PRESS RELEASE

Hagens Berman and Winston & Strawn Seek Court Approval of Historic Settlement to Revolutionize College Sports

JULY 26, 2024

Class includes hundreds of thousands of college athletes, eligible to receive payments averaging more than $100,000 in some categories

July 26, 2024 – Today, Hagens Berman and Winston & Strawn LLP filed a motion seeking preliminary approval of the landmark antitrust class-action settlement that will radically change the economic model of college sports and provide billions of dollars in backpay damages and tens of billions of dollars in future revenue-sharing to college athletes.

Following an announcement on May 23, 2024, that a deal had been reached, the parties worked tirelessly to memorialize the terms of the now-finalized agreements, which resolve three pending antitrust lawsuits, *House v. NCAA, Hubbard v. NCAA,* and *Carter v. NCAA.* As part of the settlement, the NCAA and its conferences will pay more than $2.75 billion in damages to college athletes over a 10-year period, eliminate rules prohibiting schools from making direct payments to athletes, and dramatically expand the availability of compensation and benefits available to athletes, including by eliminating restrictions on the number of available athletic scholarships across all Division I sports. The total value of new payments and benefits to college athletes is expected to exceed $20 billion over the next 10 years, making it one of the largest antitrust class-action settlements in history.

Rectifying Past Injustice

The settlement provides damages to hundreds of thousands of current and former student-athletes at Division I schools. Under the proposed allocation plan:

- The average recovery for a football or men's basketball player at a Power 5 school would be approximately $135,000.

- The average recovery for a women's basketball player at a Power 5 school would be approximately $35,000.

- Hundreds of thousands of athletes in other sports across Division I (including football and basketball players in non-Power 5 conferences) will also receive settlement recoveries, which will depend on the athlete's sport, school, years played, and the number of claimants.

- Athletes in every Division I sport who played before the NCAA changed its rules in 2021 to allow for third-party NIL payments, will be eligible to receive additional damages based on the third-party NIL payments they secured after the NCAA rule change, referred to as Lost NIL Opportunities. The highest damages payments in this category will exceed $1 million, with the highest estimated to be $1.859 million.

- Athletes who played any Division I sport in a Power 5 conference between the 2019-20 and 2021-22 academic years will be eligible to receive thousands more in damages to compensate them for the academic achievement awards (Alston Awards) that the NCAA once prohibited, but now permits.

"NCAA college athletes have waited decades for this moment, and their right to receive the full value of their hard work has finally arrived," said Steve Berman, managing partner and co-founder of Hagens Berman. "We are incredibly proud to be in the final stages of historic change."

Winston's Co-Executive Chairman Jeffrey L. Kessler, who also negotiated the class-action settlements that created the free agency systems for athletes in the NFL and the NBA, said, "We're pleased to take this next step towards finalizing this historic, industry-changing settlement that will provide a fair system of revenue sharing for the college athletes who generate hundreds-of-millions-of-dollars for their schools. For far too long, these athletes have been deprived of their economic rights in an unjust system that will now, finally, be fundamentally reformed. The new system will allow athletes to be fairly rewarded for their contributions and college sports will continue to thrive."

Additional details about the settlement, including estimated damages payments, is available at www.hbsslaw.com.

Looking Forward to the Future of NIL Payments

In the first year of the settlement, each school can share new benefits and payments with their athletes totaling 22% of the average Power 5 school's revenues, which is currently projected to be significantly more than $20 million per school, per year, according to attorneys. These new payments and benefits come in addition to existing scholarships, third-party NIL payments, health care and other benefits that college athletes already receive, and schools can choose to make the new payments and benefits to athletes playing any Division I sport.

About Hagens Berman and Winston & Strawn

The Winston and Hagens Berman teams previously prevailed in *Alston v. NCAA* as co-lead class counsel, which culminated in a unanimous Supreme Court opinion affirming that antitrust law applies with full force to NCAA rules. That ruling laid the groundwork for these settlements.

Hagens Berman is a global plaintiffs' rights complex litigation law firm with a tenacious drive for achieving actual results for those harmed by corporate negligence and fraud. Since its founding in 1993, the firm's determination has earned it numerous national accolades, awards and titles of "Most Feared Plaintiff's Firm," MVPs and Trailblazers of class-action law. The firm's cases have recovered more than $320 billion for its clients. More about the law firm and its successes can be found at www.hbsslaw.com. Follow the firm for updates and news at @ClassActionLaw.

Winston & Strawn LLP is an international law firm with 15 offices in North America, South America, Europe and Asia. Its industry leading Sports Litigation Practice is co-chaired by David Greenspan and David Feher, both of whom worked on this ground-breaking litigation with firm Co-Executive Chair Jeffrey Kessler, as well as partners Jeanifer Parsigian and Adam Dale. More information about the firm is available at www.winston.com.

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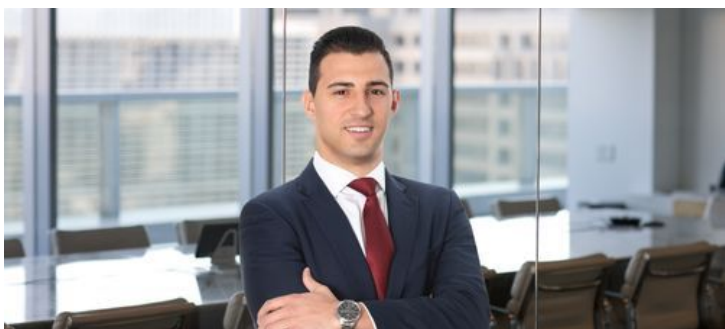
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