Harvey Weinstein Proposed \$25M Settlement "Appalling," Says Lawyer; Producer Could Get Millions Intended For Victims

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December 11, 2019

A long heralded multi-million-dollar settlement between <u>Harvey Weinstein</u>, his former company and dozens of alleged victims of the much-accused producer is far from a done deal, it seems. And clauses in the tentative \$25 million agreement that could see the rape trial facing Weinstein reap big bucks for his own legal fees and not have to admit any guilt to his accusers could hobble the whole thing.

"This is b*****t, and people are being bullied into taking the insurance money and going away, while Weinstein and the board get what's essentially get a free pass," said one lawyer representing a potential member of the settlement that has been in the works on and off for almost a year.

"We are opposed to the global settlement," declares Thomas Giuffra, who is representing Alexandra Canosa against the Weinsteins. "The 'new settlement' is the same one that was announced several months ago but includes even more punitive provisions aimed at forcing claimants to accept an unfair agreement," the New York lawyer adds.

"Our client is being presented with a 'choice' of accepting an unfair settlement for which the main wrongdoers are paying nothing, or proceed against a company that has been stripped of all assets and against our client's abuser, whose defense will be funded by the very agreement she has turned down. There is nothing fair or just about this."

"The agreement is akin to the United States giving military aid to Iran so that it could attack Israel," Giuffra professed in the most stark of geopolitical comparisons.

Like a previous global settlement draft that was floated last year, all of this has a fair way to go before anyone starts writing checks, despite the hype. In two not insignificant phases, a bankruptcy judge in Delaware and a federal judge in New York both have to agree to the deal to make it real. There are also still a number of victims who plan to actively oppose the settlement and the default mechanism that puts money in the hands of Harvey Weinstein and others connect to The Weinstein Company.

"We do not begrudge any victim who voluntarily wishes to resolve their case," Giuffra said to Deadline on Wednesday. "But this proposed settlement does not allow for a truly voluntary choice. We plan to vigorously object to any provision that tries to bind victims who want to

proceed with holding Harvey Weinstein responsible for his is actions."

In its present form, and with the likes of <u>Ashley Judd</u> and a number of other civil litigants already <u>refusing to participate</u>, the deal would see most of \$12 million of a larger insurance fueled \$47 million settlement go to paying off the legal bills of Weinstein, his brother <u>Bob Weinstein</u> and other members of the now bankrupt Weinstein Company board, with all present and potentially future claims against them ended.

Again and again, attorneys and others with knowledge of the case pinpointed attorney Elizabeth Fagan as pushing for the settlement, both in the past and most recently. Several individuals note that lead lawyer in the class action first filed by Louisette Geiss and others in 2017 against Weinstein and board members has been prominent in negotiation for an overall comprehensive conclusion to the matter.

"It is important to recognize that while there is a great deal of attention focused on the proposed settlement, it is not a final settlement and it would be inappropriate for me, or for anyone involved in the litigation, to talk about specifics," said Fagan in a statement obtained by Deadline on Wednesday.

"Since this case was filed, we've heard from so many women in unrelated cases, telling us stories that makes one question why boards of directors and others in a position of authority sit mute, as they did in this case," the attorney observed. "I believe we need to change the way that we deal with those who permit abuse. Once we are able to finalize the settlement and receive the court's approval, I will have a great deal more to say.:

In this potential conclusion that Fagan helped shepherd, about \$6.2 million would split among 18 identified victims of Weinstein's now much documented alleged sexual harassment and sexual assaults, with no one individual getting more than \$500,000. If a named victim declines to accept the payout, that \$500,000 will go to Weinstein himself for any legal defense he may have to mount against a new case from that individual – a figure that already looks to be \$1 million with at least two victims already rejecting the settlement, according to their lawyers.

"It is an appalling way to treat rape victims and anyone involved in negotiating or approving that provision should be ashamed," attorney Kevin Mintzer stated emphatically to Deadline of the possibility of millions going to Weinstein from a settlement intended to address his alleged vile behavior. Mintzer and his partner Douglas Wigdor represent Wedil David and a Jane Doe who was previously part of the class action with Louisette Geiss.

"If a deal as reported is ever presented to a court, we will use every means at our disposal to oppose it," the NYC-based Mintzer also said.

Currently out on a newly imposed bail of \$5 million, a hobbling Harvey Weinstein faces a multi-count criminal trial next month for rape that could see him behind bars for the rest of

his life if found guilty.

In an additional understanding with New York Attorney General Letitia James, a further \$18 million in the proposed settlement would be carved up for the lawsuit instigated by her predecessor Eric Schneiderman, who resigned in mid-2018 as his personal peccadillos became public fodder, plus another class action and possible claims to come. The remainder of the overall \$47 million is ear marked for other obligations of the now sold off TWC.

Oddly, when contacted by Deadline today after news of the tentative settlement was first reported by the New York Times, Letitia James' office declined comment on whether they had signed off on the deal – which several sources have insisted to Deadline the NY AG had. Representatives for Harvey Weinstein did not respond to request for comment on this potential deal.

However, with a legal battle looking to ensue anew, lawyers for another victim were far from silent.

"We reject the notion that this was the best settlement that could have been achieved on behalf of the victims," proclaimed Douglas Wigdor on Wednesday, along with his partner Kevin Mintzer.

"It is shameful that \$12 million of the settlement is going to the lawyers for the directors who we alleged enabled Harvey Weinstein and it is even more outrageous that the proposed settlement will seek to bind non-participating members by providing a release to the insurance companies and the directors of the Weinstein Company itself," the New York lawyer expounded.

On the other hand, TIME'S UP Foundation's COO Rebecca Goldman saw possible closure for some in the settlement.

"This settlement is more than a math problem – it's a symptom of a problematic, broken system that privileges powerful abusers at the expense of survivors," Goldman expressed Wednesday of the reported deal. "While this settlement is flawed, we know it represents the hard work of several survivors of Harvey Weinstein. We hope it brings them, and perhaps others, some small measure of justice and relief that is long overdue.

"Today and every day, TIME'S UP is in solidarity with the more than 80 survivors who bravely spoke out against Weinstein, catalyzing a worldwide reckoning for justice. With them, we will continue to fight until sexual harassment and assault at work are gone for good."

The next step will of course to see if this actually ends up in court and what the judges say.