

'Heartbroken': Weinstein Accusers Say \$44 Million Settlement Lets Him Off the Hook

 [nytimes.com/2019/05/24/nyregion/harvey-weinstein-accusers-settlement.html](https://www.nytimes.com/2019/05/24/nyregion/harvey-weinstein-accusers-settlement.html)

By Jan Ransom and Danielle Ivory

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Zoe Brock, a former model who has accused Harvey Weinstein of sexually inappropriate behavior, said she once viewed a lawsuit against him as her best opportunity to hold him to account.

But on Friday, she said she was “heartbroken” to learn that negotiators were nearing a tentative agreement to pay \$44 million to resolve lawsuits filed by women who said Mr. Weinstein sexually abused them, far less than the \$90 million they had originally expected.

Lawyers for the actress Wedil David expressed similar disgust, saying their client would scuttle the settlement because the compensation was too small for the accusers and too friendly to directors of the Weinstein Company.

Kadian Noble, an actress who said Mr. Weinstein sexually assaulted her and forced her to watch him masturbate in Cannes, France, said she would be grateful for any amount of compensation, though the money would not make the trauma go away.

The potential resolution of the lawsuits against Mr. Weinstein had been anticipated by many of his accusers as a cathartic moment in the decades-long saga of the allegations against him, given that the criminal case against him involves only two women.

But on Friday, at least two women involved in civil suits indicated they were so discouraged that they planned to block the whole agreement.

Kadian Noble, an actress who accused Mr. Weinstein of sexually assaulting her in Cannes, France, said that she would be grateful for compensation, but that money would not make the trauma go away. Credit: Lucas Jackson/Reuters

Image

The proposed amount to compensate victims is less than half of what was initially proposed during conversations last year between investors, who were interested in the Weinstein Company's assets, and Eric T. Schneiderman, who was New York's attorney general at the time.

That proposal included a victims' fund worth up to \$90 million, but it fell apart at the last minute.

Under the terms of the new proposal, about \$30 million would go to a pool to pay the

accusers, their lawyers, creditors of Mr. Weinstein's former studio and some former employees, according to five people briefed on the matter, who spoke on the condition of anonymity because the agreement was private.

The remaining \$14 million would cover legal fees for associates of Mr. Weinstein named as defendants in lawsuits, including the company's board members, these people said.

Insurance policies would cover the entire \$44 million if the current agreement is finalized, they said.

But the deal hinges on all of the plaintiffs agreeing to it. At least two, Ms. David and Alexandra Canosa, have rejected the proposal, according to the people close to the negotiations.

The proposed deal would eliminate civil liability for Mr. Weinstein and the company's board, except in one lawsuit brought by the actress Ashley Judd, which was never part of the settlement negotiations, another person familiar with the talks said. Under the tentative agreement, Mr. Weinstein would also give up his claim against insurers for the cost of his criminal defense.

The company's board members, including Mr. Weinstein's brother and business partner, Bob Weinstein, would have to pay 30 percent of their own legal fees, the person said. No additional payments would be required.

"The proposed deal would provide millions of dollars to the ultra-wealthy directors of the Weinstein Company, such as James Dolan, and their big firm lawyers," Ms. David's lawyers, Douglas H. Wigdor and Kevin Mintzer, said in a statement on Friday.

They added: "It would also allow Harvey Weinstein and the men who enabled him, including his brother, Robert Weinstein, to escape liability and accountability without, apparently, contributing a dime of their own money."

In court filings, Ms. David said Mr. Weinstein raped her in 2016 and masturbated in front of her in 2015 and 2016, including once during a meeting about a prospective acting job at the Montage Hotel in Beverly Hills, Calif. Ms. Canosa has also said the movie mogul raped her.

Yet some people familiar with the settlement discussions said the proposal was the best possible deal in a scenario with few promising outcomes. Two people close to the negotiations said the pool of money for victims had grown in recent weeks, after plaintiffs rejected a previous plan that would have set aside only \$25 million for them. The board of directors agreed to pay more of their own legal fees to increase the pool available to Mr. Weinstein's accusers.

The discussions began to heat up in March 2018, after the Weinstein Company, the Hollywood studio founded by Mr. Weinstein and his brother, filed for bankruptcy. At the time, the studio faced a mountain of debt and a swelling number of lawsuits, including one brought by the New York attorney general. The studio had less than \$500,000 in cash at the time.

Recent court rulings that absolved Mr. Weinstein's brother and the board of directors of liability added pressure to reach an agreement, according to people familiar with the discussions. Those rulings meant the board members could seek reimbursement of legal fees, which would increase their share of the overall settlement.

A special master, who would also be paid through the settlement, is expected to be assigned to the case and would determine how much some plaintiffs receive. The amount would vary depending on the claim. Those who allege Mr. Weinstein sexually assaulted them would receive more than those who say he harassed them.

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A lawyer for plaintiffs in the so-called class-action lawsuit, Elizabeth Fegan, would also receive a significant portion of the settlement. Ms. Fegan did not respond to requests for comment.

Adam Harris, a lawyer for Bob Weinstein, said during a hearing on Thursday that the parties had reached a "good settlement" that the plaintiffs supported.

Mr. Harris said the agreement would "provide significant compensation" to Mr. Weinstein's accusers and his company's creditors while avoiding years of "costly, time-consuming and uncertain litigation on all sides."

Lawyers for Mr. Weinstein's accusers have been in mediation since last year with representatives for Mr. Weinstein, former board members and the New York attorney general's office.

Last year, the attorney general sued Mr. Weinstein and his brother for violating state and city laws barring gender discrimination, sexual harassment, sexual abuse and coercion.

The plan was to reach a settlement that would cover all of the suits pending against the former Hollywood mogul, his now-defunct movie studio and associates.

The Weinstein Company is seeking to liquidate. In a recent bankruptcy filing, lawyers for the studio said the efforts to resolve legal claims by some of the women had stalled in recent months, and strained its limited resources. The talks were also described as “highly adversarial.”

It has been a particularly difficult lift to get all of the plaintiffs onboard, and some of the women said they understood they risk getting less if settlement discussions continued, lawyers involved in the talks and some of the women have said.

One woman who has accused Mr. Weinstein of sexually assaulting her, but asked not to be named because of the pending settlement discussions, said the deal was “nowhere near where a settlement should be.”

“I think we could have done better on this,” she said. “It doesn’t hold individuals or corporations responsible for people who have been sexual predators for decades.”

Ms. Brock said the \$44 million was a relatively small amount given the fortune Mr. Weinstein and his studios had made over the years.

“I feel like this is being forced on me because it’s probably either this or nothing,” Ms. Brock said in a phone interview.

She added: “I wanted a judgment so big it would make companies quake in their boots before they ever considered harboring a predator again.”