been subjected to the three-factor formula that was judicially approved in the 1998 Order and Final Judgment for policies held by the original class members and for the policyholders covered by the Consent Decree. These policies contained similar language to the policies of policyholders who are

parties to this case to the effect that dividends are not guaranteed and that they are subject to adjustments.

43. As affirmed in the Court-approved Consent Decree, State Mutual, under the terms of the June 15, 1998, Order and Final Judgment, retained the right to declare the amount of annual dividends in the future in the following language:

“Future Dividend Practices:

While State Mutual retains the right to declare the amount of annual dividends in the future, State Mutual will be enjoined to follow the ‘contribution principal’ for the development of all dividend scales from 1998 forward for all policy issues described herein. As in the past, future dividends may increase or decrease from the projections of current dividend scales.”

44. After the March 1, 2010 Consent Decree was entered and State Mutual began to implement the Court-ordered dividend adjustments according to the three-factor formula to a larger group of policyholders, an unintended consequence occurred. Because life insurance is a long-term contract, it took several years of analysis to distinguish between what might have been perceived as a single-year anomaly but was, in reality, a long-term trend. The remaining participating policies, under different insurance plans within the company, benefited by not having their dividends adjusted as they would have been had the three-factor formula been applied as it was to the 1998 and 2010 groups of life insurance policies. Although these remaining policies did not strictly fall within the “like kind” definition of Actuarial Standard 15 so as to be so similar to the 1998 class member and the 2010 Consent Decree group of policies, they were still whole life participating policies. State Mutual and its actuaries concluded that an administrative failure to adjust these policies’ dividends in the same manner as the 1998 and 2010 groups

would be unfair and inequitable to the 1998 class members and 2010 Consent Decree policyholders/added parties.

45. In order to protect the equitable benefit of the economic relief secured by the class members in the 1998 Order and Final Judgment and the non-class policyholders in the 2010 Consent Decree and, to insure the financial soundness of the Company for all policyholders of the Company, including the 1998 and 2010 groups, State Mutual sought the approval of the Court to adjust the dividends on the Company's remaining participating whole life policies consistent with the method utilized to adjust dividends for the 1998 and 2010 groups, the three-factor formula.
46. While the Company recognized and maintained its contractual and Court-ordered right to adjust dividends on all of its policies, it sought judicial approval to do so because it was mindful that the protection of the 1998 class members and the additional 2010 non-class policyholders might be affected in a way that would not be consistent with the Court's prior Orders if this judicial approval were not obtained from the Court.
47. State Mutual established that a supplemental Order from the Court mandating that State Mutual apply the three-factor formula across the board to all participating policies receiving dividends would accomplish the Company's goal and would preserve the benefits conferred upon those policyholders covered by the 1998 Order Final Judgment and 2010 Consent Decree.
48. State Mutual's rights with respect to these policies were governed by (a) the contractual language of the policies themselves, (b) the provisions of the 1998

- Order and Final Judgment, (c) the provisions of the 2010 Consent Decree, and (d) the Court's retention of jurisdiction as to dividend matters concerning dividend-participating policies and their riders.
49. On December 29, 2015, the Court granted State Mutual's Verified Motion for Further Relief and preliminarily approved a Consent Decree between State Mutual and the 6,000 newly added policyholders/parties. After proper notice to the newly added policyholders, the Court held a final approval hearing on the Consent Decree.
50. On February 19, 2016, the Court gave final approval to the Consent Decree covering the newly added policyholders.
51. To date, State Mutual continuously engages in the implementation of the ordered relief for original class members protected by the 1998 Order and Final Judgment and the added policyholders protected by the 2010 and 2016 Consent Decrees. GTL's market conduct threatens the economic benefits that flow to all three groups by virtue of injunctive relief embodied in these Court Orders.

Notice to Counsel for Existing Parties

52. Class members protected by the 1998 Order and Final Judgment and policyholders protected by the 2010 and 2016 Consent Decrees have been provided notice of State Mutual's Motion to Add GTL as a Party-Defendant for post-judgment relief purposes and for Further Relief by service of said Motion on Class Counsel. The Court designated Frank H. Tomlinson and Alexander Jones, Jr., as Class Counsel in its June 15, 1998, Order.

53. Attorney Vanessa A. Searight is the Court-appointed Guardian Ad Litem who represents the interests of the policyholders under the 2010 Consent Decree. As mentioned earlier, Ms. Searight associated Mr. James Stewart to assist her as counsel of record in the discharge of her duties to these class members, which the Court approved.
54. The Court appointed Attorney Brenda Pompey as Guardian Ad Litem to represent the interests of the policyholders under the 2016 Consent Decree.

Equitable Relief Requested Against GTL

55. State Mutual seeks to add GTL as a Rule 19 party-defendant for post-judgment equitable relief only.
56. State Mutual contends that, unless GTL is permanently enjoined, as set forth below, immediate and irreparable injury, loss or damages will result to State Mutual and its dividend participating policyholders from GTL's prohibited market conduct activity. This permanent injunctive relief is necessary to enforce the rights and benefits conferred upon the parties in the Court's Order and Final Judgment of June 15, 1998, as well as the March 1, 2010 Consent Decree and February 19, 2016 Consent Decree.
57. State Mutual requested the Court to schedule an expedited hearing on the Motion to Add GTL as a Rule 19 Party for Post-Judgment Relief and Motion for Further Relief for November 19, 2018 at 9 a.m. CST at the Green County Courthouse in Eutaw, Alabama. The Court entered an Order today scheduling the hearing for this date and time.

58. Following the scheduled hearing, State Mutual requests the Court to enter an order (a) adding GTL as a necessary party for the purpose of enforcing State Mutual's rights and affirmative obligations under the 1998 Order and Final Judgment and the 2010 and 2016 Consent Decrees, and (b) affording GTL a meaningful opportunity to be heard on the relief requested in State Mutual's Motion, should the Court conclude that the requested joinder is necessary and proper.
59. Finally, State Mutual seeks a permanent injunction against GTL that enjoins and prohibits GTL from:
- (a) Engaging in market conduct activity that impairs, impedes, or otherwise undermines State Mutual's affirmative obligations under the 1998 Order and Final Judgment and 2010 and 2016 Consent Decrees, and
 - (b) Prosecuting, filing, maintaining, pursuing or participating as a litigant (by intervention or otherwise, either directly, individually or representatively or in any other capacity) in any separate action asserting any claims or defenses which arise from or relate to post-judgment relief sought by State Mutual in its pending Motion to Add GTL as a Rule 19 Party-Defendant and Motion for Further Relief, pursuant to the Court's equitable powers and authority for class action cases, as recognized in *Ex Parte State Mutual Insurance Company*, *supra*.
60. Granting State Mutual such other and further relief as the Court may deem just and proper to protect its prior judgments and orders in this national class action case.

Respectfully submitted this the 19th day of September 2018.

s/ Donald V. Watkins

Attorney Bar Number: 3435W86D
Attorney for Defendant
Donald V. Watkins, P.C.
2160 Highland Avenue S.
Suite 100
Birmingham, AL 35205
Phone: 205-558-4665
Fax: 877-558-4670
Email: dvw@donaldwatkins.com

VERIFICATION

State of Georgia)

Floyd County)

BEFORE ME, the undersigned authority, personally appeared Richard H. Burton who, being first duly sworn, deposes and says on oath:

1. My name is Richard H. Burton. I am over the age of eighteen (18) and I make this Verification based upon my personal knowledge.
2. I am Vice President and Corporate Compliance Officer at State Mutual Insurance Company in Rome, Georgia.
3. The facts set forth in the verified Motion for Further Relief are based on my personal knowledge and review of the business records of State Mutual concerning the matters at issue in the Motion, which were made in the customary and ordinary course of business, by persons with first-hand knowledge of the information contained therein, and were made at or about the time that such knowledge was acquired.

4. I have read the Verified Motion and, based on my personal knowledge and review of the business records of State Mutual, the allegations contained therein are true and correct.

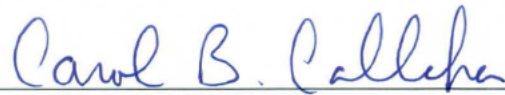
By: 
Richard H. Burton

STATE OF GEORGIA)
FLOYD COUNTY)

I, the undersigned authority, Notary Public in and for said County, in said State, hereby certify that Richard H. Burton, whose name is signed to the foregoing Verification, and who is known to me, acknowledge before me that being informed of the contents of the affidavit, has executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 19th day of September 2018.




Notary Public

My Commission Expires: 08-02-2021

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion has been served upon the following counsel of record by e-filing and by placing a copy of same in the United States mail, properly addressed and postage prepaid this the 19th day of September 2018.

Frank H. Tomlinson, Esq.
Attorney at Law
15 Richard Arrington, Jr., Boulevard S.
Birmingham, AL 35203
Class Counsel for Plaintiffs

Alexander W. Jones, Jr., Esq.

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I also certify that Defendant State Mutual has served a copy of this Motion on Guarantee Trust Life Insurance Company, Inc., via certified mail to its registered agent in Alabama: c/o CT CORPORATION SYSTEM, 2 North Jackson Street, Suite 605, Montgomery, AL 36104, in accordance with the Alabama Rules of Civil Procedure, on the 19th day of September 2018.

s/Donald V. Watkins
Counsel for Defendant State Mutual