

# Harvey Weinstein reaches \$44-million settlement with accusers and creditors, but attorneys spar over terms

 [latimes.com/business/hollywood/la-fi-ct-harvey-weinstein-ny-ag-settlement-20190523-story.html](https://www.latimes.com/business/hollywood/la-fi-ct-harvey-weinstein-ny-ag-settlement-20190523-story.html)

By Richard Winton , Stacy Perman and Meg James

Disgraced movie mogul Harvey Weinstein has reached a tentative \$44-million settlement with women who have accused him of sexual assault as well as creditors of his former studio, according to two people familiar with the arrangement.

The proposed deal, which has not been finalized, was hammered out this week during mediation hearings stemming from bankruptcy proceedings for the Weinstein Co., according to the knowledgeable people who were not authorized to speak publicly.

Under the proposed settlement, \$30 million would be earmarked for accusers, unsecured creditors and former Weinstein Co. employees, according to one of the people. The remaining \$14 million would be used to pay legal fees of the company's directors and officers, this person said.

Insurance companies, potentially including Chubb Limited and AIG, are expected to make the payment on behalf of the Weinstein Co., which [filed for bankruptcy last year](#).

Two knowledgeable people said Walt Disney Co., through its insurance companies, could contribute funds to help pay for the settlement. Some of the alleged misconduct occurred when Disney previously owned Bob and Harvey Weinstein's successful studio Miramax.

"It's been a long, complex process, and we do feel this settlement provides a measure of justice though it's not everything one might hope for, and it reflects a long effort to reach a compromise between different parties that have claims to some of the money from the whole Weinstein enterprise," said Aaron Filler, an attorney representing one of the plaintiffs, actress Paz De La Huerta.

The move comes 19 months after allegations of misconduct were first detailed, unleashing a cascade of accounts from dozens of women who came forward with claims of assault, rape and verbal abuse. The groundswell gave rise to the #MeToo movement, which prompted Hollywood to take a sobering look at how it conducted business.

The Wall Street Journal first reported the tentative settlement, saying that news of the deal was raised during a bankruptcy court hearing in Wilmington, Del.

Thursday's tentative agreement follows months of contentious mediation hearings. The goal has been to reach a global settlement that would resolve all of the civil suits lodged against Weinstein. More than a dozen lawsuits have been filed on behalf of accusers.

Over the past year, the mediator has conducted at least 11 sessions, some of which were "highly adversarial," according to court filings.

Weinstein Co. was sold out of bankruptcy last year to Lantern Capital Partners for \$289 million, including debt. That deal was structured so that Weinstein himself would not profit from the new entity.

The case is a civil matter so it does not alter criminal prosecutions by various law enforcement bodies.

The Hollywood producer behind such Oscar-winning hits as "Shakespeare in Love," "Chicago" and "The King's Speech" faces accusations from more than 80 women who allege harassment and assault, including actresses Ashley Judd, Rose McGowan and Annabella Sciorra.

Some aren't on board with the proposed settlement.

"Ashley Judd's case against Harvey Weinstein is ongoing, and we intend to bring it to trial," said her attorney Theodore Boutros Jr., a partner at Gibson, Dunn & Crutcher LLP. "She is not a part of any settlement."

Attorneys Douglas Wigdor and Kevin Mintzer said their client Wedil David, who alleges that Weinstein raped her in a Beverly Hills hotel room in 2015, also rejected the deal.

"Sadly, rather than adequately compensate the rape and sexual assault victims of Harvey Weinstein...the proposed deal would provide millions of dollars to the ultra-wealthy directors of the Weinstein Company...and their big firm lawyers," the attorneys said in a statement Friday. "Our client does not begrudge any victim who accepts a settlement that she finds acceptable. But she will not participate in a process that is fundamentally flawed and unfair."

But Filler said his client, Paz De La Huerta, believes the settlement is a fair compromise. He criticized Wigdor's opposition, saying it could cause the entire settlement to fail.

Weinstein also is facing criminal charges in New York over multiple accusations of sexual assault and is currently out on bail. The former movie mogul has denied all accusations of nonconsensual sex.

In April, Weinstein's former companies and their officers and directors were dismissed from a federal lawsuit filed by 10 women who claim the firms and executives aided the alleged sexual misconduct that led to Weinstein's ouster from his namesake company.

The deal, should it be approved by the various parties, would also resolve a civil rights case brought last year by the New York attorney general's office, the Journal said. The agency has argued that Weinstein Co. executives and its board failed to protect employees from a hostile work environment and Weinstein's alleged misconduct.

A spokesman for the New York attorney general's office declined to comment. A spokesman for Weinstein declined to comment.

A bankruptcy judge will decide on whether to approve the settlement on June 4.