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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

ANDREW POLLACK, Individually
and on Behalf of All Others Similarly
Situating,

Plaintiff,

v.

GLOBAL EAGLE
ENTERTAINMENT INC., DAVE
DAVIS, TOM SEVERSON, and
MICHAEL ZEMETRA,

Defendants.

Case No. _____

**CLASS ACTION COMPLAINT
FOR VIOLATION OF THE
FEDERAL SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff Andrew Pollack (“Plaintiff”), by Plaintiff’s undersigned attorneys, individually and on behalf of all other persons similarly situated, alleges the following based upon personal knowledge as to Plaintiff’s own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through Plaintiff’s attorneys, which included, among other things, a review of Defendants’ public documents, conference calls and announcements made by Defendants, United States Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and regarding

1 Global Eagle Entertainment Inc. (“Global Eagle” or the “Company”), and
2 information readily obtainable on the Internet. Plaintiff believes that substantial
3 evidentiary support will exist for the allegations set forth herein after a reasonable
4 opportunity for discovery.

5 NATURE OF THE ACTION

6 1. This is a federal securities class action brought on behalf of a class
7 consisting of all persons and entities, other than Defendants (defined below) and
8 their affiliates, who purchased or otherwise acquired shares of Global Eagle
9 common stock from July 27, 2016 to February 20, 2017, inclusive (the “Class
10 Period”). Plaintiff seeks to pursue remedies against Global Eagle and certain of its
11 officers and directors for violations of federal securities laws.

12 2. Global Eagle is a leading worldwide provider of inflight entertainment,
13 media content, technology, and connectivity solutions to the airline industry.

14 3. Throughout the Class Period, Defendants made false and/or
15 misleading statements, and failed to disclose material adverse facts about the
16 Company’s finances, business, operation, prospects and performance. Specifically,
17 during the Class Period, Defendants made false and/or misleading statements and/or
18 failed to disclose that: (i) the Company’s progress towards integration of EMC into
19 Global Eagle was not progressing as favorably as Defendants lead investors to
20 believe; (ii) Global Eagle was unable to timely and properly account for the
21 acquisition of Emerging Markets Communications (“EMC”); (iii) consequently,
22 Global Eagle lacked effective internal control over financial reporting; and (iv) as
23 a result, Global Eagle’s financial statements were materially false and misleading
24 at all relevant times.

25 4. On February 21, 2017, the Company announced that it would delay its
26 Annual Report on Form 10-K for the fiscal year ended December 31, 2016 due to
27 its “need to complete additional financial-closing procedures associated with the
28

1 Company's material weaknesses in internal control over its financial reporting." On
2 the same day, the Company announced the sudden departures of Dave Davis, Chief
3 Executive Officer ("CEO") and Tom Severson, Chief Financial Officer ("CFO").

4 5. On this news, shares of Global Eagle fell \$1.74 per share, or
5 approximately 29% from its previous closing price, to close at \$4.48 per share on
6 February 21, 2017.

7 6. As a result of Defendants' wrongful acts and omissions, and the
8 precipitous decline in the market value of the Company's securities, Plaintiff and
9 other Class members have suffered significant losses and damages.

10 **JURISDICTION AND VENUE**

11 7. The claims asserted herein arise under and pursuant to §§ 10(b) and
12 20(a) of the Exchange Act, (15 U.S.C. §§ 78j (b) and 78t (a)), and Rule 10b-5
13 promulgated thereunder (17 C.F.R. § 240.10b-5).

14 8. This Court has jurisdiction over the subject matter of this action
15 pursuant to § 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1331.

16 9. Venue is proper in this Judicial District pursuant to § 27 of the
17 Exchange Act, 15 U.S.C. § 78aa and 28 U.S.C. § 1391(b) as a significant portion of
18 the Defendants' actions, and the subsequent damages, took place within this
19 District.

20 10. In connection with the acts, conduct, and other wrongs alleged in this
21 Complaint, Defendants, directly or indirectly, used the means and instrumentalities
22 of interstate commerce, including but not limited to, the United States mail,
23 interstate telephone communications, and the facilities of the national securities
24 exchange.

PARTIES

11. Plaintiff as set forth in the attached Certification, acquired Global Eagle common stock at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosure.

12. Defendant Global Eagle Entertainment Inc. is a Delaware corporation headquartered in Los Angeles California. Its common stock trades on the NASDAQ under the ticker symbol “ENT.”

13. Defendant Dave Davis (“Davis”) served as the Company’s President and CEO until his resignation, effective February 20, 2017.

14. Defendant Tom Severson (“Severson”) served as the Company’s CFO from August 24, 2016 until his resignation, effective February 20, 2017.

15. Defendant Michael Zemetra (“Zemetra”) served as the Company’s Chief Financial Officer from June 17, 2013 until his resignation, effective February 20, 2017.

16. The defendants referenced above in paragraphs 13-15 are sometimes referred to herein as the “Individual Defendants”.

17. Defendant Global Eagle and the Individual Defendants are referred to herein, collectively, as the “Defendants”.

18. Each of the Individual Defendants:

- a) directly participated in the management of the Company;
- b) was directly involved in the day-to-day operations of the Company at the highest levels;
- c) was privy to confidential proprietary information concerning the Company and its business and operations;
- d) was involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein;

1 e) was aware of or recklessly disregarded the fact that the false and
2 misleading statements were being issued concerning the Company;
3 and

4 f) approved or ratified these statements in violation of the federal
5 securities laws.

6 19. As officers, directors, and controlling persons of a publicly-held
7 company whose securities are and were registered with the SEC pursuant to the
8 Exchange Act, and was traded on NASDAQ and governed by the provisions of the
9 federal securities laws, the Individual Defendants each had a duty to disseminate
10 accurate and truthful information promptly with respect to the Company's business
11 prospects and operations, and to correct any previously-issued statements that had
12 become materially misleading or untrue to allow the market price of the Company's
13 publicly-traded stock to reflect truthful and accurate information.

14 20. Global Eagle is liable for the acts of the Individual Defendants and its
15 employees under the doctrine of respondent superior and common law principles of
16 agency as all of the wrongful acts complained of herein were carried out within the
17 scope of their employment with authorization.

18 21. The scienter of the Individual Defendants and other employees and
19 agents of the Company is similarly imputed to Global Eagle under respondent
20 superior and agency principles.

21 **SUBSTANTIVE ALLEGATIONS**

22 **A. Company Background**

23 22. The Company was formed through the acquisition of 100% of the
24 shares of Row 44 Inc. and 86% of the shares of Advanced Inflight Alliance AG
25 (AIA) by Global Eagle Acquisition Corp., a Special Purpose Acquisition Company.
26 The transaction was completed in January 2013 and Global Eagle Acquisition Corp.
27 was subsequently renamed Global Eagle Entertainment Inc.

23. Global Eagle is a leading worldwide provider of inflight entertainment, media content, technology, and connectivity solutions to the airline industry. Through the Company's comprehensive product and services platform, they provide more than 150 domestic and international airlines with a wide range of inflight solutions, including Wi-Fi, movies, television, music, interactive software, as well as portable in-flight entertainment, or IFE, solutions, content management services, e-commerce solutions and original content development.

B. Materially False and Misleading Statement Issued During the Period

24. On July 27, 2016, the Company issued a press release, also attached as Exhibit 99.1 to the Form 8-K filed with the SEC ("July 27, 2016 Form 8-K"), announcing that Global Eagle had completed its previously announced acquisition of EMC. The July 27, 2016 Form 8-K stated the following with regards to the Company's completed acquisition of EMC:

The combination of GEE and EMC creates one of the world's largest providers of satellite-based connectivity and media to the rapidly growing global mobility market. GEE has established a strong track record of successfully delivering media content and connectivity to airlines, while EMC has become a top provider of connectivity to maritime and hard-to-reach land markets. When combined with EMC, GEE benefits from significant economies of scale and an enhanced global infrastructure that enables it to deliver a comprehensive portfolio of products to customers.

With the combination, GEE possesses unique attributes that will provide additional opportunities to drive revenue growth and operational efficiencies, including:

- An unparalleled portfolio of products and services tailored to mobility markets, including global connectivity, media content in 47 languages, live television, travel and entertainment apps, user interface platforms and data capture and operations analytics tools;

- A global sales force and support organization that reaches all major mobility verticals including aviation, maritime, energy and remote locations;
- A satellite and ground-based network infrastructure that can provide customers connectivity and media across multiple frequency bands anywhere in the world; Proprietary, patented technologies that enhance the connected traveler's user experience and reduce costs across market verticals;
- A diversified revenue base with over 400 customers, balanced between media and connectivity, and over half of all revenue coming from international markets; and
- Engineering, technical and managerial resources to effectively drive new product development, program management, product maintenance, and field support.

"This is a transformational acquisition for our company and in our industry," said GEE Chief Executive Officer Dave Davis. "The combination of GEE and EMC enables us to provide our customers with a breadth of products and services unmatched in the markets we serve, whether in the air, at sea, or on land. GEE will continue to strive to be customer focused, product driven, and operationally excellent."

Synergy Opportunities

GEE has a successful track record of integrating acquisitions and achieving synergies. With EMC, the Company expects to realize synergies of \$15 million in 2017, growing to \$40 million in 2018 and thereafter. A major source of savings is expected to come from network efficiencies, including the ability to optimize bandwidth costs through a consolidation of existing network assets, including space segment and ground infrastructure, as well as better capacity utilization. Savings are

1 also expected through reductions in SG&A spending and the
2 consolidation of facilities.

3 In addition to cost savings, GEE expects the combination to generate
4 significant revenue synergies. Driving sales of GEE's media, software,
5 advertising and operations solutions products in the underserved
6 maritime market are a key objective of the Company. GEE's digital
7 media team has had a long-term relationship with EMC and expects to
8 launch new products to major cruise lines before year-end. EMC's
9 proprietary technologies are in use today to improve the connectivity
experience and optimize bandwidth usage in the maritime market. GEE
will soon introduce these technologies into the aviation market.

10 25. On August 8, 2016, Global Eagle issued a press release and filed a
11 Form 8-K with the SEC announcing the second fiscal quarter 2016 results for the
12 quarter ended June 30, 2016 ("August 8, 2016 Form 8-K"). For the quarter, Global
13 Eagle reported a net loss of \$38.16 million, or \$0.49 per diluted share, on revenue
14 of \$112.27 million, compared to net income of \$12.99 million, or \$0.17 per diluted
15 share, on revenue of \$102.38 million for the same period in the prior year.

16 26. The August 8, 2016 Form 8-K touted the success and the progress the
17 Company was having with the Emerging Marketing acquisition, stating in relevant
18 part:

19 With the closing of the EMC acquisition, GEE has expanded its
20 addressable market to include satellite-based connectivity and media
21 solutions to the maritime and hard-to-reach land markets. GEE's
22 revenue base will now be split approximately equally between media
23 content and connectivity sales and it will operate three service lines:
24 Media & Content, Aviation, and Maritime & Land. Media & Content
are part of GEE's Content operating segment, and Aviation and
Maritime & Land are part of GEE's Connectivity operating segment.

25 "The acquisition of EMC positions GEE as a leader in supplying
26 satellite-based connectivity and media to the rapidly growing global
27 mobility market," continued Davis. "The integration process is well
28 underway as we work towards our goal of \$40 million in annual cost

1 synergies in 2018 and thereafter. Further, we've already launched our
2 products into new verticals, such as the installation of GEE's Airtime
digital media and Wi-Fi portal onboard an EMC cruise line customer."

3 27. The next day, Global Eagle filed a Form 10-Q with the SEC
4 announcing the Company's financial and operating results for the second fiscal
5 quarter ended June 30, 2016 ("Q2 2016 10-Q"). The Q2 2016 10-Q contained
6 signed certifications pursuant to the Sarbanes Oxley Act of 2002 ("SOX") by
7 Defendants Davis and Zemetra, stating that the financial information contained in
8 the Q2 2016 10-Q was accurate and disclosed any material changes to the
9 Company's internal controls over financial reporting. Throughout the Q2 2016 10-
10 Q the Company reapproved statements made in the August 8, 2016 Press Release.

11 28. On November 8, 2016, Global Eagle issued a press release, also
12 attached as Exhibit 99.1 to a Form 8-K filed with the SEC ("November 8, 2016
13 Form 8-K") announcing the Company's financial and operating results for the third
14 fiscal quarter ended September 30, 2016. The November 8, 2016 Form 8-K also
15 stated in relevant part:

16 LOS ANGELES, CA, November 8, 2016 - Global Eagle
17 Entertainment Inc. (Nasdaq: ENT) ("Global Eagle", "GEE" or the
18 "Company"), a leading provider of satellite-based connectivity and
19 media to global mobility markets across air, sea and land, today
20 announced financial results for its third quarter ended September 30,
21 2016. GEE posted revenue of \$146.9 million in Q3 2016, up 33.4%
22 compared to the prior year period, driven by the acquired EMC
23 business and continued growth in the aviation connectivity service
line. The Company generated net income of \$19.4 million and
Adjusted EBITDA* of \$16.7 million during the third quarter of 2016.

24 "During the quarter, we closed the acquisition of EMC and began the
25 process of integrating our businesses. Already, our combined
26 company has entered into a new agreement with Intelsat that will
27 greatly increase the capacity of our global network while significantly
28 lowering unit costs. Further, we've combined the management of our

network across all verticals into one group to maximize efficiencies,” said Dave Davis, CEO of GEE. “Also during the quarter, we launched our Airconnect system on Avianca Brasil less than two months after signing the contract and we commenced service on Jet Airways with our AirTime streaming IFE system.”

* * *

Recent Highlights . . .

- Began realizing significant strategic and financial benefits from the integration of EMC. Initial synergy estimates may prove conservative. GEE is seeing increased leverage opportunities across our operations and we have won new customers and renewals based on the strength of our network and broad service offerings.

* * *

- Appointed Tom Severson as new Chief Financial Officer at GEE

Business Outlook

“While we have had a few setbacks with the loss of one of the American Airlines contracts and delays in our plans to install three large maritime customers, we are well-positioned to realize healthy revenue and Adjusted EBITDA growth as we enter into 2017. For our fourth quarter 2016, we are projecting our Adjusted EBITDA to be between \$23 million and \$27 million.” said Tom Severson, CFO at GEE. “The integration of the EMC business and our detailed synergy plan is well underway. We have identified at least \$40 million in annual run-rate synergies that we plan to have substantially completed by early 2018.”

29. On November 9, 2017, Global Eagle filed a Form 10-Q with the SEC announcing the Company’s financial and operating results for the third fiscal quarter ended September 30, 2016 (“Q3 2016 10-Q”). The Q3 2016 10-Q contained signed certifications pursuant to SOX by Defendants Davis and Severson, stating

1 that the financial information contained in the Q2 2016 10-Q was accurate and
2 disclosed any material changes to the Company's internal controls over financial
3 reporting. Throughout the Q3 2016 10-Q the Company reapproved the previous
4 statements.

5 30. The above statements in paragraphs 24-29 were materially false and
6 misleading because they misrepresented and failed to disclose the following adverse
7 facts pertaining to Global Eagle's business, operations, and prospects, which were
8 known to Defendants or recklessly disregarded by them. Specifically, Defendants
9 made false and/or misleading statements and/or failed to disclose that: (i) the
10 Company's progress towards integration of EMC into Global Eagle was not
11 progressing as favorably as Defendants lead investors to believe; (ii) Global Eagle
12 was unable to timely and properly account for the EMC acquisition; (iii)
13 consequently, Global Eagle lacked effective internal control over financial
14 reporting; and (iv) as a result, Global Eagle's financial statements were materially
15 false and misleading at all relevant times.

16 **C. The Truth Emerges**

17 31. Before the market opened on February 21, 2017, Global Eagle issued
18 a press release ("February 21, 2017 Press Release") announcing the sudden
19 departure of Defendant Davis as CEO and Defendant Severson as CFO, both
20 resigning effective February 20, 2017. Additionally, the Company also disclosed
21 that I would be late in filing its Form 10-K for the fiscal quarter and year-ended
22 December 31, 2016, as well as disclosing that it had material weaknesses in internal
23 controls over its financial reporting. The February 21, 2017 Press Release stated, in
24 part:

25 Global Eagle expects to file its Annual Report on Form 10-K for the
26 fiscal year ended December 31, 2016 after the March 16, 2017 U.S.
27 Securities and Exchange Commission deadline. ***The Company***

1 *requires additional time to file its Annual Report given its increased*
2 *size and complexity after the Emerging Markets Communications*
3 *acquisition and the effect of that size and complexity on its financial*
4 *reporting processes, its need to transition the finance department*
5 *after the prior CFO's departure and its need to complete additional*
6 *financial-closing procedures associated with the Company's material*
7 *weaknesses in internal control over its financial reporting.*

8 Emphasis added.

9 32. On this news, shares of Global Eagle fell \$1.74 per share or over 29%
10 from its previous closing price to close at \$4.48 per share on February 21, 2017.

11 PLAINTIFF'S CLASS ACTION ALLEGATIONS

12 33. Plaintiff brings this action as a class action pursuant to Federal Rule of
13 Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who
14 purchased or otherwise acquired shares of Global Eagle common stock during the
15 Class Period (the "Class"); and were damaged upon the revelation of the alleged
16 corrective disclosure. Excluded from the Class are Defendants herein, the officers
17 and directors of the Company, at all relevant times, members of their immediate
18 families and their legal representatives, heirs, successors or assigns and any entity
19 in which Defendants have or had a controlling interest.

20 34. The members of the Class are so numerous that joinder of all members
21 is impracticable. Throughout the Class Period, Global Eagle common stock was
22 actively traded on the NASDAQ. While the exact number of Class members is
23 unknown to Plaintiff at this time and can be ascertained only through appropriate
24 discovery, Plaintiff believes that there are hundreds or thousands of members in the
25 proposed Class. Record owners and other members of the Class may be identified
26 from records maintained by Global Eagle or its transfer agent and may be notified
27 of the pendency of this action by mail, using the form of notice similar to that
28 customarily used in securities class actions.

1 35. Plaintiff's claims are typical of the claims of the members of the Class,
2 as all members of the Class are similarly affected by Defendants' wrongful conduct
3 in violation of federal law that is complained of herein.

4 36. Plaintiff will fairly and adequately protect the interests of the members
5 of the Class and has retained counsel competent and experienced in class and
6 securities litigation. Plaintiff has no interests antagonistic to or in conflict with
7 those of the Class.

8 37. Common questions of law and fact exist as to all members of the Class
9 and predominate over any questions solely affecting individual members of the
10 Class. Among the questions of law and fact common to the Class are:

- 11 (a) Whether the federal securities laws were violated by Defendants' acts
12 as alleged herein;
- 13 (b) Whether the statements made by Defendants to the investing public
14 during the Class Period misrepresented material facts about the
15 business and operations and management of Global Eagle;
- 16 (c) Whether the Individual Defendants caused Global Eagle to issue false
17 or misleading financial statements;
- 18 (d) Whether the prices of Global Eagle common stock during the Class
19 Period were artificially inflated because of Defendants' conduct
20 complained of herein;
- 21 (e) Whether the members of the Class have sustained damages, and if so,
22 what is the proper measure of damages.

23 38. A class action is superior to all other available methods for the fair and
24 efficient adjudication of this controversy since joinder of all member is
25 impracticable. Furthermore, as the damages suffered by individual Class members
26 may be relatively small, the expense and burden of individual litigation make it
27

impossible for members of the Class to redress individually the wrongs done to them. There will be no difficulty in the management of this action as a class action.

SCIENTER ALLEGATIONS

39. As alleged herein, Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of the Company were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding Global Eagle, their control over, and/or receipt and/or modification of Global Eagle's allegedly materially misleading statements and/or their associations with the Company which made them privy to confidential proprietary information concerning Global Eagle, participated in the fraudulent scheme alleged herein.

PRESUMPTION OF RELIANCE; FRAUD-ON-THE-MARKET

40. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- (a) Defendants made public misrepresentations or failed to disclose material facts during the Class Period;
- (b) The omissions and misrepresentations were material;
- (c) Global Eagle securities are traded in an efficient market;
- (d) The Company's shares were liquid and traded with moderate to heavy volume during the Class Period;
- (e) The Company traded on the NASDAQ and was covered by multiple analysts;
- (f) The misrepresentations and omissions alleged would tend to induce a

1 reasonable investor to misjudge the value of the Company's securities;
2 and

3 (g) Plaintiff and members of the Class purchased, acquired and/or sold
4 Global Eagle common stock between the time the Defendants failed to
5 disclose or misrepresented material facts and the time the true facts were
6 disclosed, without knowledge of the omitted or misrepresented facts.

7 41. Based upon the foregoing, Plaintiff and the members of the Class are
8 entitled to a presumption of reliance upon the integrity of the market.

9 42. Alternatively, reliance need not be proven in this action because the
10 action involves omissions and deficient disclosures. Positive proof of reliance is
11 not a prerequisite to recovery pursuant to ruling of the United States Supreme Court
12 in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972). All that is
13 necessary is that the facts withheld be material in the sense that a reasonable investor
14 might have considered the omitted information important in deciding whether to
15 buy or sell the subject security.

16 **NO SAFE HARBOR; INAPPLICABILITY OF BESPEAKS CAUTION**

17 **DOCTRINE**

18 43. The statutory safe harbor provided for forward-looking statements under
19 certain circumstances does not apply to any of the material misrepresentations and
20 omissions alleged in this Complaint.

21 44. To the extent certain of the statements alleged to be misleading or
22 inaccurate may be characterized as forward looking, they were not identified as
23 "forward-looking statements" when made and there were no meaningful cautionary
24 statements identifying important factors that could cause actual results to differ
25 materially from those in the purportedly forward-looking statements.

26 45. Defendants are also liable for any false or misleading "forward-
27 looking statements" pleaded because, at the time each "forward-looking statement"
28

1 was made, the speaker knew the “forward-looking statement” was false or
2 misleading and the “forward-looking statement” was authorized and/or approved
3 by an executive officer of Global Eagle who knew that the “forward-looking
4 statement” was false. Alternatively, none of the historic or present-tense statements
5 made by the defendants were assumptions underlying or relating to any plan,
6 projection, or statement of future economic performance, as they were not stated to
7 be such assumptions underlying or relating to any projection or statement of future
8 economic performance when made, nor were any of the projections or forecasts
9 made by the defendants expressly related to or stated to be dependent on those
10 historic or present-tense statements when made.

11 COUNT I

12 *(Violation of Section 10(b) and Rule 10b-5 Against All Defendants)*

13 46. Plaintiff repeats and realleges each and every allegation contained
14 above as if fully set forth herein.

15 47. This Count is asserted against Defendants and is based upon Section
16 10(b) of the Exchange Act, 15 U.S.C. § 78j (b), and Rule 10b-5 promulgated
17 thereunder by the SEC.

18 48. During the Class Period, Defendants engaged in a plan, scheme,
19 conspiracy and course of conduct, pursuant to which they knowingly or recklessly
20 engaged in acts, transactions, practices and courses of business which operated as a
21 fraud and deceit upon Plaintiff and the other members of the Class; made various
22 untrue statements of material facts and omitted to state material facts necessary in
23 order to make the statements made, in light of the circumstances under which they
24 were made, not misleading; and employed devices, schemes and artifices to defraud
25 in connection with the purchase and sale of securities. Such scheme was intended
26 to, and, throughout the Class Period, did: (i) deceive the investing public, including
27 Plaintiff and other Class members, as alleged herein; (ii) artificially inflate and

1 maintain the market price of Global Eagle securities; and (iii) cause Plaintiff and
2 other members of the Class to purchase or otherwise acquire Global Eagle common
3 stock at artificially inflated prices. In furtherance of this unlawful scheme, plan and
4 course of conduct, Defendants, and each of them, took the actions set forth herein.

5 49. Pursuant to the above plan, scheme, conspiracy and course of conduct,
6 each of the Defendants participated directly or indirectly in the preparation and/or
7 issuance of the annual reports, SEC filings, press releases and other statements and
8 documents described above, including statements made to securities analysts and
9 the media that were designed to influence the market for Global Eagle securities.
10 Such reports, filings, releases and statements were materially false and misleading
11 in that they failed to disclose material adverse information and misrepresented the
12 truth Global Eagle's disclosure controls and procedures.

13 50. By virtue of their positions at Global Eagle, Defendants had actual
14 knowledge of the materially false and misleading statements and material omissions
15 alleged herein and intended thereby to deceive Plaintiff and the other members of
16 the Class, or, in the alternative, Defendants acted with reckless disregard for the
17 truth in that they failed or refused to ascertain and disclose such facts as would
18 reveal the materially false and misleading nature of the statements made, although
19 such facts were readily available to Defendants. Said acts and omissions of
20 Defendants were committed willfully or with reckless disregard for the truth. In
21 addition, each defendant knew or recklessly disregarded that material facts were
22 being misrepresented or omitted as described above.

23 51. Information showing that Defendants acted knowingly or with reckless
24 disregard for the truth is peculiarly within Defendants' knowledge and control. As
25 the senior managers and/or directors of Global Eagle, the Individual Defendants had
26 knowledge of the details of Global Eagle's internal affairs.

1 52. Individual Defendants' primary liability, and controlling person
2 liability, arises from the following facts: (1) Individual Defendants were high-level
3 executives, directors, and/or agents at the Company during the Class Period and
4 members of the Company's management team or had control thereof; (2) each
5 Individual Defendant, by virtue of his responsibilities and activities as a senior
6 officer and/or director of the Company, was privy to and participated in the creation,
7 development and reporting of the Company's financial condition; (3) each
8 Individual Defendant enjoyed significant personal contact and familiarity with the
9 other Individual Defendant and was advised of and had access to other members of
10 the Company's management team, internal reports and other data and information
11 about the Company's finances, operations, and sales at all relevant times; and (4)
12 each Individual Defendant was aware of the Company's dissemination of
13 information to the investing public which they knew or recklessly disregarded was
14 materially false and misleading.

15 53. As a result of the dissemination of the materially false and misleading
16 information and failure to disclose material facts, as set forth above, the market
17 price of Global Eagle's common stock was artificially inflated during the Class
18 Period. In ignorance of the fact that market prices of Global Eagle's publicly-traded
19 common stock were artificially inflated, and relying directly or indirectly on the
20 false and misleading statements made by Defendants, or upon the integrity of the
21 market in which the common stock trades, and/or on the absence of material adverse
22 information that was known to or recklessly disregarded by Defendants but not
23 disclosed in public statements by Defendants during the Class Period, Plaintiff and
24 the other members of the Class acquired Global Eagle's common stock during the
25 Class Period at artificially high prices and were or will be damaged thereby.

26 54. By virtue of the foregoing, Defendants have violated Section 10(b) of
27 the Exchange Act, and Rule 10b-5 promulgated thereunder.

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1 In this capacity, they participated in the unlawful conduct alleged which artificially
2 inflated the market price of Global Eagle common stock.

3 60. Each of the Individual Defendants, therefore, acted as a controlling
4 person of Global Eagle. By reason of their senior management positions and/or
5 being directors of Global Eagle, each of the Individual Defendants had the power
6 to direct the actions of, and exercised the same to cause, Global Eagle to engage in
7 the unlawful acts and conduct complained of herein. Each of the Individual
8 Defendants exercised control over the general operations of Global Eagle and
9 possessed the power to control the specific activities which comprise the
10 primary violations about which Plaintiff and the other members of the Class
11 complaint.

12 61. By reason of the above conduct, the Individual Defendants are liable
13 pursuant to Section 20(a) of the Exchange Act for the violations committed by
14 Global Eagle.

15 **PRAYER FOR RELIEF**

16 **WHEREFORE**, Plaintiff prays for relief and judgment, as follows:

- 17 (a) Determining that the instant action may be maintained as a class action
18 under Rule 23 of the Federal Rules of Civil Procedure, and certifying
19 Plaintiff as the Class Representative;
- 20 (b) Requiring Defendants to pay damages sustained by Plaintiff and the
21 Class by reason of the acts and transactions alleged herein;
- 22 (c) Awarding Plaintiff and the other members of the Class prejudgment
23 and post-judgment interest, as well as reasonable attorneys' fees,
24 expert fees and other costs; and
- 25 (d) Awarding such other and further relief as the Court may deem just and
26 proper.
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JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: March 17, 2017

Respectfully submitted,

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