



Bill Gross Awarded \$81 Million In PIMCO Lawsuit Settlement



by [Tyler Durden](#)

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Bill Gross and his former employer PIMCO announced that they have reached an amicable settlement of the breach-of-contract lawsuit filed by Mr. Gross in October 2015, under which Gross would reportedly be awarded \$81 million.



In a statement regarding the settlement, Gross repeated that his lawsuit had never been about money. Although the settlement's terms are confidential, Gross and PIMCO confirmed that any proceeds from the suit will be donated to charity, as Gross had promised since the beginning of the suit. "I've always been amazed by my success, and grateful for the opportunity to make a difference in the world. I'm glad that can continue today," Mr. Gross noted.

As the [WSJ adds](#), Gross intends to donate the proceeds to charity through his Bill and Sue Gross Family Foundation. Gross alleged that Pimco “wrongly and illegally” denied him hundreds of millions of dollars in earned compensation and damaged his reputation.

As a reminder, Gross abruptly left Pimco in September 2014 amid tensions with his colleagues, most notably Mohamed El-Erian, and in 2015 sued the manager for at least \$200 million in damages, alleging he was forced out. Gross alleged that Pimco “wrongly and illegally” denied him hundreds of millions of dollars in earned compensation and damaged his reputation. “Driven by a lust for power, greed, and a desire to improve their own financial position and reputation at the expense of investors and decency,” the suit says, “a cabal” of Pimco “managing directors plotted to drive founder Bill Gross out of Pimco.”

Gross intends to seek a dismissal Monday in California Superior Court, the people said.

Regarding the lawsuit itself, Mr. Gross said in a statement that “PIMCO has always been family to me, and, like any family, sometimes there are disagreements. I’m glad that we have had the opportunity to work through those, and see the PIMCO founders receiving the recognition they deserve. I am honored to be included in their ranks and to know that PIMCO is in capable hands.”

Gross left Pimco in September 2014 for Janus Capital Group, where he manages money.

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Full press release below:

NEWPORT BEACH, Calif., March 27, 2017 (GLOBE NEWSWIRE) -- Bill Gross and Pacific Investment Management Company LLC announce that they have reached an amicable settlement of the lawsuit filed by Mr. Gross in October 2015.

In a statement regarding the settlement, Mr. Gross repeated that his lawsuit had never been about money. Although the settlement’s terms are confidential, Mr. Gross and PIMCO confirmed that any proceeds from the suit will be donated to charity, as Mr. Gross had promised since the beginning of the suit. “I’ve always been amazed by my success, and grateful for the opportunity to make a difference in the world. I’m glad that can continue today,” Mr. Gross noted.

Regarding the lawsuit itself, Mr. Gross said in a statement that “PIMCO has always been family to me, and, like any family, sometimes there are disagreements. I’m glad that we have had the opportunity to work through those, and see the PIMCO founders receiving the recognition they deserve. I am honored to be included in their ranks and to know that PIMCO is in capable hands.”

PIMCO recognizes the enormous contribution to its success made by Mr. Gross and its other founders and leaders, such as James Muzzy, William Podlich, Bill Thompson, Walter Gerken, and Chris Dialynas, the visionaries who created a global investment powerhouse, and an entire industry of fixed-income investments. Over the decades of their leadership and that of those following in their footsteps, PIMCO has helped its clients—including individual investors saving for retirement, pension plans, educational institutions, and charitable foundations and endowments—generate billions of dollars of investment returns. Additionally, through the leadership of the PIMCO Foundation, which was created and originally funded by Mr. Gross, PIMCO donates millions of dollars annually to ensure that communities throughout the world

are empowered through education, health support, gender equity, and other programs vital for the connected 21(st) century.

PIMCO is also taking steps to ensure that the legacy and contributions of its founders, as both corporate and charitable citizens, are honored and preserved. To that end, PIMCO is dedicating a new “Founders Room” in their honor at PIMCO’s Newport Beach headquarters. Additionally, the PIMCO Foundation is naming Mr. Gross a “Director Emeritus” and establishing an annual “Bill Gross Award” in recognition of his career-long dedication to the charitable endeavors that are at the heart of the Foundation’s mission.

“Bill Gross has always been larger-than-life,” said Dan Ivascyn, PIMCO’s Group Chief Investment Officer. “He has a well-deserved stellar reputation as an investor and a philanthropist. Bill has had an enormous influence on PIMCO and the careers of many who have passed through its halls. He built this business from the ground up and we have great respect and admiration for his talents.”

The case was William H. Gross v. Pacific Investment Management Company LLC, et al., Orange County Superior Court Case No. 30-2015-00813636-CU-BC-CJC. Mr. Gross was represented by Patricia L. Glaser, G. Jill Basinger and Rory S. Miller of Glaser Weil Fink Howard Avchen & Shapiro. PIMCO and Allianz Asset Management of America were represented by David Boies, Christopher E. Duffy, Scott R. Wilson, and Qian A. Gao of Boies Schiller Flexner LLP.