

Arkansas Teacher Retirement System v. Allianz Global Investors U.S. LLC

COURT: U.S. District Court for the Southern District of New York
CASE NUMBER: 1:20-cv-05615
CASE CONTACTS: Hannah Ross, Avi Josefson, James A. Harrod, Michael D. Blatchley, Rebecca N. Kim, Brenna Nelinson, Christopher Miles

On July 20, 2020, Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) filed a complaint on behalf of its client Arkansas Teacher Retirement System (“ATRS”) in the United States District Court for the Southern District of New York seeking to recover the losses ATRS incurred as a result of negligence and breaches of fiduciary and contractual duties by Allianz Global Investors U.S. LLC and related defendants (“Allianz”).

The complaint alleges that ATRS invested in the Structured Alpha U.S. Equity 250 LLC, the Structured Alpha Global Equity 350 LLC, and the Structured Alpha Global Equity 500 LLC, which each had an investment strategy designed to provide stable returns and protection during a market downturn. The complaint alleges that Allianz deviated dramatically from the market-neutral strategy its contracts and fiduciary obligations required it to follow.

The complaint also alleges that, once the Alpha funds started incurring losses in February of 2020, Allianz took a series of actions in further contravention of the risk-management principles and investment strategy it was required to follow that exacerbated the losses in the Alpha funds.

If you wish to discuss this action, please contact Avi Josefson of BLB&G at (212) 554-1493, or via e-mail at avi@blbglaw.com.