

Federal Judge Rejects Proposed Harvey Weinstein Class Settlement One Day After Wigdor LLP Files Objections In Court

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On July 14, 2020, U.S. District Judge Alvin K. Hellerstein denied preliminary approval of a proposed \$18.9 million settlement agreement brought on behalf of a group of victims of Harvey Weinstein's alleged sexual abuse, labeling it a "phony settlement" and deriding certain terms of the deal as "obnoxious."

The news comes just one day after Wigdor LLP filed a <u>36-page brief</u> with the Court describing in detail numerous reasons why the proposed settlement agreement should be rejected. Wigdor LLP represents six alleged Harvey Weinstein survivors, including three women with pending civil claims against the disgraced movie mogul, and has been one of the most <u>outspoken opponents</u> of the proposed settlement agreement.

As set forth in the opposition brief, the proposed settlement would have allowed Harvey Weinstein to avoid paying any money towards the settlement fund or admitting wrongdoing. Rather, the proposed agreement sought to set aside approximately \$15 million—likely far more than the proposed class of victims would have received under the deal—to Harvey Weinstein and the former Weinstein Company directors and executives who allegedly enabled his abuse, resulting in "one of the most one-sided and unfair class settlements in history," according to the brief.

The brief also criticized the proposed settlement's disparate treatment of non-settling plaintiffs; the agreement attempted to punish any woman who chose not to participate in the settlement by automatically providing a release of claims to the insurance companies and The Weinstein Company directors, severely limiting any potential recovery those women might have received in individual litigation. Moreover, the settlement agreement sought to pay \$1.5 million for Harvey and Robert Weinstein's continuing legal defense costs should any woman choose not to accept the deal, according to the brief.

The proposed settlement also diverted approximately \$7.3 million to The Weinstein Company estate to cover administrative and general unsecured claims in the company's bankruptcy proceeding, according to the brief. According to public records, among those unsecured creditors included Harvey and Robert Weinstein, other former Weinstein Company directors, lawyers, major corporations and famous actors.

The brief also outlined numerous deficiencies with the proposed Special Master process for evaluating claims and argued that the unfair and one-sided settlement agreement was the result of inadequate representation by class counsel and the Office of the New York State Attorney General.

During a court hearing, Judge Hellerstein reportedly took issue with the case being brought as a class action and said the settlement improperly attempted to regulate the claims of non-settling accusers. Judge Hellerstein also said, "the idea that Harvey Weinstein can get a defense fund ahead of the



claimants is obnoxious," according to reports.

"Based on my studies of the papers, based on my study of the objection papers, and based on the flaws that I have already noted, I will not give preliminary approval to the settlement," Judge Hellerstein said, according to reports.

BREAKING: Wigdor LLP has filed a 36-page brief objecting to the patently unfair and one-sided class settlement with <u>#HarveyWeinstein</u>'s victims that has been proposed in New York federal court.

We represent six victims of Weinstein's alleged sexual abuse.

https://t.co/tW9Fj9S6fj

- Wigdor LLP (@WigdorLaw) July 13, 2020

Statement from Wigdor LLP Partner Douglas H. Wigdor, Senior Associate Bryan L. Arbeit and Kevin Mintzer of The Law Office of Kevin Mintzer, P.C.:

"We have been saying for over a year and a half that the settlement terms and conditions were unfair and should never be imposed on sexual assault survivors. We were surprised that class counsel and the New York Attorney General did not recognize this fact but are pleased that Judge Hellerstein swiftly rejected the one-sided proposal. On behalf of our clients, we look forward to pursuing justice against Harvey Weinstein and his many enablers." ABC News

"Judge rejects \$19 million settlement for Weinstein victims" July 14, 2020

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Above The Law

"Harvey Weinstein Settlement On Hold Because... It Kind Of Sucked" July 14, 2020

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Associated Press

"Judge rejects tentative \$19M Weinstein deal with accusers"
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BBC

"Harvey Weinstein: Judge rejects \$18.9m settlement" July 14, 2020

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Bloomberg

"Weinstein Sex-Abuse Settlement Rejected by Federal Judge" July 14, 2020

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Business Insurance

"Judge rejects proposed class settlement in Weinstein case" July 14, 2020

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CNN

"Judge rejects Harvey Weinstein's \$19 million settlement with accusers" July 14, 2020

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Courthouse News

"Weinstein Settlement Eviscerated as Unfair 'Waste of Time' by Judge" July 14, 2020

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The Daily Beast

"Judge Rejects Harvey Weinstein Class-Action Settlement: 'I Can't Subscribe to That'" July 14, 2020

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Daily Mail

"Federal judge REJECTS \$19million proposed settlement for Harvey Weinstein victims after accusers slammed the deal as a 'cruel hoax' that 'absolves' the disgraced movie mogul"

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Deadline Hollywood

"Harvey Weinstein's \$19M Settlement With Victims Challenged; Proposed Deal 'A Cruel Hoax'" July 13, 2020

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Forbes

"Federal Judge Rejects \$46.8 Million Settlement Of Harvey Weinstein Sexual Abuse Claims" July 14, 2020

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Fox News

"Harvey Weinstein: Judge rejects \$19 million preliminary settlement calling it 'phony'" July 14, 2020

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The Hill

"Six Weinstein accusers urge judge to reject almost \$19M settlement" July 13, 2020

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The Hollywood Reporter

"Weinstein Class Action Settlement Challenged as 'Unjust and Vile' as Multiple Accusers Object" July 13, 2020

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"Judge Rejects Proposed Weinstein Class Action Settlement" July 14, 2020

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Irish News

"Judge rejects tentative 19m-dollar Weinstein deal with accusers" July 13, 2020

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Los Angeles Times

"Weinstein sex-abuse settlement rejected by federal judge" July 14, 2020

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"Weinstein Accusers Call \$19M Class Deal 'A Cruel Hoax'"

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"Judge Rejects 'Phony' \$19M Weinstein Class Settlement" July 14, 2020

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NBC News

"Judge rejects Harvey Weinstein's nearly \$19 million settlement with accusers" July 14, 2020

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New York Daily News

"Criticism mounts of Harvey Weinstein settlement deal: 'Most one-sided and unfair settlement in history'" July 13, 2020

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New York Daily News

"Federal judge swiftly rejects \$18.9 million class-action settlement for Weinstein victims negotiated by N.Y. attorney general"

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New York Law Journal

"US Judge Swiftly Rejects 'Phony' Settlement for Weinstein Victims" July 14, 2020

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New York Post

"Weinstein's accusers want federal judge to block global settlement" July 13, 2020

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New York Post

"Federal judge rejects proposed global settlement against Weinstein" July 14, 2020

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The New York Times

"Judge, Expressing Skepticism, Upends \$25 Million Harvey Weinstein Settlement"



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NPR

"Federal Judge Rejects Harvey Weinstein's \$19 Million Settlement With Alleged Victims" July 14, 2020

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People

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Reuters

"U.S. judge rejects settlement of Harvey Weinstein sexual abuse claims" July 14, 2020

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TheWrap

"Judge Rejects 'Obnoxious' \$19 Million-Plus Harvey Weinstein Settlement With Accusers" July 14, 2020

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Vanity Fair

"Judge Sides With Weinstein Accusers, Rejects Proposed \$25 Million Settlement" July 14, 2020

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"Weinstein Accusers Say Insurance Settlement Is a 'Cruel Hoax'"

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The Wall Street Journal

"Multimillion-Dollar Harvey Weinstein Settlement Rejected by New York Court" July 14, 2020

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