

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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IN RE: : Case No. CV 96-4849 (ERK)(MDG)
HOLOCAUST VICTIM ASSETS : (Consolidated with CV 96-5161
LITIGATION : and CV 97-461)

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This Document Relates to: All Cases :

MEMORANDUM & ORDER

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KORMAN, C.J.:

On December 8, 2000, I issued a Memorandum & Order which provided for the "implementation of the Distribution Plan [the Plan of Allocation and Distribution of Settlement Proceeds approved on November 22, 2000] ... to proceed immediately in accordance with the procedures and timetables set forth" therein. The December 8, 2000 Memorandum & Order further provided that "[a]s necessary, I may issue additional orders to implement the Distribution Plan."

As a result of the recent withdrawal of the single appeal that had been filed against the Final Order and Judgment approving the settlement of this lawsuit, counsel for plaintiffs and counsel for defendants have confirmed that the "settlement date" described in the Settlement Agreement now has been reached. Therefore, as provided under the Settlement Agreement, and consistent with the procedures described in the December 8, 2000 Memorandum & Order and in the Distribution Plan, it is with great satisfaction that I am now able to approve the first distributions from the Settlement Fund to class members.

I have been advised by Special Master Gribetz and by the Conference on Jewish Material Claims Against Germany, Inc. (the "Claims Conference"), one of the four agencies I have charged with implementing the Distribution Plan, that the Claims Conference has determined thus far that approximately 35,000 individuals suffered persecution that meets the eligibility criteria for payment as slave or forced laborers under the German Foundation Remembrance, Responsibility and the Future ("German Fund"). Consistent with the Distribution Plan, these individuals also qualify for payment under Slave Labor Class I of this "Swiss Banks Settlement." The International Organization for Migration ("IOM"), also charged with implementing the Distribution Plan, similarly has advised the Court and the Special Master that of the applications submitted to the IOM that have been determined to qualify for payment under the German Fund, 25 individuals also qualify for payment under Slave Labor Class I because they were persecuted as Roma, Jehovah's Witnesses, homosexual or disabled persons. In addition, 23 applications submitted by members of the Refugee Class to the Claims Conference have been recommended for compensation thus far, and several more are expected shortly to be approved.

With the various claims processes well under way, and based upon the application data that has been reviewed by the Claims Conference and IOM, the Special Master has recommended in his letter to the Court dated June 28, 2001 that Slave Labor Class I and Refugee Class payments now be made in full in a one-time payment, rather than in two phases. The Special Master also has proposed that payments to members of the Refugee Class be made immediately upon recommendation by the Claims Conference and/or IOM, rather than first requiring the class member to be notified of the recommendation prior to transmittal of the payment. I concur with these recommendations. Accordingly, I direct the escrow agents immediately to release to the Claims Conference a total of \$35,100,000 from the Settlement Fund, \$35 million of which is to be used to

make prompt payments of \$1000 each to the 35,000 former slave laborers for whom compensation has been approved thus far. The remaining \$100,000 is to be used to make prompt payments of \$2500 each to those members of the Refugee Class who were denied entry into or expelled from Switzerland, for whom compensation has been approved to date, as well as payments of \$500 each to those members of the Refugee Class who were admitted into Switzerland but detained, abused or mistreated and for whom compensation has been approved to date. Additionally, based upon the data provided thus far by the IOM, I direct the escrow agents immediately to release to the IOM the sum of \$25,000 from the Settlement Fund, to be used to prompt payments to approved applicants under Slave Labor Class I in the manner described above.

Therefore, it is hereby

ORDERED that the Escrow Agents are hereby directed to transfer immediately \$35,100,000 to the Claims Conference, and \$25,000 to the IOM, as requested, for distribution to members of Slave Labor Class I and the Refugee Class. Pending actual distribution of these amounts, the Claims Conference and IOM, respectively, shall deposit the funds in escrow in an interest-bearing account. The principal as well as any interest that may accrue thereon shall be solely for the benefit of the Settlement Fund.

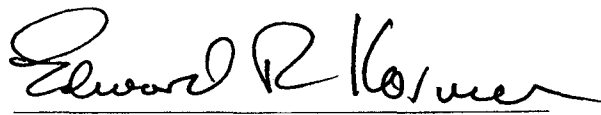
It is further ordered that the Claims Conference and IOM each shall provide the Court with the name and address, and, in the case of Refugee Class members, the recommendation, of every class member eligible to receive a distribution from the Settlement Fund, which information shall be filed with the Court under seal on or before the date upon which distribution commences.

ORDERED that the Escrow Agents are hereby directed to transfer immediately \$7.5 million to the JDC, and \$1,071,500 to the Claims Conference, as requested, for implementation of the initial phase of the Looted Assets Class humanitarian assistance program.

I will issue additional orders transferring further sums from the Settlement Fund as applications from other class members are approved.

Brooklyn, New York
June 28, 2001

SO ORDERED:

A handwritten signature in black ink, appearing to read "Edward R. Korman", written over a horizontal line.

Edward R. Korman
United States District Judge