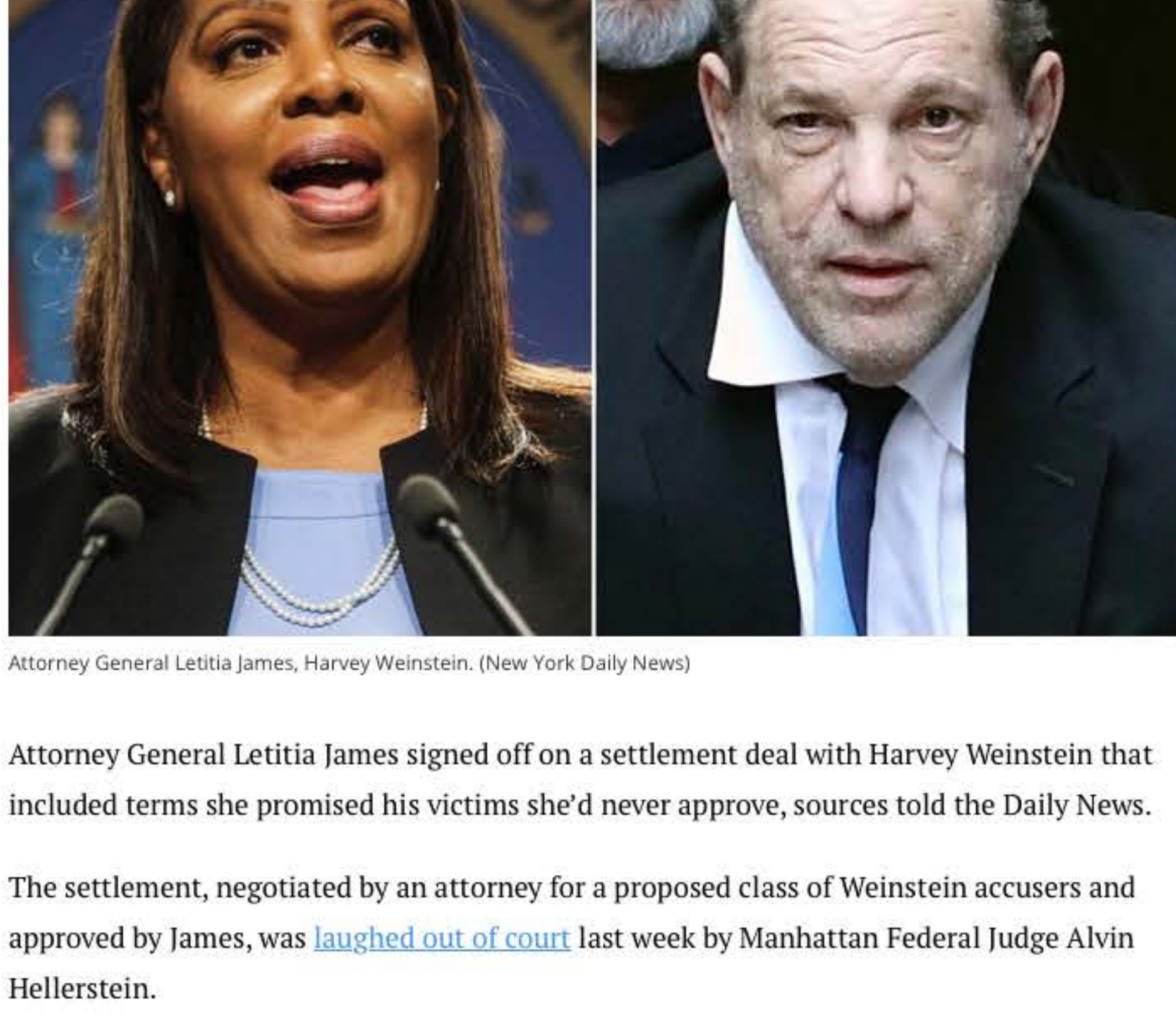


NEW YORK

# AG Letitia James slammed for signing off on Harvey Weinstein settlement deal rejected by judge as 'obnoxious'

By STEPHEN REX BROWN  
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Attorney General Letitia James, Harvey Weinstein. (New York Daily News)

Attorney General Letitia James signed off on a settlement deal with Harvey Weinstein that included terms she promised his victims she'd never approve, sources told the Daily News.

The settlement, negotiated by an attorney for a proposed class of Weinstein accusers and approved by James, was [laughed out of court](#) last week by Manhattan Federal Judge Alvin Hellerstein.

The judge called the deal "obnoxious" and said the attorney for the class, Elizabeth Fegan, "was wasting (her) time."

"Harvey Weinstein joins those who ask me to approve it, but makes no contribution to the settlement. Indeed, he benefits from it, financially as well as by obtaining a release of claims," Hellerstein wrote in a written ruling released Friday.

"I observed that favoring these groups at the expense of the people suffering sexual abuse by Harvey Weinstein was 'obnoxious.' I continue to hold to that view."

The proposed deal included terms that James personally assured victims' attorneys would not be included, lawyer Thomas Giuffra said.

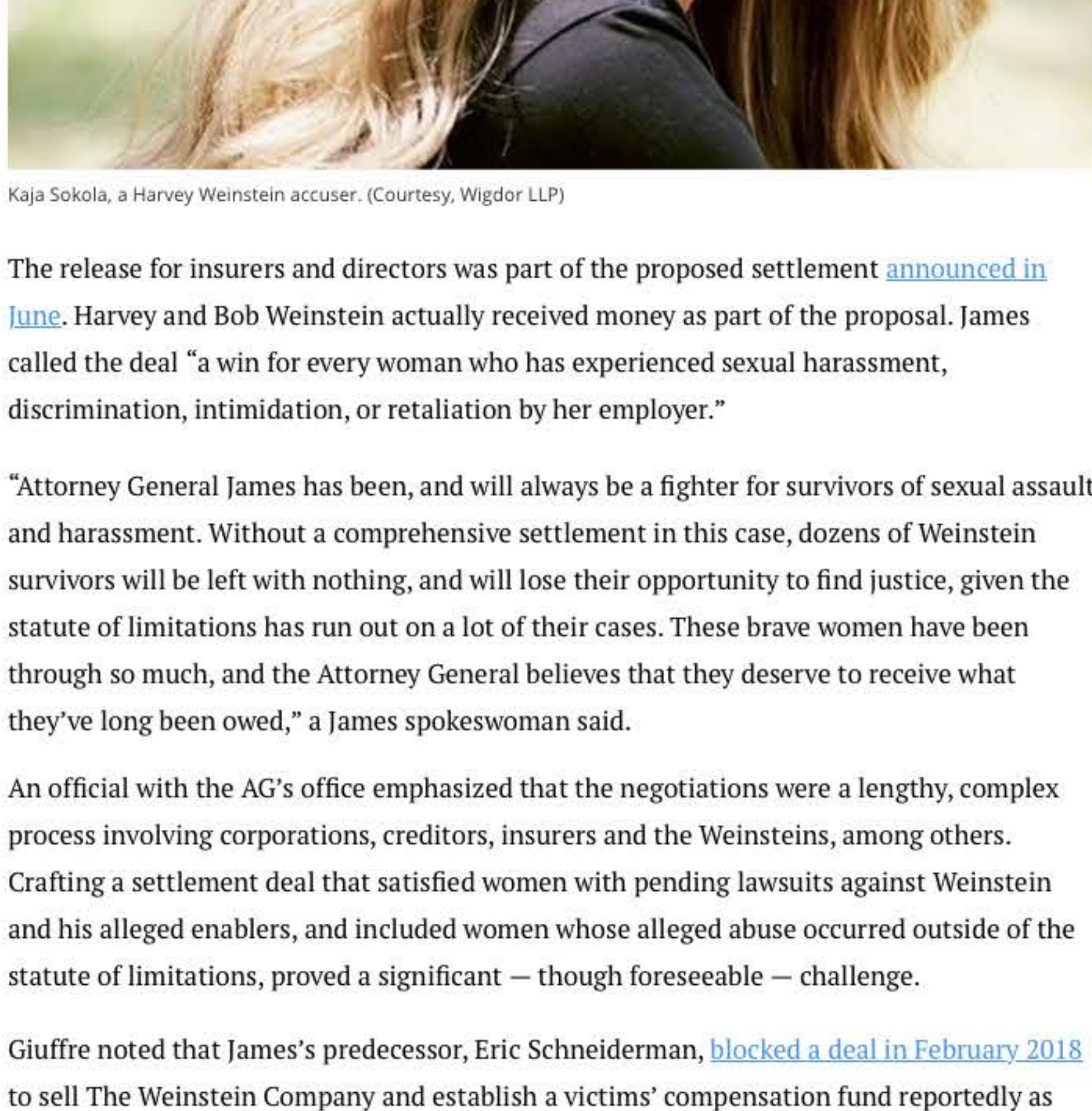
"She promised us she would never sign off on an agreement that gave victims' money to Harvey Weinstein or Bob Weinstein. Promised us that — she would never agree to that," said Giuffra, who represents [producer Alexandra Canosa](#).

"She botched this thing. The Attorney General's office has been the worst thing that happened to this case."

Another attorney for a Weinstein victim, who spoke to The News on background, backed up Giuffra's account. The attorney said James assured him in July 2019 that she would not approve a deal that prevented accusers who opted out of the settlement from seeking money from insurance companies, Bob Weinstein or The Weinstein Company's board of directors.

That release would have severely limited the amount of cash Weinstein's accusers could recover. It also, the attorney said, limited victims' ability to decide how they pursued their cases — a major mistake when dealing with trauma survivors.

"I felt betrayed by the Attorney General's acceptance of the settlement, which was so unfair for the victims and did not hold Weinstein responsible for his crimes on any level," said Kaja Sokola, who claims the sadistic Hollywood power player assaulted her in 2002 when she was 16.



Kaja Sokola, a Harvey Weinstein accuser. (Courtesy, Wigdor LLP)

The release for insurers and directors was part of the proposed settlement [announced in June](#). Harvey and Bob Weinstein actually received money as part of the proposal. James called the deal "a win for every woman who has experienced sexual harassment, discrimination, intimidation, or retaliation by her employer."

"Attorney General James has been, and will always be a fighter for survivors of sexual assault and harassment. Without a comprehensive settlement in this case, dozens of Weinstein survivors will be left with nothing, and will lose their opportunity to find justice, given the statute of limitations has run out on a lot of their cases. These brave women have been through so much, and the Attorney General believes that they deserve to receive what they've long been owed," a James spokeswoman said.

An official with the AG's office emphasized that the negotiations were a lengthy, complex process involving corporations, creditors, insurers and the Weinsteins, among others. Crafting a settlement deal that satisfied women with pending lawsuits against Weinstein and his alleged enablers, and included women whose alleged abuse occurred outside of the statute of limitations, proved a significant — though foreseeable — challenge.

Giuffre noted that James's predecessor, Eric Schneiderman, [blocked a deal in February 2018](#) to sell The Weinstein Company and establish a victims' compensation fund reportedly as high as \$90 million. The deal approved by James proposed a \$19 million compensation fund, to be paid entirely by insurers. Another \$5.4 million was to be divvied up among 14 women who sued in the U.S., Canada and the United Kingdom.

Roughly 100 women have accused Weinstein of using his status in Hollywood to lure them into vulnerable situations under the guise of career opportunities. He allegedly destroyed the careers of women who did not submit to his sexual abuse.

Critics said the rejected proposal highlighted how the State Attorney General's Office often seeks to make a splash in the press.

"They get the headlines. They can say, 'well because our office got involved we made it easier for the settlement to happen,'" said Ted Frank of the Hamilton Lincoln Law Institute in Washington, D.C., which serves as a class action watchdog.

"The Attorney General's office wasn't appropriately skeptical ... They agreed to the settlement. They signed off on it. They didn't have to do that. They could have identified the same things Judge Hellerstein identified and said this isn't the way a class action settlement is supposed to work."

Sources questioned the appetite of James's office for a legal fight with the man whose predatory behavior sparked the #MeToo movement. A lawsuit the state filed against The Weinstein Company has not had any substantive developments in public filings since it was announced in February 2018, aside from the settlement proposal.

The deal, critics said, simply should have been better.

"When the Attorney General was going to back the proposed settlement, I was really upset that she could see this slanted deal as beneficial to survivors when it was structured to get the perpetrators out of any liability. It also seemed unlawful to me that the deal could block victims from individually litigating their case," said Dominique Huett, who claims Weinstein sexually assaulted her in Los Angeles in 2010.



Dominique Huett claims Weinstein sexually assaulted her in Los Angeles in 2010. (Reed Saxon/AP)

Arguments with James over the settlement got so heated behind the scenes that they impacted other investigations by her office unrelated to Weinstein, sources said. The day after The News ran a story on criticism that James was ["working for Harvey Weinstein,"](#) her office canceled at the last minute an interview with news hosts Megyn Kelly and Linda Vester as part of an ongoing probe of the culture at NBC, sources said. Kelly and Vester are represented by attorney Doug Wigdor, who had been an outspoken critic of the Weinstein deal.

"It was very clear that they got less interested in having this meeting they wanted to have so badly," said attorney Bryan Freedman, who also reps Kelly.

"After the Weinstein thing happened there was a whole different level of interest — it was clear they were sending a lower-priority message."



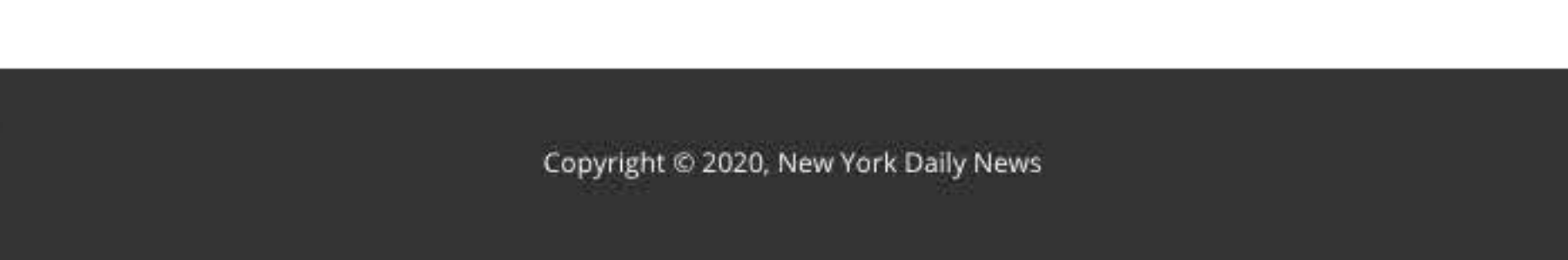
Megyn Kelly poses at The Hollywood Reporter's 25th Annual Women in Entertainment Breakfast in Los Angeles in 2016. (Chris Pizzello / Chris Pizzello/Invision/AP)

The meeting was eventually rescheduled to January.

"If we rescheduled meetings because of things that are written about us we'd never get anything done," an official at the AG's office said.

Wigdor, Giuffra and attorney Kevin Mintzer detailed a litany of problems with the settlement in court filings. A total of 13 accusers objected to the deal. Among the most outrageous terms, according to the lawyers:

- \$1.5 million to Bob and Harvey Weinstein to defend legal claims brought by women not participating in the class action settlement.
- Harvey and Bob Weinstein contributed nothing to the settlement. Insurers footed the bill.
- Harvey and Bob Weinstein, and members of The Weinstein Company's board of directors including billionaire Knicks owner James Dolan, would receive \$12 million to cover past legal fees.
- \$7.2 million for creditors with claims against the company, including prominent actors like Bradley Cooper, John Cusack and Meryl Streep.



(L-R) Louise Godbold, Rosanna Arquette, Dominique Huett, Sarah Ann Masse, Paula Williams (partially obscured), Rose McGowan and Lauren Sivan at a press conference held by a group of women called Silence Breakers outside Manhattan Criminal Court after Weinstein's arrival on Jan. 6, 2020, in New York City. (Luiz C. Ribeiro/for New York Daily News)

A global settlement now faces uncertain prospects. Weinstein accusers are pursuing individual claims in court. Women who say they endured abuse outside the statute of limitations have little hope, for the moment, of being compensated.

Weinstein is serving a 23-year sentence for sexually assaulting his former production assistant Miriam Haley and raping actress Jessica Mann. He faces another sexual assault trial in Los Angeles.

"Mr. Weinstein's current and future financial state is far from healthy, not only has his personal liberty been taken from him, but his financial liberty as well. Many parties wanted this settlement to succeed, importantly, it was not just the Weinstein defendants, but the plaintiffs themselves, who likely recognized that this was the route to a realistic recovery," Weinstein attorney Imran Ansari said.