

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

TCW GROUP, INC., TCW LLC

Index No.

Plaintiff(s),

Summons

-against-

JESS RAVICH

Date Index No. Purchased:

July 17, 2024

Defendant(s).

To the above named Defendant(s)

JESS RAVICH
201 Alma Real Drive
Los Angeles, California 90272

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You are hereby summoned to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiff's attorney within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

The basis of venue is CPLR 501 (contractual provision fixing venue); CPLR 503(a) (events giving rise to claim) which is reflected in the Amended Employment Agreement providing for exclusive venue in NY Supreme Court, New York County.

Dated: Los Angeles, CA

July 17, 2024

Hueston Hennigan LLP

by 

Alison L. Plessman

Attorneys for Plaintiff

Hueston Hennigan LLP
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Los Angeles, CA 90014

Attorneys for TCW Group Inc. and TCW LLC

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

THE TCW GROUP, INC. and TCW LLC

Plaintiff,
vs.

JESS RAVICH,

Defendant.

Index No.**COMPLAINT**

Plaintiffs The TCW Group, Inc. (“TCW Group”) and TCW LLC (together, “TCW”), by their undersigned attorneys, for their Complaint against Defendant Jess Ravich (“Ravich”), allege as follows:

1. This case arises from the pervasive dishonesty, abuse of power, and predatory actions of Ravich—once a member of TCW’s senior executive team—who was terminated for cause by TCW five years ago on June 10, 2019.

2. While at TCW, Ravich secretly had sex with at least two of his subordinates, lied to his colleagues and the board, lied to internal and outside investigators, lied under oath, bribed another TCW employee to lie under oath, misused company funds to maintain his illicit sexual relationships, embroiled TCW in a multi-million-dollar lawsuit arising from his sexual misconduct, recklessly exposed TCW to additional claims, caused TCW substantial reputational harm, and attempted to extort the company for millions of dollars and ensnare it in an illegal tax scheme. To this day, Ravich refuses to take responsibility for his actions.

3. Through this lawsuit, TCW seeks to hold Ravich accountable for the substantial harm he has caused, and continues to cause, the company and others through his serious misconduct and lies. TCW seeks (1) disgorgement of Ravich’s compensation while employed at TCW under the faithless servant doctrine; (2) damages incurred by TCW as a direct result of Ravich’s misconduct, including but not limited to reputational damages, lost profits, and investigation costs; (3) repayment of the millions of dollars that TCW advanced to Ravich to

defend claims of sexual harassment made against him by former employee Sara Tirschwell, which arose from his *ultra vires*, bad faith, and intentional misconduct; (4) indemnification for the millions of dollars in losses TCW has incurred investigating sexual harassment claims brought against Ravich and defending claims brought against TCW as a result of Ravich's misconduct; (5) declaratory judgment that his termination was lawful, justified, and proper; and (6) punitive damages.¹

PARTIES AND VENUE

4. TCW Group is a corporation organized under the laws of Nevada.

5. TCW Group is a leading global asset management firm that offers a broad range of financial products and services. As of the date of this filing, it had over \$200 billion of assets under management.

6. TCW LLC is a Delaware limited liability company and is wholly owned by TCW Group.

7. Ravich was an employee of TCW LLC until June 9, 2019. On May 14, 2019, TCW provided written notice to Ravich that it intended to terminate his employment for cause unless he cured his misconduct within the ten-business day cure period provided for in his Employment Agreement. On June 10, 2019, TCW gave Ravich written notice that his employment had been terminated for cause.

8. This action is within this Court's general original jurisdiction and not within the jurisdiction of any court of limited jurisdiction of this state.

9. This Court has personal jurisdiction over the Defendant and venue in New York County is proper under CPLR 503. A substantial part of the events or omissions giving rise to the claim occurred in New York County. Furthermore, Ravich's Employment Agreement requires that

¹ The parties entered into a Tolling and Standstill Agreement effective September 23, 2019, which, *inter alia*, tolled the statute of limitations for TCW's claims against Mr. Ravich. TCW's claims are timely. TCW's claims are also timely because Ravich actively concealed his wrongdoing, including by lying under oath.

the parties “irrevocably submit[] to the exclusive jurisdiction of . . . the Supreme Court of the State of New York sitting in New York County, over any action or proceeding arising out of the employment relationship between them, and each party hereby irrevocably agrees that all claims in respect of such action or proceeding may be held and determined in such court.” Ravich also maintains a residence in New York County and regularly conducted business here during all relevant time periods.

FACTUAL BACKGROUND

I. The Employment Agreement

10. Ravich was hired by TCW LLC’s predecessor (Trust Company of the West) in December 2012 to serve as Group Managing Director and Head of Alternative Products at TCW.

11. Prior to joining the company, Ravich was a successful investment banker and a *summa cum laude* graduate of The Wharton School at the University of Pennsylvania, and a *magna cum laude* graduate of Harvard Law School. Ravich considered himself a sophisticated attorney and savvy financial professional.

12. An amended Employment Agreement signed by Ravich in 2014 governed the terms of his employment. In the Employment Agreement, Ravich agreed to devote his time, attention, and energies to the business and interests of TCW, and to perform and discharge his duties faithfully, diligently, and to the best of his abilities.

13. The Employment Agreement also required Ravich to comply with TCW’s Statements of Policy and Personnel Manual and all other policies, rules, and practices applicable to TCW employees of similar rank and status, and to comply with all applicable laws.

14. Section 6(a) of the Employment Agreement authorizes TCW LLC to terminate Ravich’s employment for “Cause,” which is defined to include, among other things: fraud, gross negligence in the performance of agreed duties, including supervisory duties, and “repeated failure or repeated refusal after written notice of such repeated failure or refusal has been given to [Ravich] in any material respect to perform faithfully or diligently all or a substantial portion of [his] duties.” Section 6(a) also provides for a ten-business day period for Ravich to “cure” the “circumstances

claimed to give rise to [TCW's] . . . right to terminate [Ravich's] employment for Cause, following TCW having delivered to [Ravich] in writing notice of such circumstances." That notice was provided.

II. Ravich Had Sex with His Subordinates in Violation of TCW Policy, Lied Under Oath and to Company Investigators, and Concealed Evidence.

15. Less than two months after Ravich was hired by TCW LLC's predecessor in December 2012, Ravich caused TCW to hire Jennifer Robles, his longstanding administrative assistant from a business he founded prior to his employment by TCW, Libra Securities LLC. After she was hired by TCW, Robles continued to work directly for Ravich from Libra's offices. Unbeknownst to TCW and undisclosed by Ravich (or Robles until June 2023, as described below), Ravich had a multi-year, pre-existing, and ongoing sexual relationship with Robles. Thus, from the very beginning of his employment, Ravich acted in bad faith and against the best interests of TCW and violated TCW's policies.

16. Robles contacted TCW on June 29, 2023—several years after her employment with TCW was terminated—to inform TCW for the first time about her experiences with Ravich. She explained that her "employment, and the retention of it, was a very difficult situation as it was based on Jess' constant demand for sex." Robles, a single mother, told TCW that she "succumbed to all those sexual advances in order to retain [her] job" because she had a family to support.

17. Ravich's secret sexual relationship with Robles continued throughout his employment with TCW. During that time, as the head of a business unit and Robles' supervisor at TCW, Ravich caused TCW to pay lucrative cash bonuses to Robles for personal services she rendered to him unrelated to TCW business. Thus, Ravich not only knowingly violated TCW policies and exposed TCW to substantial liability when he caused TCW to hire Robles and bring her onto the payroll, but he also continued to misuse company resources to maintain the relationship once she was employed.

18. Likewise, in 2016, Ravich recommended that TCW hire Sara Tirschwell to be a portfolio manager of a to-be-developed distressed debt fund. Ravich requested that Tirschwell

report to him and represented to TCW that he and Tirschwell previously had only an insignificant and casual relationship. Ravich assured TCW the relationship had ended long ago and would not resume. Relying on these representations and wholly unaware of Ravich's ongoing sexual relationship with Robles, TCW agreed to hire Tirschwell and agreed to Ravich's request that she be placed in his direct reporting line. Had TCW known the truth about Ravich's pre-existing relationships with Robles and Tirschwell, TCW would not have hired them to serve in positions supervised by Ravich. Indeed, TCW would not have hired Ravich at all.

19. Within less than two years of her hiring, on December 5, 2017, Tirschwell complained by email to TCW's Human Resources Department that she had been pressured by Ravich into a sexual relationship. In the lawsuit she ultimately filed against Ravich and TCW, Tirschwell claimed, among other things, that Ravich invited her to his apartment for "breakfast meetings" where his attire frequently consisted of a "white terry bathrobe," that he "repeatedly coerced her into sex," and that on several occasions in TCW's offices, Ravich groped her and "reached across [her] desk and grabbed her breasts and crotch" without her consent. Tirschwell claimed she "felt she had no alternative but to acquiesce."

20. Shortly after Tirschwell notified TCW of her claim against Ravich on December 5, 2017, TCW's Head of Human Resources and General Counsel interviewed Ravich. TCW also engaged outside investigators to investigate Tirschwell's allegations. Notably, TCW's Employee Handbook expressly prohibits dishonesty in work-related investigations and requires all employees to be honest and fully cooperate.

21. Ravich vigorously denied Tirschwell's allegations to TCW's investigators and went to great lengths to conceal the truth of his relationship with her. His strategy to conceal his misconduct was straightforward: delete the evidence and deny everything.

22. In the internal TCW interview and again with TCW's outside investigator, Elizabeth Gramigna, Ravich failed to disclose that he had sent inappropriate text messages to Tirschwell or that she had visited his apartment while she was working for TCW. Ravich surrendered his telephones and other devices for imaging, but it was discovered that he had deleted

all texts. It was only when he was later presented with the irrefutable documentary evidence produced by Tirschwell that he started acknowledging these facts in a piecemeal fashion. Ms. Gramigna found Ravich was “not forthcoming during his interviews in the investigation” and “lacked credibility.”

23. Indeed, once Tirschwell produced documents in the litigation in the spring of 2018, copies of numerous text messages sent by Ravich surfaced. The messages ranged from flirtatious to sexually charged and revealed that Ravich had, indeed, invited Tirschwell to his apartment on multiple occasions while she was employed with the company. *See, e.g., Tirschwell v. The TCW Group, Inc., et al.*, Index No. 150777/2018, NYSEF Doc. Nos. 474, 477 NYSEF Doc. No. 503 (N.Y. Sup.). Moreover, on May 24, 2016, Tirschwell texted a friend upon leaving Ravich’s apartment, revealing “**I just had sex with Jess.**” *See Tirschwell v. The TCW Group, Inc., et al.*, Index No. 150777/2018, NYSEF Doc. No. 503 (N.Y. Sup.).

24. TCW engaged Gibson Dunn to conduct a second independent investigation focused on the newly produced text messages between Ravich and Tirschwell. In its September 7, 2018 report, Gibson Dunn concluded it was “very clear” that the text messages were violative of TCW policies and the “professional communication expected by TCW.”

25. TCW took Ravich’s unprofessional communications with a subordinate and piecemeal disclosures seriously. Ravich was asked to resign from the TCW Board of Directors, informed he would have to seek formal approval for any employment-related decisions or actions, and instructed to submit to retraining with respect to TCW policies and procedures. Ravich was also informed that discovery of additional facts and/or further policy violations by him would result in further disciplinary consequences up to and including termination. In determining the appropriate discipline, TCW took into account Ravich’s acknowledgment to Gibson Dunn that his text messages were “not appropriate” and a “breach in judgment” and his reported understanding that TCW would need to take disciplinary action against him.

26. TCW now knows that Ravich lied to TCW and its investigators. At the time, neither Gibson Dunn nor TCW was aware of the true extent and nature of Ravich’s past relationship with

Tirschwell or his concurrent improper relationship with Robles.

27. After Ravich was disciplined in October 2018, additional evidence was uncovered in the Tirschwell litigation that revealed Ravich was not truthful about the nature and scope of his relationship with Tirschwell when he first recommended that TCW hire Tirschwell, or subsequently, when TCW questioned him about her allegations. The evidence showed, *inter alia*, that contrary to his representations, Ravich and Tirschwell's relationship was far from insignificant and casual.

28. Moreover, although Gibson Dunn noted in its September 7, 2018, report that Ravich accepted responsibility for his actions and appeared to understand the seriousness of his violations with respect to Tirschwell, he later changed his tune.

29. In a memorandum to TCW dated March 3, 2019, Ravich stated that notice of his resignation from the Board was worded to make then-CEO David Lippman and TCW "look good at [Ravich's] expense" and that the removal of Ravich from the Board was a "mistake." Ravich also asserted that the "meetings" he had at his apartment with Tirschwell were for "business" purposes and "legitimate."

30. Ravich's failure to take responsibility for his actions, the discovery of additional evidence regarding his relationship with Tirschwell, and other misconduct (described in Section III, *infra*) ultimately led to his termination on June 10, 2019.

31. Ravich's lack of candor and misconduct regarding Tirschwell was terminable in its own right, of course, but TCW has since learned that his deceit ran much deeper. As referenced above, in June 2023, Robles broke her silence and informed TCW for the first time that Ravich coerced her into sex for more than a decade in exchange for job security, including during the timeframe of his involvement with Tirschwell.

32. Robles has substantiated her claims with voluminous evidence, including evidence

showing that her relationship with Ravich lasted for more than a decade². The vast communications between them reveal the sad story of a vulnerable single mother who Ravich used to serve him completely, including by doing his dirty work. He knew that she was fully financially dependent on him and used his money and power to buy her loyalty, silence, service, and sex. Desperate to please him, it appears she would do virtually anything for him—serve as his agent in secret cash exchanges with his bookie, facilitate what appear to be his fraudulent financial transactions, take care of his children and run his household, have sex with him on demand at all hours of the day or night, and look the other way when he had sex with others.

33. Robles also informed TCW that, in November 2018, Ravich attempted to bribe her to lie in the then-pending Tirschwell sexual harassment lawsuit. Specifically, Robles informed TCW that when she was subpoenaed to be deposed in the Tirschwell lawsuit, Ravich attempted to bribe her with “\$750,000 plus other benefits” to lie about their decades-long coercive sexual relationship. He warned that her “truthful testimony would definitely prove Sara’s case against him and he would lose millions of dollars in damages.”

34. Robles provided significant evidence supporting her claims that Ravich bribed her, including contemporaneous notes taken by her memorializing Ravich’s anticipated hush money payments, false subpoena responses submitted on her behalf by the attorney Ravich hired to jointly represent her and his company (Libra), emails with Ravich discussing packages of cash delivered to Robles, and an illegal “Employment Agreement” that was designed to muzzle Robles and disguise Ravich’s bribery payments as compensation.

35. This evidence demonstrates that Ravich—emboldened by a contemptible cocktail of arrogance, misogyny, and wealth—believed that he could buy or lie his way out of any wrongdoing. Indeed, Ravich felt so comfortable lying and controlling vulnerable women that he actively suborned Robles’ perjury in the Tirschwell litigation and committed perjury himself when

² Robles publicly filed some of this evidence in ongoing litigation between Ravich and Robles pending in California. *Libra Securities Holdings, LLC v. Robles*, No. 23STCV23841 (Cal. Super. Ct.).

he stated under oath that he had never had sexual relationships with any of his subordinates.

36. In sum, TCW's investigation of Robles' claims revealed that Ravich (1) had an extended sexual relationship with his subordinate, Robles, that spanned many years, including while they were both employed by TCW; (2) concealed his sexual relationship with Robles when he urged TCW to hire her in a position directly reporting to him and throughout his employment; (3) failed to disclose his relationship with Robles to independent investigators hired by TCW in connection with the Tirschwell litigation; (4) lied under oath in the Tirschwell litigation; and (5) manipulated, pressured, and bribed Robles to lie under oath in the Tirschwell litigation.

III. Ravich Made False Claims to Extort Millions of Dollars from TCW.

37. Ravich's intentional and grossly negligent misconduct extended beyond his inappropriate relationships with subordinates and repeated lies about them in violation of TCW policies.

38. In 2017, TCW was negotiating a change-of-control transaction that closed in December 2017, resulting in a pool of money dedicated to be paid out to TCW employees as Stock Appreciation Rights ("SARs") bonuses.

39. Ravich not only was involved in the process of allocating SARs bonuses, but also helped prepare the written Special Payment Bonus Agreements to be signed by all employees receiving SARs bonuses.

40. Ravich signed a Special Bonus Payment Agreement on December 19, 2017. In it, TCW agreed to pay Ravich a "Special Bonus Payment" in "such amount as provided on the signature page hereto." For Ravich, that amount was \$7.45 million.

41. Paragraph 3 of the Special Bonus Payment Agreement, titled "Entire Agreement and Acknowledgments," states the following:

- The Special Bonus Payment Agreement "supersedes all prior statements, if any, concerning the Special Bonus Payment";
- "There are no other agreements or representations oral or written express or implied with regard to the matters set forth herein";

- Ravich has “no rights and [is] owed no amount with respect to [his] Special Bonus Payment, any stock appreciation rights or any other similar bonus payment” except as set forth in the Special Bonus Payment Agreement; and
- Ravich “irrevocably and unconditionally release[s] and forever discharge[s] and acquit[s] [TCW] . . . with respect to any right to receive the Special Bonus Payment, any stock appreciation right or any other similar bonus payment, except for the right to be paid the Special Bonus Payment.”

42. TCW paid Ravich his SARs bonus of \$7.45 million in reliance on these written representations that Ravich, an experienced executive and Harvard-educated attorney, made when he signed the Special Bonus Payment Agreement.

43. Over a year later and while embroiled in the Tirschwell litigation, Ravich sent TCW a memorandum on March 3, 2019 (the “2019 Memorandum”) demanding payment of an extra \$6.5 million bonus based on a purported oral agreement that he claimed he entered with two former TCW executives in or around October 2017.

44. Ravich falsely claimed in his 2019 Memorandum that the two then-TCW executives orally agreed to pay him an additional \$6.5 million bonus out of TCW’s Fixed Income Bonus Pool “in return for reducing [his] SARs payment” from \$14 million to \$7.45 million to avoid “golden parachute” tax penalties under Section 280G of the Internal Revenue Code.

45. Golden parachute payments are large, “excess” payments made to executives that are contingent on a change in control in the company. If the payment is more than three times the executive’s previous average annual compensation, the payment is nondeductible by the corporation and subject to a 20% excise tax payable by the recipient.

46. Thus, the extra “bonus” demanded by Ravich in his 2019 Memorandum would have ensnared TCW in a scheme to defraud the United States Department of Treasury of substantial excise taxes that would otherwise be owed by Ravich. The scheme proposed by Ravich not only would require executing a fraudulent agreement and filing false tax returns, but also would necessitate lying to fellow board members about who received bonus payments. Ravich’s

representation that any such oral agreement was made is preposterous and baseless.

47. Indeed, the former TCW executives alleged to have made such promises to Ravich squarely denied that anyone made any agreement, in October 2017 or at any other time, to pay Ravich more than the \$7.45 million bonus he ultimately received to make up for any reduction of his SARs bonus for tax purposes.

48. Rather, all employees receiving bonuses, including Ravich, expressly disclaimed in their Special Bonus Agreements any entitlement to any bonus other than the bonus provided in the Special Bonus Agreement—in Ravich’s case, the \$7.45 million he received.

49. There is not a single contemporaneous written communication that suggests TCW agreed to pay Ravich anything more than the \$7.45 million he was ultimately paid. At any time, Ravich could have sent another TCW executive an e-mail summarizing the alleged oral agreement to pay him an additional \$6.5 million. He never did. Nor was the alleged agreement contemporaneously reported to the CFO, the COO, or the General Counsel of TCW, whose involvement would have been necessary to document and effectuate such a payment.

50. Nevertheless, despite having no evidence to support his claims, Ravich threatened to go to TCW’s board unless TCW capitulated “immediately” to his fabricated and unlawful demands. When TCW’s former CEO confronted Ravich about his extortion, Ravich retorted by saying he could call it whatever he wanted and asked whether he was willing to risk all of TCW’s assets for a few million dollars.

51. As a senior TCW executive, Ravich had an obligation to protect TCW from such artifices; using his position to breach that obligation for his personal gain violated TCW policies prohibiting “[d]ishonest or illegal acts” and constituted a breach of fiduciary duties, intentional misconduct, gross negligence, and a failure to perform his duties faithfully.

FIRST CLAIM FOR RELIEF

Breach of Fiduciary Duty/Faithless Servant

52. TCW hereby re-alleges and incorporates by reference paragraphs 1 through 51 as if fully set forth herein.

53. At all relevant times discussed herein, Ravich owed fiduciary duties to TCW as an employee, officer, and director of TCW, and because he held positions of trust, confidence, and authority. In particular, as an executive and employee of TCW, Ravich owed fiduciary duties to TCW, which bound him to exercise the utmost good faith and loyalty in the performance of his duties.

54. In his Employment Agreement, Ravich agreed to devote his time, attention, and energies to the business and interests of TCW and its affiliates, and to perform and discharge his duties faithfully, diligently, and to the best of his abilities.

55. The Employment Agreement also stated that Ravich “shall be subject to and comply with TCW's Statements of Policy and Personnel Manual and all other policies, rules, and practices applicable to employees of the Companies of similar rank and status,” and further required Ravich to comply with all applicable laws.

56. TCW's Employee Handbook clearly states that any company employee who engages in unlawful sexual harassment is subject to disciplinary action up to and including immediate termination from employment. Moreover, supervisors, managers, directors, and officers in any department are “strictly prohibited from dating or engaging in romantic or sexual relationships with subordinate employees whom they directly or indirectly supervise, or over whom they have influence regarding general employment, promotion, compensation, and other related management or personnel considerations.”

57. Ravich was aware of these policies and agreed that he could be and should be terminated if he violated them.

58. The Employee Handbook also expressly prohibits “[d]ishonest or illegal acts.” It also specifically prohibits dishonesty in work-related investigations and requires all employees to be honest and fully cooperate.

59. From the outset of his employment, Ravich willfully, intentionally, recklessly, knowingly, and with gross negligence breached his fiduciary duties and acted directly against TCW's interests. As described above, Ravich's faithless misconduct was extensive and severe. He

was a high-level executive whose highly inappropriate misconduct spanned many years, violated express TCW policies of which he was aware, and exposed TCW to substantial liability. For example:

- Ravich concealed his improper sexual relationship with Robles when he caused TCW to hire her in February 2013 (less than two months after TCW hired him) and throughout his employment.
- Ravich's sexual relationship with Robles was not a one-time consensual lapse in judgment; it was pervasive and lasted throughout his tenure at TCW.
- Ravich lied about the true nature of his relationship with Tirschwell when he convinced TCW to hire her.
- As a result of his intentional misconduct, Ravich caused two of his subordinates, Robles and Tirschwell, to assert Ravich not only inappropriately had sex with them, but also coerced them into having sex with him in exchange for job security and/or advancement.
- Ravich embroiled TCW in a multimillion-dollar lawsuit brought by Tirschwell, which caused TCW to suffer adverse publicity and harmed TCW's reputation, and which TCW was forced to defend at a substantial cost, including fees and expenses advanced to Ravich. Ravich likewise exposed TCW to liability by engaging in prohibited misconduct with Robles.
- Ravich committed perjury in the Tirschwell matter while he was still employed by TCW and bribed his subordinate, Robles (another TCW employee), to do the same.
- Ravich misused TCW resources to maintain illicit relationships with his subordinates, including by inducing TCW to hire them in the first place. He not only brought them on TCW's payroll, but also caused TCW to pay them lucrative bonuses and health benefits. Rather than performing his duties for the benefit of TCW, he spent his time sleeping with subordinates and recklessly exposing TCW to substantial risk.

- Ravich obstructed TCW's internal and outside investigations by lying to and concealing material facts from the investigators. Ravich also destroyed his text messages, likely to conceal his improper relationships.
- While TCW was in the midst of defending the Tirschwell litigation arising from his misconduct, Ravich attempted to extort millions of dollars from TCW that were not owed to him for his personal gain at the expense of TCW and other employees, threatened to harm TCW's reputation, and attempted to ensnare TCW in an unlawful tax scheme. His false accusations also amounted to insubordination in violation of TCW policy.

60. In sum, by engaging in such pervasive and serious misconduct throughout his employment, Ravich violated his fiduciary duties of loyalty to TCW.

61. Ravich's breaches of fiduciary duty were not undertaken in good faith but rather to derive an improper personal benefit, and involved disloyalty, intentional misconduct, fraud, and knowing violations of the law.

62. These breaches of the duty of loyalty render Ravich a "faithless servant" within the meaning of the law. His breaches were material and permeated his employment in substantial part.

63. During his employment by TCW, Ravich received compensation from TCW when he was in violation of his duties of loyalty to TCW.

64. Ravich must disgorge all compensation from TCW during his period of disloyalty (i.e., his entire tenure at TCW).

65. Ravich's actions were extreme and outrageous, and were undertaken knowingly, maliciously, deliberately, and willfully. Indeed, he was aware of TCW's policies prohibiting sexual or romantic relationships with subordinates and acknowledged that he should be fired if he violated them.

66. As a direct and proximate result of Ravich's breaches of fiduciary duties, TCW has suffered, and will suffer, damages in an amount to be determined at trial.

67. TCW is entitled to recover the millions in damages it has suffered as a direct and

proximate result of his breaches of fiduciary duties, including but not limited to the losses TCW has incurred in connection with the Tirschwell lawsuit, reputational harm, lost profits, and harm to TCW arising from Ravich's misconduct with respect to Robles. TCW is also entitled to recover punitive damages as a result of Ravich's reckless, malicious, oppressive, and intentional misconduct.

SECOND CLAIM FOR RELIEF

Breach of Contract

68. TCW hereby re-alleges and incorporates by reference paragraphs 1 through 67 as if fully set forth herein.

69. On January 25, 2018, Ms. Tirschwell filed a complaint asserting claims against Ravich, TCW Group, and TCW LLC for, *inter alia*, discrimination on the basis of gender in violation of New York City Human Rights Law § 8-107. Without prior notice to or approval by TCW, Ravich entered into a settlement agreement with Ms. Tirschwell in December 2022.

70. Section 8 of Ravich's Employment Agreement allows Ravich to be indemnified to the fullest extent legally permitted or authorized by TCW's organizational documents, bylaws, or Board resolutions if (a) "[Ravich] is made a party, or [is] threatened to be made a party, to any threatened or actual action, suit, or proceeding . . . by reason of the fact that [his is or was] a director, officer, employee, agent, manager, consultant, or representative of" TCW or (b) [] any claim demand, request . . . is made or threatened to be made, that arises out of or relates to your service" in any of those capacities. The Employment Agreement required Ravich to sign an undertaking in which he agreed to pay back costs and expenses advanced by TCW if it is determined that he is not entitled to indemnification. On February 20, 2019, Ravich signed such an undertaking agreeing to pay back such costs and expenses advanced by TCW if he is not entitled to indemnification (the "Undertaking").

71. New York law governs the Employment Agreement. N.Y. BUS. CORP. LAW § 722(a) conditions authorization of indemnification for corporate directors or officers on "such director or officer act[ing], in good faith, for a purpose which he reasonably believed to be in, or,

. . . not opposed to, to the best interests of the corporation.”

72. Moreover, Article IX, Section 1(a) of the TCW Group Bylaws provide for indemnification by TCW where an officer or director is “made a party to any action . . . by reason of being or having been a Director or officer of the corporation.” Under Article IX, Section 1(b), however, TCW is not required to indemnify the officer or director against expenses, liabilities, or losses incurred in connection with, or to make any advances with respect to, the proceeding against an officer “based upon acts or omissions involving intentional misconduct, fraud or a knowing violation of law” or based upon the officer obtaining personal benefits to which he is not legally entitled. The Bylaws also require any person requesting indemnification to cooperate, to the maximum extent possible, with TCW with respect to TCW’s disposition of the proceeding giving rise to such indemnification request. In the event of a settlement, amounts shall be payable “only if the settlement is approved in writing by the Corporation, in its sole discretion.”

73. Further, Section 14 of the Amended and Restated Limited Liability Company Agreement for TCW LLC (“TCW LLC Agreement”) provides that TCW LLC shall indemnify employees of TCW LLC who were made parties to a suit or proceeding by reason of the fact that they were employees of the TCW LLC only if the employee “acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the company.” Section 14(f) of the TCW LLC Agreement provides that fees advanced “in advance of the final disposition of such action” should be repaid “if it shall ultimately be determined that [Ravich] is not entitled to indemnification.”

74. Tirschwell’s claims against Ravich were based on his intentional and ultra vires misconduct, knowing violations of the law, and actions taken for his own personal benefit at the expense of TCW. Tirschwell alleged that Ravich violated New York City Human Rights Law, made “unwanted sexual advances” on her, and “repeatedly coerced her into sex.” She alleged that Ravich “implicitly threaten[ed] that if she rejected his advances,” she would be deprived of resources and investor access that were essential to her success at TCW. She further claimed that Ravich invited her to his apartment for “breakfast meetings,” where his attire frequently consisted

of a “white terry bathrobe,” and that on several occasions in TCW’s offices, Ravich groped her and “reached across [her] desk and grabbed her breasts and crotch” without her consent, and that she “felt she had no alternative but to acquiesce.”

75. The conduct alleged by Tirschwell cannot reasonably be construed as being an act within the scope of Ravich’s employment. Even if Ravich’s relationship with Tirschwell was consensual, it was *ultra vires* and violated company policy. Nor did Ravich act in good faith or in the best interests of the company. Among other conduct alleged herein, Ravich lied under oath in the Tirschwell litigation and likewise attempted to bribe another TCW employee, Robles, to commit perjury. His actions and omissions constituted intentional misconduct, fraud, efforts to gain improper personal benefits, and/or knowing violations of the law. Ravich also failed to cooperate with TCW in the disposition of the proceeding, as required, and settled the claims brought against him by Tirschwell without prior notice to or approval by TCW.

76. On December 27, 2023, a Special Meeting of the Board of Directors of The TCW Group, Inc. (the “TCW Board”) was held to determine whether Ravich was entitled to indemnification for the Tirschwell litigation under the governing documents. The TCW Board ultimately determined that Ravich is not entitled to indemnification and must repay fees and expenses provisionally advanced by TCW and/or its affiliates to Ravich to defend the Tirschwell litigation.

77. TCW and/or its affiliates advanced millions of dollars in fees and expenses to Ravich to defend the Tirschwell litigation, all of which must be repaid.

78. On December 28, 2023, TCW informed Ravich that he was not entitled to indemnification and was obligated to repay the legal fees and costs advanced by TCW and/or its affiliates to defend the Tirschwell litigation.

79. To date, Ravich has not repaid the Tirschwell fees and expenses advanced to him in breach of the Employment Agreement and his Undertaking.

80. TCW has fully performed its obligations under the Employment Agreement and Undertaking and has suffered damages as a result of Ravich’s breach in an amount to be

determined at trial.

THIRD CLAIM FOR RELIEF

Indemnification

81. TCW hereby re-alleges and incorporates by reference paragraphs 1 through 80 as if fully set forth herein.

82. On January 25, 2018, Ms. Tirschwell filed a complaint asserting claims against Ravich, TCW Group, and TCW LLC for, *inter alia*, discrimination on the basis of gender in violation of New York City Human Rights Law § 8-107. Tirschwell alleged Ravich made “unwanted sexual advances” on her and “repeatedly coerced her into sex, “implicitly threatening that if she rejected his advances,” she would be deprived of resources and investor access that were essential to her success at TCW. She claimed Ravich invited her to his apartment for “breakfast meetings,” where his attire frequently consisted of a “white terry bathrobe,” and that on several occasions in TCW’s offices, Ravich groped her and “reached across [her] desk and grabbed her breasts and crotch” without her consent, and that she “felt she had no alternative but to acquiesce.”

83. NYCHRL imposes strict liability on employers for the acts of managers and supervisors, even where, as here, the employer had no knowledge of the misconduct. Thus, through no fault of its own, if TCW had not settled with Ms. Tirschwell, TCW could have been held vicariously liable to her for the *ultra vires* acts of Ravich. Before TCW settled with Ms. Tirschwell, Ravich settled the claims brought against him by Ms. Tirschwell without prior notice to or approval by TCW.

84. By operation of law, Ravich must indemnify TCW for any amounts TCW paid Ms. Tirschwell based on its exposure to vicarious liability as well as the costs TCW has incurred investigating and defending Ms. Tirschwell claims (including fees and expenses advanced to Ravich).

85. TCW was unfairly required to discharge a duty that should have been discharged by Ravich, and a contract to indemnify should be implied in law.

86. TCW incurred millions of dollars in losses and expenses in connection with the

Tirschwell investigation and litigation in an exact amount to be determined at trial.

FOURTH CLAIM FOR RELIEF

Declaratory Judgment – For judgment that TCW’s termination of Mr. Ravich for cause was lawful, proper, and justified

87. TCW hereby re-alleges and incorporates by reference paragraphs 1 through 86 as if fully set forth herein.

88. An Employment Agreement dated July 31, 2014 governs the terms of Ravich’s employment at TCW. It authorizes TCW to terminate Ravich’s employment for “Cause.”

89. TCW’s termination of Ravich for Cause is justified because, as set forth herein, he lied to his colleagues and the board, lied to internal and outside investigators, lied under oath, bribed another TCW employee to lie under oath, secretly had sex with at least two of his subordinates, misused company funds to maintain his improper sexual relationships, embroiled TCW in a multi-million-dollar lawsuit arising from his sexual misconduct, recklessly exposed TCW to additional claims, caused TCW substantial reputational harm, and attempted to extort the company for millions of dollars and ensnare it in an illegal tax scheme.

90. TCW contends that Ravich’s misconduct violates TCW policies and constitutes fraud, gross negligence in the performance of his duties and responsibilities (including supervisory duties and responsibilities), and a repeated failure or refusal in a material respect to perform faithfully or diligently all or a substantial portion of his duties.

91. Ravich disputes the validity of the termination of his employment for Cause by TCW.

92. An actual controversy exists between the parties in that Ravich objects to the termination of his employment for Cause by TCW.

93. As a consequence of the foregoing, TCW seeks a declaratory judgment that TCW’s termination of Ravich’s employment with TCW for Cause was lawful, proper and justified.

94. A judicial determination of this issue is necessary and appropriate at this time under the facts and circumstances alleged above and further described in TCW’s notice of termination

letter, in order that TCW and Ravich may ascertain their respective rights, duties, and obligations with respect to the Employment Agreement.

PRAYER FOR RELIEF

WHEREFORE, TCW respectfully prays for relief as follows:

1. That Ravich must repay the costs and expenses advanced to him by TCW and/or its affiliates to defend the Tirschwell litigation.
2. For indemnification by Ravich for all losses and expenses incurred by TCW in connection with the Tirschwell litigation and any losses and expenses incurred investigating and defending claims brought by Robles.
3. For compensatory and consequential damages according to proof.
4. For a declaratory judgment that Ravich's termination was lawful, proper, and justified.
5. For punitive damages.
6. For return of ill-gotten gains and all compensation paid to Ravich under the faithless servant doctrine.
7. For pre- and post-judgment interest.
8. That this Court order such other and further relief for TCW as this Court deems just and proper.

Dated: July 17, 2024

Respectfully submitted,

HUESTON HENNIGAN LLP

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