

# Proposed \$45 Million Harvey Weinstein Settlement May Not Include Two Accusers

WSJ [wsj.com/articles/harvey-weinstein-proposed-45-million-settlement-may-not-include-two-accusers-11563399589](https://www.wsj.com/articles/harvey-weinstein-proposed-45-million-settlement-may-not-include-two-accusers-11563399589)

After lawyers in May reached a tentative \$44 million deal to settle all sexual-misconduct lawsuits pending against ex-Hollywood producer Harvey Weinstein, two alleged victims said they wanted out, appearing to scuttle an agreement roughly a year in the making.

Now, lawyers driving the negotiations believe they have cleared a key barrier holding up a settlement that previously appeared to be an all-or-nothing deal. Under the most recent proposed terms, the two women could pursue claims against Mr. Weinstein in court rather than joining the settlement, according to people familiar with the matter. The \$1 million they would have jointly received in the settlement would instead cover legal bills that Mr. Weinstein and his brother, Bob Weinstein, would incur fighting those suits, the people said.

While insurers and defendants are still exploring other similar workarounds, lawyers expect the two women's objections won't be an impediment to a final settlement.

The parties have had a rough outline of a deal for weeks, the people said. Among the remaining disputes are the extent to which insurance companies would be released from future liability, they said. While the workaround will likely be challenged by at least one of the women's lawyers in court, it isn't clear whether they could block a settlement supported by insurance companies and most other plaintiffs.

The proposed agreement to address these two women—who could still reverse course before the deal is completed—illustrates the difficulty of reaching what are known as global settlements, where plaintiffs with different priorities are forced together and defendants typically don't find it worthwhile to settle unless all the plaintiffs join.

"The defendants and their insurers don't want to put money on the table unless they are going to get peace," said Howard Erichson, a professor at Fordham University's School of Law.

Compounding these difficulties is the fact that the negotiations are occurring as Mr. Weinstein's former studio is liquidating in bankruptcy and its only significant remaining assets are insurance policies. While many alleged victims sought a larger payout, their legal claims face challenges, including statutes of limitations, and many view a settlement as the surest way to hold Mr. Weinstein accountable for decades of alleged sexual misconduct.

The goal of the negotiations is to resolve all pending lawsuits against Mr. Weinstein, including a civil-rights suit filed by the New York attorney general. The deal won't affect the criminal case against Mr. Weinstein set for trial in September. He has pleaded not guilty to

those charges and denied all allegations of nonconsensual sex. A spokesman for Mr. Weinstein, plaintiffs' lawyer Elizabeth Fegan and a spokeswoman for the New York attorney general declined to comment.

Under the tentative deal, which now totals about \$45 million, some \$25 million would compensate victims and their lawyers. About \$12.5 million would pay the legal fees of Mr. Weinstein's associates who have been named in lawsuits, according to people familiar with the matter. The remaining funds would compensate Weinstein Co. creditors, the people said.

The two women who balked at the settlement are Ali Canosa, a producer on Netflix series "Marco Polo," and Wedil David, an actress.

A lawsuit filed by a third woman, actress Ashley Judd, has never been part of the negotiations. Her lawyer declined to comment.

Ms. David, who filed her lawsuit last year, says Mr. Weinstein raped her in a Beverly Hills hotel room in 2016. Lawyers for Mr. Weinstein have denied the allegations.

Ms. David's lawyers, Kevin Mintzer and Douglas Wigdor, said they would do anything possible to block the proposed \$45 million settlement. "Most distressingly, we understand that, under the proposed agreement, every insurer of the Weinstein Company will be completely released from liability, so that victims who wish to pursue their claims rather than take part in this sham settlement will be guaranteed to receive nothing from the Company or its insurers," Messrs. Mintzer and Wigdor said in a statement.

A spokesman for Chubb Ltd., a Weinstein Co. insurer, declined to comment.

Ms. Canosa, the producer, said in a complaint filed last year that Mr. Weinstein repeatedly sexually assaulted her in hotel room get-togethers that began as business meetings. Mr. Weinstein has denied this.

Thomas Giuffra, a lawyer for Ms. Canosa, said the deal "effectively forces our client to accept an unfair settlement or have funds that should rightly go to her be handed over to her abuser to defend against her claim."

For both women, their decision to reject the settlement is risky. In their lawsuits, like many others, federal judges have effectively gutted their cases, dismissing claims they made against associates, including Bob Weinstein, accused of enabling Mr. Weinstein's alleged abuse.

Ms. David has since refiled her complaint. Lawyers for Bob Weinstein, whom she has accused of negligence, noted the judge previously dismissed this claim. They said that Ms. David "at most pleads that Mr. Weinstein knew that his brother engaged in boorish and

morally offensive behavior” but doesn’t adequately allege he knew of the purported sexual assault.