

LATE APPLICANTS' FUND RULES AND PROCEDURES
Updated November 2015

1. The Late Applicants Fund (also known as LAF) was open for a period of two years commencing on January 1, 2013 ("Filing Period"). The LAF application period is now closed. The final date for the receipt of applications in the Frankfurt office of the Claims Conference was December 31, 2014. Subject to the provisions below, applicants may be awarded an ex gratia payment from the Late Applicants Fund if they demonstrate that they are a rightful heir in a manner satisfactory to the Claims Conference. No applicant can receive a payment from the Late Applicants Fund if a payment for the identical portion of the property/asset has already been obtained from the Goodwill Fund.
2. The Late Applicants Fund accepted applications from the following heirs of the former Jewish owner ("persecutee"):
 - (a) The immediate testamentary heir of the persecutee;
 - (b) Children, grandchildren, or great grandchildren of the persecutee;
 - (c) Siblings of the persecutee;
 - (d) Children of the siblings listed under (c), above;
 - (e) Spouses of the persons listed under (b), (c) and (d);

Legal entities, as defined in paragraph 9 below, will not be entitled to receive any payment from the LAF.

4. The amount received by each individual heir will depend upon the following factors:
 - a) whether any payment has already been made by the Goodwill Fund or the Late Applicants Fund for the portion of the property/asset for which the heir is applying; and
 - b) whether there exists any heir with a better entitlement to the property or the portion of the property for which the heir is applying; and
 - c) the portion of the property that the heir is entitled to.

In no case will the amount received by an individual heir (or a group of heirs, if there are a number of heirs to one asset/property) exceed 80 percent of the net proceeds received by the Claims Conference for the asset.

5. In July 2015, the Board of Directors of the Claims Conference decided that each eligible LAF claimant would receive a payment of no less than 33 percent of the portion of the net proceeds of the asset to which that eligible individual is entitled.

“Net proceeds” is the amount after taxes, mortgages, the cost of appraisals, legal fees, insurance and other charges, in any way related or connected with the property or asset, are be deducted from the initial proceeds from the sale, compensation payment or settlement regarding the property or assets.

This decision established a minimum payment, meaning that if total amount for payments to all eligible claims exceeds the previously committed €50 million, eligible applicants will, nonetheless, receive 33 percent of the value of the pertinent asset. In addition, the decision enables the 33 percent payments to proceed immediately to eligible claimants, without having to wait for the resolution of all LAF claims. Thus, eligible LAF claimants are now able to obtain a LAF payment as soon the claimant fulfils all the requirements of the Fund. In the event that the entire €50 million in the LAF is not distributed, once all eligible claimants have received their payments, the remaining amount will be distributed, on a pro rata basis, to those who were approved under the LAF.

In addition, in no event will any heir receive more than he or she would have received if he or she had made a timely claim under the German Property Law 1990.

In July 2015, the Claims Conference Board decided that, if one member of a “community of heirs” applied to the LAF prior to the December 31, 2014 deadline, it enables other members of the community of heirs to be considered as timely applicants to the LAF.

6. Payments from the Late Applicants Fund will only be made on condition that the recipient acknowledges that the payments are voluntary, covenants not to assert any claim or action against the Claims Conference and to waive any recourse to legal action against the Claims Conference in any jurisdiction and undertakes severally and jointly to hold the Claims Conference harmless from claims that arise as a result of any payment made. The recipient will be required to sign a declaration to this effect. Heirs can only receive payment from the LAF upon submission of proof of inheritance in a manner acceptable to the Claims Conference.
7. The payments to be made from the Late Applicants Fund can neither be assigned nor hypothecated by the recipient unless explicitly consented to by the Claims Conference. The payments can only be made to the personal account of the recipient.
8. Payments can only be made after the restitution or compensation claim has been legally positively and finally settled and the Claims Conference has received the property in question or other payment arising from the claim. For restitution in kind, payment shall only be made after the property has been sold and the proceeds received.
- 9 (i) Legal entities shall not be entitled to a payment from the Late Applicants Fund. Legal entities are deemed to be public or private non-individual bodies founded,

incorporated or maintained under the authority or laws of any jurisdiction wheresoever situated.

- (ii) Notwithstanding paragraph 9(i) above, trusts, to the extent that the beneficiaries of the trust include individuals within the categories of relationship listed in paragraph 2 above and who would otherwise be entitled to a payment from the Late Applicants Fund, shall be entitled to a payment under the Late Applicants fund to the extent of, and in proportion to, the entitlement of those individuals under the trust.
10. Although the LAF will accept applications made within the Filing Period, it is unknown when payments will be able to be made to eligible applicants. Payments made from the LAF will be contingent upon:
 - a) the German Restitution Courts making a final and non-appealable decision verifying the entitlement of the Claims Conference to a particular property or asset (this is something over which the Claims Conference has no control) and if relevant, the sale by the Claims Conference of the property; and
 - b) applicant(s) demonstrating their entitlement as an heir by presenting proof of inheritance acceptable to the Claims Conference within the later of one year from the date the application is submitted to the Claims Conference or one year from the date the Claims Conference informs the applicant that it has received a positive final decision from the German Restitution Authorities.
 11. The Claims Conference may determine, in its sole discretion, not to make payments from the Late Applicants Fund to any owner or heir who commences litigation against the Claims Conference connected with or related to (i) the restitution or compensation of any property or asset, and/or (ii) the proceeds received by the Successor Organization in respect of any property.
 12. In the event that a claim is filed with the LAF that relates to an asset where compensation was paid to the Claims Conference pursuant to a global agreement with the German Government, the amount deemed to be the value of the asset shall, in general, be the average amount of the assets compensated in the global agreement. Notwithstanding the foregoing, the Claims Conference may, in its sole discretion, attribute a value to the asset of an amount different than the average value should the circumstances and facts of the case warrant such a determination.
 13. All factual findings by the Claims Conference or any of its committees designated to make such determinations shall be final and conclusive.
 14. All payments from the LAF are *ex gratia* payments.

15. All communications regarding the Late Applicants Fund should be submitted to:

Claims Conference Successor Organization
Sophienstrasse 26
D-60487 Frankfurt am Main, Germany
Fax: 49-69-97-07-08-11
Email: claims-conference-laf@claims-frankfurt.de

16. Payment shall be made in Euro. The venue for applications and payments is Frankfurt. German law governs any issues or disputes relating to the Late Applicants Fund.