

EXHIBIT 9

**Organization of Forced Laborers
under the Nazi Occupation (Reg. Org.)**
David Grinstein, Chairman
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E. mail: ioktn@013.net

December 20, 2007

The Honorable George Daniels
c/o Clerk of the Court
United States Courthouse
500 Pearl Street
New York, New York 10007

**Re: Objections to Proposed Settlement In Assicurazioni Generali,
S.p.A. Holocaust Insurance Litigation**

Dear Judge Daniels:

My name is David Grinstein. I am a Holocaust survivor born in Lodz, Poland, living in Tel-Aviv, Israel and serve as the Chairman of Organization of Forced Laborers under the Nazi Occupation (Reg. Org) in Israel. I am objecting to the proposed settlement in the Assicurazioni Generali, S.p.A. Holocaust Insurance Litigation. In addition to this letter, I have sent the objections and documentation detailing my experience, as well as the experience of our Organization and its members, with Generali and the International Commission for Holocaust Era Insurance Claims (ICHEIC) to attorney Samuel J. Dubbin in the United States, and asked him to present these materials to the Court on my behalf and on behalf of our Organization.

Generali and its subsidiaries have been one of the most active insurance companies in prewar Poland. Moreover, being known as a company, established by Jewish insurers and operating mostly with Jewish agents, it enjoyed a wide popularity among the Jewish population in Poland. This population accounted probably for most of the life insurance policies issued in the prewar period.

It can be assumed that out of the 261,000 Polish life insurance policies mentioned in the Report on the Estimation of Unpaid Holocaust Era Insurance Claims submitted to ICHEIC's chairman Mr. Lawrence S. Eagleburger about 50% were owned by Jewish policyholders. We do not accept Mr. Eagleburger's estimate in his testimony before the House of Representatives Committee on Government Reform from September 16, 2003, when he assumed 45,000 being the maximal number of Jewish upper and middle class professionals (i.e. lawyers, doctors and industrialists). We also reject Mr. Eagleburger's conclusion, when he took this number as being equal to the number of life insurance policies owned by the Jewish population.

From information based on Polish research sources follows, that about 10% of the Jewish population, i.e. about 330,000 persons, lived in the cities, being active mainly in commerce, craftsmanship and industry. This population was highly aware of the importance of life insurance and purchased insurance policies accordingly. It is also known, that most of the life insurance agencies were Jewish, with almost all of them being connected to Generali. This can be proved by the Polish phonebooks from the prewar years.

In spite of these facts and well based assumptions, the number of policies issued in Poland and included in the ICHEIC lists as Generali policies is presents a most negligible fraction of the 519,009 Potential Holocaust Era Policyholders List. It should be noted, that the proportion of all Polish policyholders (not only those belonging to Generali) is very small being 11,225, due to ICHEIC's complete failure to reach a reasonable disclosure of Jewish policyholders' names in Poland. When it comes to the number of Polish policies compensated by Generali, the results are even more miserable.

It is important to remember, that those policies have never been compensated. It was after the war, that the Polish socialist government decided to establish a state owned insurance company named POLSKI ZAKŁAD UBEZPIECEN (P.Z.U.), after confiscating the property of the foreign insurance companies and declaring that they will take over the responsibility for the insurance policies issued by those companies.

To perform this transition the Polish government established a special office named URZĄD LIKWIDACYJNY. The task of this office was to concentrate all the assets and liabilities of the insurance companies, including their property and claims of the insured and to transfer everything to P.Z.U.

Insurants, or their heirs, wishing to maintain their rights, were requested to present before the URZĄD LIKWIDACYJNY the original insurance policies and the original receipts for premiums paid up till year 1939. Demands and claims from persons, who were unable to provide these documents, were not handled at all and they could not obtain from the P.Z.U. a new insurance policy replacing the old pre-war one. The URZĄD LIKWIDACYJNY knew only too well, that no Jewish survivor will be able to provide those documents, after saving barely his life from the horrors of the Holocaust. (I am attaching one sample out of many, showing the malice of the refusals issued by the Polish URZĄD LIKWIDACYJNY office).

The insurance companies, whose assets were confiscated, did not take any action to correct the wrongs done to their insurants and to honor their basic rights. For them, the confiscation was a convenient excuse to evade their duties and obligations and they refused to handle any claims based on policies from countries, where their businesses and assets were taken over by the government.

It is evident, that only a part of the money paid as premiums by the insurants during al the pre-war years was invested in Poland.

The rest of the premium moneys found their way to the main offices of the insurance companies: in Trieste, Vienna or other place in Europe, where the headquarters were located. They were responsible and actually remain responsible until to day for the insurance policies, jointly with the insurance companies that replaced them and have been established in Poland

Evading their duties by refusing to recognize their obligations for the insurance policies during 60 years, till the establishment of ICHEIC, the insurance companies were enabled to amass a fortune, sufficient enough to pay all the insured sums to the entitled persons. The companies, including Generali keep lists of pre-war policies, issued in Poland, that have not been redeemed. Publication of these lists would enable the insurants, or their heirs, who today live in other countries, to redeem the policies.

ICHEIC's contribution to the fiasco of compensation for the Polish insurance policies deserves to be specially mentioned, taking in account Mr. Eagleburger's and Dr. Daniel Kadden's testimonies before the House of Representatives Committee on Government Reform from September 16, 2003. In Dr. Kadden's words: *"I know of many, many stones that still have to be overturned, especially archives in Poland currently, which may have significant numbers of Generali and RAS policy information, that have not been tapped."* Mr. Eagleburger actually concurs with this statement saying: *"I have recently been informed that the Polish government may have Polish policy files for several ICHEIC companies. I am in process of verifying this information."* In another statement, responding to the questions of the H.R. Committee, Mr. Eagleburger admits: *"So I am saying our Polish statistics are by no means complete and we are trying to get more information"*. Unfortunately, those intentions have never been fulfilled and it is even doubtful if there have been any serious steps taken by ICHEIC in this direction.

Allow me also to raise a technical objection to Generali's way of fulfilling the court's ruling. The letter sent by Generali has a Claim Form attached in the language of the potential claimants' country of residence (in Israel the Claim Form was in Hebrew). The Claim Forms could be also obtained in many other languages on the Nazi Era Insurance Settlement website. However, there has been no form attached, nor published on the website, for people who prefer to opt out of the settlement. There is even no information indicating, that a letter wishing to opt out of the settlement, could be written in any language other than English. This might lead many of the recipients of the letter, especially those who have no knowledge of the English language, to skip inadvertently the possibilities of opting out or objecting the settlement and to choose only the possibility of joining the Class Settlement.

Sincerely yours

David Grinstein

cc: Samuel J. Dubbin, Esq.

26 December 2007
DG1143

Free translation from Polish to English

The Polish government insurance company named: "PANSTWOWY ZAKLAD UBEZPIECZEN",
Denied to pay for the life insurance policy.

The policy holder : Feigenbaum Jozef Mina, of the insurance company : "Feniks",
The arguments for the rejection, were:

1. The policy holder couldn't present the original life policy to the authorities.
2. The policy holder couldn't present also, the payment receipts, concerning the life policy, before August 31, 1939.

See the attachment regarding this issue:

The rejection document replay of the insurance company.

PAŃSTWOWY ZAKŁAD UBEZPIECZEŃ
BIURO LIKWIDACYJNE
do spraw nieczynnych zakładów
ubezpieczeń
Warszawa, ul. Traugutta 5

Warszawa, dnia 11. X. 1967

Poleczony

Nr 1210/632 / Fen-2/R-I/67

Ob. Pani Selo R E I C H

Miejsce na
znaczek
pocztowy

H O L O N
Bilu Str. 11

Israel

Państwowy Zakład Ubezpieczeń - Biuro Likwidacyjne, zawiadamia, że Obywatka Pani nie została przyznana należ-
tytułu przedwojennej polisy Nr ubezpieczenia zawartego w Tow. Ubezpieczeń

"Feniks" na nazwisko Reich Selo z uwagi na nieprzedlo-
żenie polisy oraz dowodów opłaty składek na udokumentowanie ważności
umowy ubezpieczenia w dniu 31.VIII.1939 r.

Od decyzji powyższej przysługuje Obywatce Pani prawo wniesienia odwołania do Ministra Finansów za pośrednic-
likwidatora w terminie jednego miesiąca od daty otrzymania niniejszego pisma, a to zgodnie z przepisami § 5
Załącznika Min. Finansów z dnia 29 czerwca 1959 r. (Dz. U. Nr 40 poz. 253).

CO/11

Zastępca Dyrektora
Biura Likwidacyjnego
Leon Nowicki
Leon Nowicki

PZU BL 04
Skarbowska, W-wa, Zam. 1108/ 240 Bl. 50/2

PAŃSTWOWY ZAKŁAD UBEZPIECZEŃ
BIURO LIKWIDACYJNE
do spraw nieczynnych zakładów
ubezpieczeń
Warszawa, ul. Traugutta 5

Warszawa, dnia 15. VII 1967 r.

Poleczony

Nr 1210/632 / Fen-13/R-I/67

Ob. Pani Sabina R E I C H

Miejsce na
znaczek
pocztowy

H O L O N
Bilu Str. 11

Israel

Państwowy Zakład Ubezpieczeń - Biuro Likwidacyjne, zawiadamia, że Obywatka Pani nie została przyznana należ-
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"Feniks" na nazwisko Feigenbaum Józef Mina z uwagi na nieprzedlo-
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Załącznika Min. Finansów z dnia 29 czerwca 1959 r. (Dz. U. Nr 40 poz. 253).

CO/14

Zastępca Dyrektora
Biura Likwidacyjnego
Leon Nowicki
Leon Nowicki

PZU BL 04
Skarbowska, W-wa, Zam. 1108/ 240 Bl. 50/2

EXHIBIT 10



Nachas Health & Family Network, Inc.

Rizy Horowitz
Senior Coordinator

Rabbi Pinchus D. Horowitz
Executive Director
Tel. 718 436.7373 ext. 17

December 24, 2007

1310 Forty Eighth Street
Brooklyn, NY 11219
Tel. 718 436.7373
Fax. 718 436.3115
email. nachashealth@aol.com

Mr. Samuel J. Dubbin
Dubbin & Kravetz, LLP
701 Brickell Avenue
Suite 1650
Miami, Florida 33131

Dear Mr. Dubbin:

I am the Holocaust Survivor Program Director for NACHAS Health, serves several hundred Holocaust survivors each year in the Williamsburg section of Brooklyn. NACHAS assists survivors and others who have financial needs in accessing government assistance programs such as Medicaid, food stamps, housing assistance, and for survivors we also assist in understanding and applying for various "reparations and restitution" programs for Holocaust survivors. The vast majority of our clients is poor, speaks primarily Hebrew and Yiddish, and is not well educated in the English language. Most have extreme difficulty reading and understanding legal documents.

When the Generali claim form arrived earlier this month, many Holocaust survivors asked our agency to assist them in filling out the Claim Form. In most cases, they assumed that the claim form from the U.S. Court meant that they were eligible for money if they filled out the form. Usually, they believed by filling out the form they would receive at least \$1,000.

In reviewing the Notice and the Forms, my staff and I attempted to get the survivors to understand that they needed to provide some information about family insurance policies, or why they believe their families had insurance in Europe before the Holocaust, before they would get any money. They invariably did not understand that their rights might be impacted negatively by signing the claim form because of the class action settlement.

There were only a small number of cases in which people who came to see us about the Generali form had information about family insurance policies. There were, similarly, only a small number of survivors really understood that their rights could be adversely affected by sending in the Claim Form.

Sincerely,

Rizy Horowitz
Senior Coordinator

EXHIBIT 11

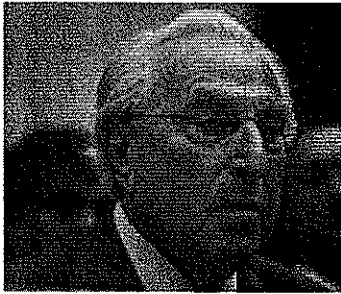
Holocaust survivors urge right to sue

By ASHLEY GOSIK

Wednesday, October 03, 2007

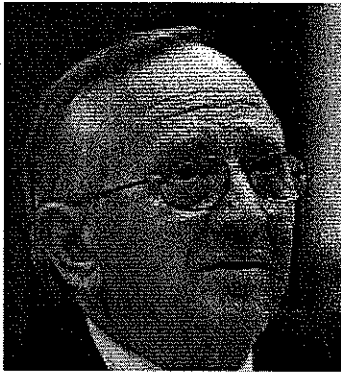
WASHINGTON — A panel of Holocaust survivors Wednesday urged Congress to pass bill that would allow survivors and their families to sue in federal courts for unpaid pre-war European insurance policies.

At issue is a March 2007 announcement by an international commission that it was award \$306 million to more than 48,000 survivors and their families and that no further claims would be honored.



[\(enlarge photo\)](#)

Jack Rubin



[\(enlarge photo\)](#)

Alex Moskovic

Rep. Robert Wexler, a Democrat from Delray Beach who chairs the House European subcommittee, said the \$306 million represents less than 3 percent of the value of insurance policies owned by Jews before World War II.

"This number is infinitesimal compared to what these (insurance) policies represented," Wexler said. "How, then, can the administration conclude that (the commission) has achieved its purpose?"

Ambassador J. Christian Kennedy of the Department of State's Special Envoy for Holocaust Issues, said the Bush administration views the commission's actions as a success and opposes the bill by Wexler and Rep. Ileana Ros-Lehtinen, R-Miami.

Kennedy assured the panel that those working to settle the insurance claims were professionals who were "very thorough." He also explained that negotiations with foreign insurance companies in Austria and Germany ultimately involved a "promise of peace" in exchange for their settlements.

"Was it enough?" asked Kennedy. "It's never enough, but as a matter of principle, if you can come to agreements it is better than going to court and the uncertainty and cost that it brings."

Jack Rubin, a Holocaust survivor from Boynton Beach who said his claim had been denied by the commission, said, "The companies have failed us. Please pass the bill before it is too late."

Alex Moskovic, a member of the board of directors of the Holocaust Survivors Foundation, said, "Congress has a chance to correct a historical wrong. If not here, where? If not now, when?"

The commission, formally known as the International Commission on Holocaust Era Insurance Claims (ICHEIC) was established in 1998 by U.S. and European insurance companies, Jewish survivor organizations, and the State of Israel to settle pre-World War II insurance claims at no cost to the claimants.

Wexler said the bill does not seek to undermine the commission's actions but rather to give the dwindling numbers of survivors justice.

"This bill does not give survivors a penny — only their day in court to try and prove their claim," Wexler said.

Top of Form

Bottom of Form

October 3, 2007

Appeals Court Extends Time for Suit on Holocaust Insurance Payments

By **JOSEPH B. TREASTER**

A federal appeals court yesterday extended a long-running dispute over unpaid life insurance claims brought by victims of the Holocaust and their families, potentially reopening a case that many thought had been resolved.

Lawyers for Assicurazioni Generali, an Italian insurance company at the center of the dispute, interpreted the court's decision as limited. But the lawyer who brought the appeal said it cleared the way for renewed arguments about many issues regarding insurance claims and Holocaust victims.

Those issues, involving hundreds of thousands of policyholders and, by some estimates, billions of dollars in coverage, are being further revived this morning in a Congressional hearing in Washington by lawmakers who say that victims of the Holocaust have been treated unfairly by insurance companies and social agencies.

The court case seemed closed in February after a federal judge in Manhattan approved the settlement of a class-action lawsuit against Generali. More than 20 European insurers had been sued by policyholders since the late 1990s, but the other cases had been settled or dropped, leaving only the lawsuit against Generali.

The Generali settlement, which had lingered for nearly 10 years, provided less money than Holocaust survivors had hoped for and seemed to end any hope of the survivors ever gaining access to the

insurer's Holocaust-era records. But lawyers for the policyholders said they were throwing in the towel because they lacked the evidence to win the case.

In approving the agreement, Judge George B. Daniels noted that "the settlement is not perfect" but added that he thought it might be "the only real opportunity for any monetary recovery" by the Holocaust victims and their families.

But in a terse summary order issued yesterday, a three-judge panel of the United States Court of Appeals for the Second Circuit, in New York, said that Generali and the lawyers for the policyholders had failed to notify Holocaust-era policyholders adequately about the settlement and thus denied them an opportunity to object to the terms.

The court ordered Generali and the plaintiffs' lawyers to mail notices of the settlement individually to "all class members whose names are known" by the insurers within 60 days and scheduled a new hearing on the fairness of the settlement before Judge Daniels by Jan. 7.

Robert Wexler, the Florida Democrat and chairman of the Europe subcommittee of the House Foreign Affairs Committee, which is holding the hearing today, said that since the Holocaust, European insurance companies have "both inadvertently and purposely sought to minimize their liability."

More than 870,000 life insurance policies covering Jews were in effect in Europe at the start of World War II, Mr. Wexler said, and "only 17,000 of those policies have been paid."

Sam Dubbin, the Miami lawyer who filed the appeal, said Generali had more than 50,000 names of people who could be notified. But lawyers for Generali and the policyholders said they did not know how many names of policyholders the insurer had in its files. It has consistently argued that many of its records were destroyed.

Lawyers for Generali and policyholders who agreed to the settlement earlier said they thought wider publicity on the case would not significantly alter benefits for the Holocaust victims and that by challenging the settlement, Mr. Dubbin was delaying payment of claims.

But Thane Rosenbaum, a son of Holocaust survivors and a professor at the Fordham University law school who has also argued against the settlement, said the ruling and the Congressional hearing could “exert the kind of pressure — a kind of one-two punch — that will lead, finally, to some justice for Holocaust survivors as they approach the end of their lives.”

Robert A. Swift, a lawyer in Philadelphia who represented policyholders in the settlement, said he and Generali were convinced that their efforts to publicize the agreement around the world through newspaper advertisements, press releases and charitable organizations were “very effective — and the results tell us it was.”

Mr. Swift said more than 20,000 people filed more than 30,000 claims by the general deadline on March 31. Previously, Generali had agreed to pay \$135 million on 5,500 claims filed since the late 1990s. Generali said in a statement yesterday that it had paid an additional \$40 million through international organizations.

Mr. Swift and lawyers for Generali said they could not estimate how much more might be paid in connection with the 30,000 new claims. But they suggested some of the claims were probably not valid.

“I know a very large number of those claims come from Russia, but we never did business in Russia,” said Marco E. Schnabl, a lawyer in New York for Generali.

Mr. Schnabl and Mr. Swift said no payments would be made in connection with the settlement until it was ruled final. The challenges to the settlement, Mr. Schnabl said, “have effectively put all of this” in suspension.

June 14, 2007
Op-Ed Contributor

Losing Count

By THANE ROSENBAUM

THE Holocaust has always been marked by numbers. There was the numbering of arms in death camps and the staggering death toll where the words six million became both a body count and a synonym for an unspeakable crime. After the Holocaust, Germany performed the necessary long division in paying token reparations to survivors. More recently, Swiss banks and European insurance companies have concealed bank account and policy numbers belonging to dead Jews.

Only with the Holocaust have dehumanization and death been as much a moral mystery as a tragic game of arithmetic. And the numbers continue, although now largely in reverse.

After 60 years, Holocaust survivors are inching toward extinction. According to Ira Sheskin, director of the Jewish Demography Project at the University of Miami, fewer than 900,000 remain, residing primarily in the United States, Israel and the former Soviet Union. Most are in their 80s and 90s. Unless immediate measures are taken, many of those who survived the Nazi evil will soon die without a proper measure of dignity.

According to Dr. Sheskin's data, more than 87,000 American Holocaust survivors — roughly half the American total — qualify as poor, meaning they have annual incomes below \$15,000. The United Jewish Communities, the umbrella organization of the American Jewish Federations, determined that 25 percent of the American survivors live at or below the official federal poverty line. (The poverty figure in New York City is even higher.) Many are without sufficient food, shelter, heat, health care, medicine, dentures, eyeglasses, even hearing aids.

Conditions worldwide are similar. It's a sad twist that the teenagers who mastered the art of survival so long ago have been forced, in their old age, to call on their survival instincts once again.

It doesn't have to be this way. Although the various global financial settlements represent only a small fraction of the Jewish property that was plundered during the Holocaust, they still amount to billions of dollars. Which raises questions: Why aren't the funds

being used to care for Holocaust survivors in whose name and for whose benefit these restitution initiatives were undertaken? Why weren't survivors permitted to speak for themselves in the very negotiations that led to the recovery and distribution of their stolen assets?

Take the Swiss bank settlement, for instance. A federal judge in Brooklyn distributed 75 percent of the looted assets to survivors in the former Soviet Union, leaving only 4 percent for destitute survivors in the United States, even though roughly 20 percent of the world's Holocaust survivors live in America. Assets that had been stolen by the Swiss were once again diverted, this time by the charitable inclinations of a judge who, ignoring the voices of survivors, severed the connection between the victims of the theft and the proceeds of the recovery.

On the matter of insurance, a federal judge in Manhattan recently approved a settlement in which fewer than 5 percent of the life insurance policies that had been sold to Jews would be restituted, allowing the Italian insurer, Generali, to escape with more than \$2 billion in unjust enrichment. By not requiring Generali to disclose the names of policyholders, the settlement amounts to a cover-up. Tens of thousands of Holocaust survivors are being kept from the truth and will likely be foreclosed from bringing individual claims against the corporation that defrauded them.

The Jewish Claims Conference, an organization established in the 1950s to recover and distribute Jewish property, has assets under its care estimated at \$1.3 billion to \$3 billion, which includes a vast inventory of cash, real estate and artwork. Despite the urgency of human suffering, the conference insists that it cannot respond to the unmet needs of Holocaust survivors.

Meanwhile, it spent about \$32 million last year on programs dedicated to "research, documentation and education." Some of those millions went to a program that paid \$700,000 to a "consultant" — a friend of the organization's president — who, in an interview with *The Jewish Week*, couldn't recall what he had been asked to consult on. While the conference supports many worthy projects, it is controlled not by survivors but by surrogates, and operates with limited oversight and financial accountability.

The Holocaust, so large an atrocity, has a way of overshadowing everything, including its survivors. In focusing on the past in order to prevent history from repeating itself, we have forgotten those who are the direct casualties of this crime. Amid all the Holocaust hoopla the survivors have become secondary.

This neglect is widespread. Even the United States Holocaust Memorial Museum has regarded itself as primarily a home for historians and a monument to history, but not as an institution that places survivors first. Yet without their anguished presence the museum would not exist.

One demonstration of its inattentiveness involves the imminent transfer to the museum of electronic copies of Germany's Bad Arolsen archives, which hold 50 million documents

pertaining to the fate of more than 17.5 million victims. Unfortunately, the museum has failed to commit to making the archives accessible on the Internet so that they can be accessed as easily by Holocaust survivors as by visiting scholars.

So what can be done to honor those who survived but who seem to have been forgotten?

First, all traceable assets held by the claims conference and the negotiated settlements with Swiss bankers and European insurance companies must be returned to their owners, with the remainder used for survivor needs.

Second, Congress should pass the proposed Holocaust Insurance Accountability bill, which would require insurers to publish the names of policyholders and allow survivors to resolve claims on fair and truthful terms.

Third, all Holocaust documentation, like the Bad Arolsen archives and the recently disclosed Austrian war records, must be made readily accessible. Survivors and their families must have easy access so family histories can be recovered and property claims verified. These archives cannot be just the province of scholars.

Finally, if both the World Jewish Congress and the claims conference fail to achieve transparency in their operations, then Congress or law enforcement should publicly account for the funds that have been controlled by institutions that survivors never elected and did not authorize.

Surviving the Holocaust, which was against all odds, is still a numbers game. The percentages are always against the survivors. Nearly murdered, shamefully defrauded and with the clock ticking, they wait for justice, accountability and, most of all, respect.

Thane Rosenbaum, a professor of law at Fordham, is the author of "The Myth of Moral Justice."

Justice, Before It's Too Late

By Nesse Godin, Esther Finder and Mira Silberg

Holocaust survivors, their descendants and loved ones were heartened by recent Post coverage of the tragically inadequate resources available to Holocaust survivors in their last years ["Holocaust Survivors, Heirs Fight On for Compensation," news story, Nov. 25]. Such coverage is long overdue. Serious issues require attention from policymakers and the media before time runs out -- as it soon will for elderly survivors who have suffered too much already.

Among the 174,000 survivors still alive in the United States, more than 80,000 are too poor to provide for their daily needs. According to the Jewish Federation system, one-quarter of the survivors in the United States live at or below the poverty level, and another quarter live on the edge of poverty, struggling to survive on fixed incomes and unable to pay for basic necessities such as food, rent and medicine, much less home care, dental work, eyeglasses or hearing aids. This does not even begin to address the problems unique to aging Holocaust survivors, such as finding health-care professionals who can deal with the long-term effects of starvation, beatings, disease and other traumas that many endured in the ghettos and concentration camps.

Meanwhile, hundreds of millions of dollars in "restitution funds" still sit, untouched, in banks. This is money that could and should be used to alleviate much of the survivors' suffering. U.S. District Judge Edward Korman in Brooklyn has refused to release more than \$300 million from the 1998 Swiss bank settlement, money that is unlikely, nearly 10 years after the landmark agreement, to be matched to dormant Swiss accounts. Why aren't some of these millions being used to meet the pressing needs of survivors here and abroad? Similarly, the Conference on Jewish Material Claims Against Germany, a New York-based group founded in 1951 that was cited in the Post article as being concerned about meeting survivors' needs, sits on nearly \$1 billion that could be used to help survivors. It has spent more than \$200 million in the past decade on projects unrelated to survivors and their welfare. The Jewish claims conference has also never fully accounted for or disclosed information about

properties it obtained after German reunification that were owned by Jews before World War II, which are estimated to be worth billions more.

Congress should have investigated these issues long ago. Lawmakers can and should act to help survivors more than 60 years after the end of World War II. Legislation pending in the House, the Holocaust Insurance Accountability Act of 2007 (H.R. 1746), would require global insurance companies to honor policies that they marketed to Jews before the war but that they failed to pay when their customers seemingly disappeared. More than 800,000 such policies in force in 1938 remain unpaid; their value is about \$17 billion. A commission funded by the insurers between 1998 and 2007, known as ICHEIC, repaid less than 3 percent of the outstanding policies and values, yet participants called that a success. Even more troubling, the insurance companies have demanded proof of policy ownership from us or our parents and grandparents, who were imprisoned in death and concentration camps, but these same companies refuse to open their archives or publish all the names of known policyholders from that period.

All survivors and heirs should be able to recover their families' unpaid insurance proceeds from policies that were paid for with real money. No business should be able to keep such unjust enrichment. Survivors and their descendants should receive what they are owed, and this injustice should weigh on all our consciences until it is resolved.

We hope last month's Post story is the beginning of a thorough investigation into issues that have long been ignored by the media but that are of immeasurable consequence for survivors and their families, all of whom deserve moral and legal justice as soon as possible.

Nesse Godin is president of Jewish Holocaust Survivors and Friends of Greater Washington. Esther Finder is president of The Generation After. Mira Silberg is president of the Grandchildren of Holocaust Survivors, in Washington.



TO: Members of the Board
FROM: Sheldon Rudoff, Audit Committee Chairman
DATE: July 3, 2007

Attached, please find the draft Financial Statements for the year ending December 31, 2006.

An issue has arisen to which I would like to draw your attention. The Claims Conference accounting policy has been that the value of restituted property received by the Claims Conference and intended for sale is generally not readily determinable due to many uncertainties and, therefore, no entries are recorded on the Financial Statements when such restituted property is received. Revenue is only recognized when there is a notarized sales contract for the restituted property, sales proceeds have been placed in escrow and the purchaser can take possession of the property. Additionally, if the Claims Conference recovers compensation in lieu of receiving the property itself, such compensation is recognized when it has been certified as to its value by the German Regional Tax Authorities.

The policy stated above has been reflected in the Financial Statements of the Claims Conference since 1994 when the Claims Conference initially had unsold inventory as part of its assets. This policy was based on the recommendation of our independent auditors, Ernst & Young, who stated that it was in accord with accepted accounting principles.

Thus, Footnote 11 of the 2005 Financial Statements states in part:

"Amounts for restituted properties awaiting sale have not been recorded in the accompanying financial statements due to the uncertainties involved with establishing a value... Based generally on the original appraisals obtained when the property was recovered coupled with subsequent evaluations, the estimated value of these properties was approximately... The actual value depends on changing market conditions and cannot be established with reliability. Potential Goodwill Fund grants to former Jewish property owners and their heirs may require recognition upon the sale of such restituted properties."

On June 21, 2007 Ernst & Young raised a question whether the Claims Conference accounting policy should be changed so that unsold restituted property is recorded in the Balance Sheet and Statement of Activities rather than being in an unaudited footnote. They are now in the process of implementing their new audit procedures.

The Audit Committee has decided to circulate the attached Financial Statements with the understanding that these draft Financial Statements will be finalized once the process is completed.

Last update - 10:19 05/07/2007

Holocaust claims group to detail real estate holdings it controls

By Amiram Barkat, Haaretz Correspondent

The Conference on Jewish Material Claims Against Germany, the body that represents world Jewry in negotiations for compensation for Holocaust survivors and their heirs, has decided to disclose the details of the real estate assets it holds and will present a list of said assets during a conference Sunday in New York City.

The real estate held by the organization consists of property left unsold by Holocaust victims who had no legal inheritors at the time of their deaths. According to German law, the conference has the right to receive property assets of Holocaust survivors who lack inheritors to execute their wills.

Assessments performed by the conference have determined that they hold hundreds of millions of dollars worth of real estate holdings in what was once East Germany.

In recent years, the conference has sold billions of dollars worth of property of Holocaust survivors, and has utilized the sales to fund organizations that give aid to Holocaust survivors and provide Holocaust education.

Since the real estate sales began, the conference has refused to disclose details of the property in its possession. The formal explanation given by the conference for their prior refusal to disclose its holdings is that disclosure could harm their chances of selling the holdings at the highest possible values.

Martin Stern, an Israeli-British businessman who was one of the leaders of the struggle to bring disclosure of the conference's real estate holdings, said on Wednesday that there is also a need to disclose holdings sold by the conference since 1994, arguing that it is the only way to know if sales were carried out according to the letter of the law.

Accountants for the conference until recently supported the policy of non-disclosure, but in recent weeks have announced that norms of disclosure require that they publish their holdings on a yearly basis.

Haaretz has learned that the accountants' request for disclosure was met with opposition in the conference, but was eventually approved as a matter of policy.

The list of assets disclosed in the organizations yearly assessments will be presented to the directorate of the conference this Sunday in New York City.

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May 8, 2007

President of Jewish Congress Resigns After 3 Years' Turmoil

By **STEPHANIE STROM**

The World Jewish Congress, the tiny nonprofit organization that won billions of dollars for Holocaust survivors, said yesterday that Edgar M. Bronfman Sr., the billionaire liquor magnate who is its largest patron, had resigned as its president.

The organization has been in turmoil for three years since accusations of financial improprieties surfaced against its former secretary general, Israel Singer, attracting the attention of the New York State attorney general and the Internal Revenue Service.

Mr. Singer was close to Mr. Bronfman and served as his spiritual adviser before the two had a falling out this year. Mr. Bronfman declined to be interviewed yesterday, but his resignation raises questions about the future of the organization.

Mr. Bronfman's contributions have accounted for as much as 15 percent of its annual revenues in recent years, and it is unclear whether he will continue that support.

Additionally, donations to the organization declined after the controversy involving Mr. Singer began.

Mr. Bronfman's resignation came as a surprise. The organization's spokesman had assured reporters on Friday that Mr. Bronfman intended to stay on until 2009.

But Stephen E. Herbits, a longtime business associate of Mr. Bronfman's who is the organization's secretary general, said Mr. Bronfman, who served as president since 1979, had long planned to step down. "Edgar has been trying to retire for years," Mr. Herbits said.

In a memorandum to Mr. Bronfman's son Matthew, Mr. Herbits said the organization would need \$5 million over the next two years to turn around its finances.

New accusations of further financial improprieties by Mr. Singer, however, will make raising that kind of money difficult.

In a presentation prepared for the organization's steering committee, Mr. Herbits charged that Mr. Singer withdrew cash from the World Jewish Congress affiliates without accounting for it and covered personal expenses with the organization's money, among other things.

Mr. Bronfman dismissed Mr. Singer in March because of the new accusations, Mr. Herbits said, but if they are true, Mr. Singer will have caused the World Jewish Congress to violate the terms of a settlement it signed with the New York attorney general's office more than a year ago.

Under the agreement, the attorney general could reopen the investigation. A spokesman for Andrew Cuomo, the attorney general, did not return a call seeking comment.

Hank Scheinkopf, Mr. Singer's spokesman, said Mr. Singer had declined to comment on the new allegations "because he is no longer involved with the World Jewish Congress and has moved on with his life."

Mr. Singer's ouster and Mr. Bronfman's resignation and scheduled departure next month also leave the organization with a leadership vacuum, particularly since leaders of the Israeli and European branch have lobbied for Mr. Herbits's departure, as well.

Menachem Rosensaft, a lawyer and founder of the International Network of Jewish Holocaust Survivors, said there was a need for the

World Jewish Congress, which has served as a representative of Jewish diaspora communities around the globe. "I hope that it can continue in that role, but that will require a leadership that enjoys broad-based legitimacy and acceptance," he said.

Mr. Bronfman had hoped his son Matthew would take his place as president, but Matthew Bronfman has been tarnished by accusations that he had conflicts of interest as a board member of the Israel Development Bank, according to reports in Crain's New York Business. Matthew Bronfman has said that there was no conflict of interest.

Ronald Lauder, the billionaire cosmetics executive, sought the presidency a few years ago and has expressed an interest in it again. In his presentation, Mr. Herbits suggested that Mr. Lauder had sought to win Mr. Singer's support during his first bid, maintaining that Mr. Singer "may have accepted" a gift of stock from Mr. Lauder.

Nelson Warfield, Mr. Lauder's spokesman, denied that accusation. "It's an insult to even suggest such a thing," he said.

Now, the 'March of the Living' scandal

Isi Leibler, THE JERUSALEM POST

May. 8, 2007

I recently joined the increasing calls for the Conference on Jewish Material Claims against Germany (Claims Conference) to reform its outdated structure and implement greater transparency in its modus operandi and financial activities.

I also echoed the prevailing frustration that the Claims Conference, by far the richest Jewish foundation in the world, has still failed to provide adequate financial assistance to elderly and sick Holocaust survivors who live in abject poverty in the twilight of their lives. An organization which boasts that it currently holds in trust \$900 million in assets, yet fails to rectify such a condition, must be held accountable for one of the greatest scandals in contemporary Jewish life.

In his rebuttal, published in these pages, Julius Berman, chairman of the Claims Conference, accused me of promoting errors and inaccuracies based on "ancient shibboleths," and adamantly insisted that Claims Conference affairs were being conducted in an entirely transparent manner. He then outlined the vast area of activities encompassed by the Claims Conference, which were never in dispute. However, he failed to respond to the tangible issues I raised, in particular the current plight of impoverished survivors.

In stating that the net assets of the Claims Conference in 2005 amounted to \$900 million, Berman failed to specify whether that sum included the vast real estate holdings acquired since German reunification, which allegedly today makes the Claims Conference one of Germany's greatest landowners.

The dogged refusal to disclose detailed information concerning these properties to heirs, survivors and journalists and operate in a financially transparent manner has led to increasing concerns about possible real estate shenanigans and fuelled allegations of incompetence, impropriety and cover-ups.

THE FUNDAMENTAL problem is that since its inception in 1951, the board of the Claims Conference, comprising primarily non-elected representatives of the 24 founding organizations, has routinely endorsed all distributions recommended by the allocations committee. Whereas the allocations committee presumably comprises reputable people,

in the absence of an independent board critically reviewing allocations, bureaucratization and domination by a small clique was inevitable.

THE TIME is ripe for a discourse throughout the Jewish world to determine criteria for heirs and survivors and resolve ground rules of eligibility for providing grants to worthy organizations or projects, especially those that do not clearly qualify for inclusion within the framework of survivors or Holocaust-related educational activity.

Previous grants have generated controversy because, despite representing deserving causes, some appear to lack any genuine relationship with the Holocaust: e.g., the Tel Aviv Yiddish Theater, sprinklers in Israeli nursing homes, Jewish cultural centers in St. Petersburg, Hatzolah volunteer ambulance services in Brooklyn, Bnei Brak women's organizations and birthright israel.

There may be valid explanations for these allocations. But in the absence of open debate and transparency in determining the criteria for allocating funds, and given the dire needs of impoverished survivors, some seem bizarre and do create grounds for concern. Today the prevailing impression is that a few *machers*, in consultation with a handful of key constituents, behind closed doors, determine where the funds should be distributed and discourage broader discussion on how allocations should be prioritized.

There is also need for a complete restructure of the Claims Conference board, which is now truly outdated, with defunct or minor organizations like the Jewish Labor Committee and the British-based Anglo Jewish Association still represented, while other bodies now occupying important roles in Jewish life are excluded. Israel, with the largest number of Holocaust survivors. is massively underrepresented.

BERMAN CONTINUES to resist calls for his board to remove his president, Israel Singer, who was condemned by a government authority for breaching his fiduciary responsibilities as custodian of charitable funds and, more recently, was dismissed by the World Jewish Congress for ongoing financial improprieties.

Last week a shocking new scandal relating to the New York/New Jersey-based group handling the global March of the Living program was exposed in a joint investigation by the New York-based *Jewish Week* and *Globes*, an Israeli business daily. It has serious ramifications for the Claims Conference, one of the principal donors to this body.

The March of the Living was founded by Avraham Hirschson, the former finance minister currently under investigation for embezzlement. Hirschson transferred its headquarters to the United States and arranged for a certain Curtis Hoxter to be appointed as a consultant to the project.

Hoxter received in excess of \$700,000 allegedly for "fundraising" activities. However, it is clear that the bulk of the contributions were provided to the March of the Living by the Claims Conference and ICHEIC, the Holocaust-related insurance commission.

When asked by *The Jewish Week* and *Globes* why the March of the Living paid him \$700,000, Hoxter replied that he did not have the records accessible and could not recollect why he received the money.

Hoxter, who paradoxically also represented German industrial groups and Swiss banks, was closely associated with Israel Singer, who arranged for him to be paid consultancy fees in excess of \$200,000 per annum from the World Jewish Congress. These unauthorized payments were not disclosed by Singer to the WJC Executive and were terminated after the funding arrangement was exposed.

The payments to Hoxter from the March of the Living commenced approximately the same time that Singer was forced to stop the WJC payments.

Hoxter was also involved in an unconsummated draft memorandum of understanding with Singer to form a three-tiered partnership in a consultancy company in which Singer was to provide \$2 million to qualify as a full partner. The third party was Israeli lawyer Zvi Barak, who collaborated closely with Singer on restitution activities and also served as his personal lawyer.

Barak was condemned by the New York attorney-general's office for refusing to cooperate in relation to the investigation of the \$1.2 million which Singer moved out of the WJC to a custodial account under Barak's control. Barak was also a partner with Avraham Hirschson's son in a disastrous failed business venture.

THE CLAIMS Conference has much to answer for in this latest scandal. It stands exposed for having neglected to exercise oversight after allocating substantial funding for a worthy venture and thus indirectly enabling a questionable consultant, closely associated with their own president, unconscionably to receive massive payments from March of the Living funds.

If the Claims Conference could so badly fail to oversee the utilization of funds in such an important Holocaust-related institution, its oversight in relation to allocations for other enterprises must be reviewed. It would therefore be appropriate to launch an independent forensic audit to cover the broad operations of the organization in order to allay concerns and instill confidence that the Claims Conference is being managed in an appropriate manner.

This latest scandal also highlights the urgent need to introduce new leadership into the Claims Conference, restructure its board and ensure that the public is satisfied that restitution funds are being managed in an exemplary manner. There is surely no other organization more in need of impeccable transparency than the Conference on Material Claims against Germany.

The writer, a veteran international Jewish leader, headed the Australian Jewish community for many years and was a former chairman of the Governing Board of the

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The Jewish Week

SERVING THE JEWISH COMMUNITY OF GREATER NEW YORK

(05/04/2007)

Holocaust Cash Went To Shadowy Pal Of Ousted WJC Leader

Israeli finance minister, now being probed for corruption, urged death camp tour group to hire little-known N.Y. consultant; Singer friend Curtis Hoxter can't explain Larry Cohler-Esses and Ran Dagoni

An internationally known Holocaust education group disbursed — apparently illegally — more than \$700,000 to an associate of an Israeli cabinet minister now under investigation for corruption, a joint investigation by The Jewish Week and the Israeli business daily Globes has learned.

In 2003, March of the Living, a New Jersey-based charity, began payments totaling \$709,000 to Curtis Hoxter, who is also closely tied to former World Jewish Congress leader Israel Singer. The group began its payments to Hoxter the same year Singer was instructed to stop funneling unauthorized payments to him via the World Jewish Congress — payments that had by then totaled \$657,600.

During this time, Singer was also involved in negotiations to join Hoxter's Manhattan public relations firm as a partner.

David Machlis, president of March of the Living, told The Jewish Week that it was Avraham Hirschson, the group's founder and now Israel's minister of finance, who introduced Hoxter to the group and urged his hiring. Hirschson, a key partner of Israeli Prime Minister Ehud Olmert, "suspended" himself last week as finance minister pending the outcome of a police investigation. He is suspected of embezzling millions of dollars in Israeli health care and union funds prior to taking his cabinet position.

Hirschson's Tel Aviv attorney, Yakov Weinrot, confirmed it was his client who brought Hoxter to March of Living. But, said Weinrot, Hirschson "did not realize his salary would be so big." Weinrot emphasized that March of the Living was a "independent entity," though Hirschson founded the group and ran it for many years.

Singer was forced out of the World Jewish Congress in March after being removed from positions of financial responsibility there in 2006 — the year an investigation by then-Attorney General Eliot Spitzer found Singer and his chief aide, Elan Steinberg, responsible for financial mismanagement of the group.

According to WJC sources, Singer and Hirschson have been close since at least the mid-1990s when Hirschson was chairman of the Israeli Knesset committee devoted to regaining Jewish assets lost in the Holocaust, a cause that Singer led.

"They were friendly on a social basis and went out together on social occasions," recalled one WJC source. "Hoxter has even been a visitor at Singer's home."

Hirschson's March of the Living, a Jewish identity program that takes Jewish teenagers to Holocaust sites in Poland and then on to Israel, receives major funding from the Conference on Jewish Material Claims Against Germany, of which Singer is still president.

Eliezer Singer, Israel Singer's son, relayed a statement from his father, who he said was traveling abroad and unavailable: "I'm not involved in allocating Claims Conference funds and

certainly have no say or interest in any consultants that grant recipients might choose to hire," Singer's statement said.

According to tax records, the March of the Living payments to Hoxter took place over three years and were purportedly for fundraising services. But Hoxter has never registered with the New York State attorney general as a fundraiser or fundraising counsel, and is unable to explain what he did for payments he received.

"It was a minor activity," he said. "I did fundraising, basically an activity to advise them to run a campaign in the U.S."

Asked what fundraising activity he had conducted on the group's behalf, Hoxter said, "I have no idea. I have no recollection. It was just something I assisted on. I prefer not to go into any details. It was not a major activity. I'd have to check my records."

Hoxter, 85, said he had helped the group make "contacts." Asked to name some of the contacts he facilitated, he replied, "I have no ideas about details."

For March of the Living, the payments to Hoxter were anything but minor. In 2003, tax records show, his fee of \$279,200 constituted more than one-third of the group's budget for that year.

Who Is Hoxter?

Born in Germany to Jewish parents in 1922, Hoxter has, during his long public relations career, represented — apparently simultaneously — both the WJC and Swiss banks charged by the WJC with withholding funds from Holocaust survivors after World War II.

A December 1998 New York Times article— published during the WJC's struggle for restitution from Swiss and German banks that had held onto Jewish assets after World War II — described Hoxter as one of a number of Jewish lawyers and consultants "defending the companies from which compensation is being sought."

Hoxter, who fled Germany in 1938, before the Holocaust, "has spent much of his career representing German and Swiss companies, a role he says his first wife, now deceased, viewed with displeasure," the Times reported then.

Yet just six months earlier, a roster of participants at a State Department conference on Holocaust restitution listed Hoxter as adviser to the WJC's delegation.

In his book on the restitution controversy, "Imperfect Justice," Stuart Eizenstat, the Clinton administration's point man on the issue, recalled, "The Swiss would later jokingly refer to Hoxter as a 'double agent,' but in reality he was Singer's man, a shadowy but effective figure who mysteriously turned up at key moments."

Despite some calls for his removal, Singer remains president of the Claims Conference, which has granted more than \$7.4 million to March of the Living since 1998. Claims Conference officials insist that Singer has never had any role in its allocations process.

"We are not aware of anyone from the Claims Conference making such a recommendation," said Hillary Kessler Godin, the conference's communications director, when asked if any conference officials had urged March of the Living to hire Hoxter.

The Claims Conference, which supplied grants to March of the Living even predating Singer's tenure as president, designated its funds to the group exclusively for scholarships, Godin noted. The funds enable high school students to join March of the Living's annual Holocaust education trips to Poland and Israel, she said.

But former WJC governing board chairman Isi Leibler, who first discovered Singer's payments

to Hoxter at the WJC and raised alarms about Singer's financial practices there, said, "That March of the Living paid Hoxter massive, yet unexplained rewards while being funded by yet another group led by Singer can only be described as unconscionable and obscene."

He dismissed the defense that Claims Conference money funded only scholarships, noting money is fungible.

"Claims Conference officials have the obligation of overseeing and ensuring that grants to organizations like the March of the Living are properly employed," Leibler wrote via e-mail. "In the absence of any rational explanation, their failure to do so is an indictment, and every effort must now be employed to recoup these funds."

Spitzer's probe found that the earlier WJC transfers to Hoxter occurred from 2001 through 2003. But Hoxter's accountant wrote the then-attorney general that Hoxter had "no documentation or description of services performed, or time records" to account for any WJC work during this period. The payments were never reported on WJC's tax records, as required by law, a failure Spitzer blamed on the group's auditor.

"Hoxter was secretly receiving these funds," said Leibler. "The payments were never approved, and not a single WJC official but for Singer even knew he was on the payroll."

In late 2003, when Leibler and Elan Steinberg, then WJC's senior adviser, discovered the payments, Steinberg asked Singer to justify further outlays to Hoxter, Leibler related. "Singer declined to do so. Consequently, the payments to Hoxter were immediately terminated."

"The claim that no one at the WJC knew about Hoxter is simply false," Israel Singer retorted via an e-mail his son relayed. "The record shows he worked closely with senior WJC leaders since the late 1980s on many issues ranging from [Austrian President and former SS officer Kurt] Waldheim to restitution."

But Leibler's complaint is that no WJC officer besides Singer knew Hoxter was working for — not with — WJC; and at a salary ranging from \$203,400 to \$232,400 per year, making Hoxter the WJC's American Section's second highest paid employee.

A follow-up question to Singer on this point via e-mail elicited no response by press time.

Crossing The Charity Law Line

Under state law, charities and their fundraisers are obligated to register and file tax reports with the state attorney general if they raise more than \$25,000 in New York. Fundraisers must also file copies of contracts with charities using their services. Despite the fact that March of the Living far exceeded the state threshold, neither it nor Hoxter are registered. Willful failure to register is a criminal misdemeanor.

Machlis, March of the Living's president, denied his group had to file these documents. "Not including funds generated through the Claims Conference, which is not a public solicitation, virtually no funds were raised in New York," he said.

But charities law expert William Josephson, who headed Spitzer's Charities Bureau, said the Claims Conference's money could not be excluded. "The statutory definition of 'solicit' is not dependent on whether the solicitation is public or private. It covers any solicitation," he said.

Machlis did not respond to repeated requests to see a copy of any contract his group had with Hoxter, outlining work he had agreed to do.

Any misuse of Claims Conference funds, even indirectly, would be regarded as something akin to desecration in many quarters. The money comes from governments and institutions that were complicit in victimizing Jews during and after the Holocaust, and is meant to compensate its survivors and their heirs. A smaller amount is reserved for grants to groups involved in

Holocaust education, research and remembrance, such as March of the Living.

March of the Living denied Singer had anything to do with its payments to Hoxter. But the disclosure by Machlis, its president, that Hirschson brought Hoxter to the group may open up more questions than it answers about the tangled ties linking Singer, Hirschson, Hoxter, and a fourth individual named Zvi Barak.

Barak, Singer's longtime attorney, is also one of Hirschson's longtime associates and the business partner of his son, Ofer Hirschson, in the Hirschson-Barak Corporation.

Barak was intimately involved in Singer's WJC financial controversies. Spitzer's probe found that Singer had improperly transferred \$1.2 million in WJC funds from a Swiss bank to a custodial account in London controlled by Barak.

Spitzer also discovered that between 2001 and 2003, Barak and Singer were in active negotiations to join Hoxter's p.r. firm. Barak circulated several versions of a memorandum of understanding outlining proposed terms for a partnership. One version obligated Singer to bring to Hoxter \$2 million in clients annually for two years before he could become an equal partner. According to Spitzer's probe, the draft memoranda were never signed or implemented.

In 2004, Barak's relationship with Hirschson's son sparked a Holocaust restitution controversy of its own. Barak worked then as advisor to a special Knesset committee investigating Israeli banks that, like some Swiss banks, had never returned millions of dollars in deposits from Holocaust victims after World War II.

Barak provoked a furor when, at a Knesset committee meeting, he rejected the conclusion of five accounting firms that the Israeli banks should return more than \$172 million to Holocaust survivors or their rightful heirs. He instructed the accountants to rework their findings using new guidelines suggested by the banks, according to Israeli press reports of the meeting. This reduced by about 90 percent the compensation the Israeli banks owed survivors and their heirs.

It later emerged that the Hirschson-Barak Corporation was heavily in debt — for more than \$26 million — to the banks in question; a fact Barak had not disclosed when asked about conflicts of interest before he became the Knesset committee's adviser. Challenged on this, Barak replied that the debt was corporate, not personal, so there was no need to disclose this — a response the Knesset's legal adviser accepted.

'Suspicious Connections'

The tangle of relationships between Hirschson, the March of the Living founder and Israeli cabinet minister; Barak, his longtime associate and also Singer's attorney; Hoxter, the p.r. consultant, Hirschson associate and longtime Singer friend; and Singer himself adds fuel to the central question:

What work did Hoxter — an octogenarian who has never registered as a fundraiser — do for the \$1.36 million he got from two organizations tied to members of this quartet?

Last week, the Claims Conference announced its in-house financial controller, Yigal Molad, was launching an "in-depth audit" of grants it had made to March of the Living in response to the Israeli police investigation of Hirschson and "recent allegations in the media."

"Even more than other public funds, restitution and reparation monies are sacred," said Menachem Rosensaft, founding chairman of the International Network of Children of Jewish Survivors. "It is unconscionable that any funds, let alone, hundreds of thousands of dollars, intended to benefit Holocaust survivors, should be funneled instead to feather the nest of a shadowy figure with highly suspicious connections to both Avraham Hirschson and Israel Singer." n

Larry Cohler-Esses is Jewish Week editor at large; Ran Dagoni is Washington correspondent for Globes, Israel's leading business daily newspaper.

Editor's Note: In 2002, Israel Singer sought to recruit one of the authors of this article, Larry Cohler-Esses, for a job with the World Jewish Congress. Investigators for then-New York Attorney General Eliot Spitzer later interviewed Cohler-Esses about that meeting.

The Jewish Week

SERVING THE JEWISH COMMUNITY OF GREATER NEW YORK

(06/22/2007)

Claims Conf. Reverses Course On Audit

Restitution group now says it will probe questionable March of Living outlays.

Larry Cohler-Esses - Editor At Large

In a change of course, the organization that disperses Holocaust restitution funds has decided to review the past financial practices of March of the Living, a Holocaust education group dogged by allegations of financial impropriety.

The Conference on Material Claims Against Germany confirmed Monday that it had instructed its chief auditor to examine allegations that March of the Living wrongly dispersed \$709,000 to a politically connected consultant from 2002 through 2005.

The new mandate to the conference's auditor expanded the scope of a previously ordered audit. After a May 4 article in *The Jewish Week* raised questions about March of the Living's outlays to public relations consultant Curtis Hoxter, the conference ordered an audit of the group, one of its major grant recipients — but not for the period in question.

Claims Conference spokesperson Hillary Kessler Godin said at the time that the audit would look only at "procedures of March of the Living that are currently in place."

It is not clear what prompted the change in instructions. But one key member of the conference's control committee was reportedly "outraged" by the conference's initial position, according to a source monitoring the situation. The source spoke on condition of anonymity to preserve his relationship with the committee member.

According to Godin, the control committee instructed its chief auditor to "carry out an in-depth review" of March of the Living that "will also cover the recent accusations" against the group. She confirmed this would encompass review of March of the Living's outlays to Hoxter from 2003 through 2005.

In the May 4 *Jewish Week* article, neither Hoxter nor March of the Living officials were able to explain what Hoxter did for the money. The article noted that Hoxter was a longtime associate of Israeli Finance Minister Avraham Hirschson and former World Jewish Congress and current Claims Conference president Israel Singer. It also noted that Singer had been in discussions with Hoxter about becoming a partner in his public relations firm.

Singer was ousted from the WJC last March amid charges he had mishandled or misappropriated millions of dollars. He has admitted some of these charges but denied others. He remains president of the Claims Conference until July, when new elections are scheduled; Singer will not seek re-election.

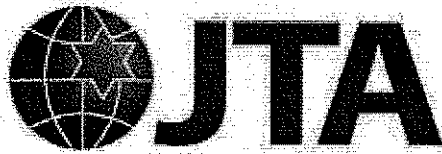
Hirschson is currently on leave from his Finance Ministry post due to a police investigation into charges that he earlier embezzled union funds.

The March of the Living outlays to Hoxter began the same year Singer was ordered to stop channeling earlier WJC expenditures to him. The WJC funds to Hoxter were never reported on the group's tax reports, as required by law, and were, according to WJC leaders, unknown to them until their accidental discovery in 2003.

That same year, Hirschson, a longtime Singer associate who founded and, for many years, led March of the Living, introduced Hoxter to the group's current leaders and urged them to hire him.

Singer has denied exerting any influence to get Hoxter hired by March of the Living.

The Claims Conference, meanwhile, has stressed that Singer, its president, takes no part in its allocations process. The Claims Conference has funded March of the Living for many years with annual grants of about \$700,000. The conference also emphasizes that these funds are earmarked exclusively to subsidize students who sign up for March of the Living's spring educational tours to Holocaust death camps in Poland and then on to Israel. The outlays to Hoxter came from other sources.



The Global News Service of the Jewish People

Survivors still seek justice

Edwin Black

Holocaust survivor groups and key congressional leaders have joined two separate issues — the opening of the Bad Arolsen archives on Holocaust victims and the quest to recover unpaid insurance claims — into a single cause.

NEW YORK (JTA) — Reaction to recent revelations of corporate complicity, unrevealed insurance company involvement and the great number of IBM punch cards among the papers in a secret archive in Bad Arolsen, Germany, have reignited a grass-roots campaign among Holocaust survivors to recover Nazi-era insurance claims against companies such as the Italian insurance giant Generali.

Following a series of revelations that began last year in Jewish media, grass-roots survivor and second-generation groups in Miami and New York have mounted a fierce campaign in Congress to supersede international agreements brokered by the State Department to settle insurance claims through the International Commission on Holocaust Era Insurance Claims (ICHEIC), as well as a variety of adverse Supreme Court rulings that have denied survivors the right to sue to recover policy claims or disgorge profits from the insurance companies.

The groups have used revelations about the unreleased Bad Arolsen records as a rallying point to prove that their insurance claims have been pushed into oblivion. Key congressional leaders agree and have promised swift action.

Thus, two separate issues — the opening of the Bad Arolsen archives and the quest to recover unpaid insurance claims — have been joined into a single cause among survivor groups and key congressional leaders.

The latest round of efforts began last fall, when officials of survivor groups unsuccessfully demanded that ICHEIC and other authorities postpone the final disposition of claims pending further research in the International Tracing Service files at Bad Arolsen. The groups include such elected bodies as the Miami-based Holocaust Survivors Foundation USA and the Queens, N.Y.-based National Association of Jewish Child Holocaust Survivors.

The International Tracing Service, or ITS, was established by the Allies after the war to help families trace Holocaust and war victims. The Allies forwarded millions of captured documents to

the facility in Bad Arolsen. The International Red Cross was given custody and control of the archives, which provided information on individuals only to survivors and their families. A typical family request could take years to process.

In January, Holocaust survivors petitioned federal Judge George Daniels to reject a settlement with Generali because ICHEIC had failed to publish the names of all Jews whom the company insured before World War II. The petition, which included numerous quotations from the Jewish media about Bad Arolsen's insurance documentation, decried the alleged rush to judgment.

Judge Daniels temporarily delayed a decision, but ultimately finalized the permanent settlement with a limited extension for claims based on discoveries that might emerge from the Bad Arolsen archive.

Having lost in court — and convinced that established Jewish organizations would not aid them — survivor groups lobbied Congress to link the campaign to open Bad Arolsen to the separate campaign to recover insurance claims and compel disclosure of the names of those insured.

On March 28, U.S. Rep. Ileana Ros-Lehtinen (R-Fla.) introduced the Holocaust Insurance Accountability Act of 2007, to enthusiastic support on both sides of the aisle.

The act seeks to supersede international agreements brokered by the State Department to settle insurance claims through ICHEIC. The bill concludes that ICHEIC, which is due to terminate operations soon, "did not make sufficient effort to investigate" or compile the names of Holocaust-era insureds or the claims due to survivors. The bill adds that recent media disclosures about the contents of Bad Arolsen have given new justification to such legislation.

In response, a representative for ICHEIC said the commission had accomplished its mission of identifying and settling unpaid Holocaust-era life insurance claims by processing more than 90,000 claims and distributing more than \$306 million to more than 48,000 claimants. More than half of the funds distributed via ICHEIC were the result of ICHEIC's archival research and matching work, the representative said..

Still, Ros-Lehtinen's bill would require insurers to disclose comprehensive lists of Jewish policyholders from the Nazi era. The legislation also would enable federal lawsuits to recover money from insurers, thus overruling ICHEIC's final word and a variety of Supreme Court rulings that have denied survivors' rights to sue or gain access to policyholder names.

The proposed law thus would trump both the executive and judicial branches on Holocaust-era insurance.

The same day that Ros-Lehtinen's bill was introduced, Rep. Robert Wexler (D-Fla.), chairman of the House Foreign Affairs Committee's Subcommittee on Europe, convened an extraordinary hearing on Bad Arolsen. The purpose was to orchestrate congressional pressure on the 11 governments — the United States, France, England, Belgium, Greece, Luxembourg, Netherlands, Poland, Israel, Italy and Germany — that control the ITS to rush full access to its archives, providing the insurance information that has been submerged for decades.

Members of the Foreign Affairs Committee sat stony and grim-faced, some holding back tears, as the hearing unfolded about the Bad Arolsen archives and their impact on survivors' decades-long effort to recover their insurance claims. Survivor David Schaefer of Miami, who admitted he was "emotionally overcome," spoke of impoverished survivors in South Florida who cannot afford housing or medicine because their insurance payouts were first denied by the insurance companies and then by ICHEIC.

"I am begging this Congress," he implored, "to please believe us. We have been wrongly stripped of our pride and property."

Leo Rechter of Queens pleaded, "Open up Bad Arolsen to expose the Holocaust profiteers."

Rep. Albio Sires (D-N.J.) held back tears both in the hearing room and in the corridor. Wexler promised to fast-track legislation and action to open Bad Arolsen.

"We will take the next step and then the next step, and then the next step," Wexler said.

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MIRA NAIR

April 6, 2007

New Accusations Are Raised After Firing in Jewish Group

By STEPHANIE STROM

The controversy surrounding the World Jewish Congress, the tiny nonprofit organization that won billions for Holocaust survivors, continued this week, as its chief patron, Edgar M. Bronfman, accused its former leader, Israel Singer, of misusing money and concealing "significant information."

"I learned that a man I called my rabbi, my friend and even my son had undermined the very principles of morality and integrity we fought together to preserve around the world," Mr. Bronfman, the group's president, wrote in a March 30 letter to congress affiliates in Europe and elsewhere. The letter also accused Mr. Singer of spending the organization's money for his personal use and of lying to Mr. Bronfman.

Mr. Singer's lawyer, Stanley S. Arkin, denied the accusations in the letter. "The allegations, in so far as a claim that he did anything which was morally or legally wrong, are themselves dead wrong," Mr. Arkin said.

He said any World Jewish Congress money Mr. Singer used was for the purposes of the organization.

"You have to understand that this was not a company that kept pristine books," Mr. Arkin said. "In many ways, the W.J.C. was a powerful, kind of unique operation that was the spirit and energy of Israel Singer and the money and status of Edgar Bronfman."

Mr. Bronfman's announcement last month that he had fired Mr. Singer upset some Jewish leaders, and Mr. Bronfman wrote that his latest letter was intended to respond to their concerns.

He suggested that he had no choice but to dismiss Mr. Singer after new information surfaced about a puzzling chain of money transfers that started a controversy over Mr. Singer's leadership three years ago. He said he had tried to get Mr. Singer to leave the organization in a way that would "preserve some dignity," but to no avail.

"Without our own action to maintain integrity, the New York State attorney general and the U.S. Internal Revenue Service can apply sanctions to the W.J.C. itself," he wrote.

The attorney general's office completed an investigation last year that found no evidence of criminal wrongdoing, but found that Mr. Singer had violated his fiduciary responsibilities and barred him from any further financial role in the organization.

Stephen E. Herbits, a longtime business confidant of Mr. Bronfman who is the organization's secretary general, said new information had come to light that had to be conveyed to the attorney general under the terms of a settlement the organization had signed. Mr. Herbits declined to

disclose that information because the group's steering committee did not yet know it.

A separate I.R.S. investigation continues, Mr. Herbits said.

In his letter, Mr. Bronfman said Mr. Singer "never paid taxes on the money he took for his own use." His letter also accuses Mr. Singer of "playing games" with hotel bills in a way that violated World Jewish Congress policies and proper accounting procedures.

Mr. Arkin said he doubted that Mr. Singer had failed to pay taxes. As for the hotel bills, Mr. Arkin said: "Can you imagine how miserable and almost mindlessly petty, given that he's talking about a man who's in Jerusalem fighting for the Jewish people, it is to talk about whether the bill is signed off in the right way?"

Mr. Herbits said that how the hotel bills were handled was pertinent under the agreement with the attorney general. "Whether or not the amount involved is petty isn't relevant," he said. "It is that it violates the terms of that agreement."

ONLINE EDITION
JERUSALEM POST

It's time to reform the Claims Conference

Isi Leibler, THE JERUSALEM POST

Apr. 9, 2007

Over the past year, escalating complaints and demands for greater transparency have been directed against the management of the Conference on Jewish Material Claims Against Germany (Claims Conference), the organization responsible for recovering and distributing Jewish assets plundered by the Nazis.

Many of the complaints are long-standing and were exposed in 1997 in a series of articles by Netty C. Gross in The Jerusalem Report. The central issue remains the allegation that

whereas the Claims Conference does disclose allocations, it lacks transparency regarding the manner in which it allocates funds. Critics insist that it functions more like an old boys club than a representative body, and that its board is merely a rubber stamp endorsing the decisions of a few machers who make decisions among themselves and only consult their key constituents. This is confirmed by the fact that the board never meaningfully challenges allocations submitted by the selection committee.

As the vast majority of directors are themselves representatives of organizations benefiting from distributions, they are also disinclined to rock the boat by attempting to reform the structure.

That is possibly why the government of Israel and the Jewish Agency - both major beneficiaries of Claims Conference funds - have hitherto failed to demand greater transparency and bring about reforms to the composition of the board, which remains virtually unchanged since it was created in 1951.

That it no longer reflects the reality of current Jewish life is exemplified by the fact that virtually extinct organizations such as the Anglo-Jewish Association and the Jewish Labor Committee still retain board status similar to the Jewish Agency.

THE MOST passionate complaint against the board is that as a consequence of years of delayed processing and neglect - and despite its being one of the wealthiest foundations in the world - many aged Holocaust survivors in poor health will not live to receive their restitution entitlements. In recent years the efficiency of processing applications has improved, but there are still numerous complaints. Many rank-and-file survivors also insist that their representatives on the board no longer adequately represent their interests.

When one thinks about the millions of dollars provided by the Germans for administrative expenses, it is regrettable that an independent ombudsman structure was not established. That would have enabled complaints to be objectively assessed, and survivors could have avoided resorting to American and German courts to resolve their problems.

ALLEGATIONS THAT senior executive salaries and expenses are extravagant may be unjustified, but they should nevertheless be open to public scrutiny. Meanwhile, there are valid grounds for questioning fees expended to middlemen, consultants, lawyers and public relations organizations.

There are also mounting complaints that the Claims Conference still fails to fully disclose its assets, and that it sold Jewish properties appropriated by the Nazis without providing adequate notice to heirs to register claims. Ugly rumors are circulating concerning the Frankfurt Claims Conference office, which operates a huge real-estate empire and disposes of properties in what critics describe as a shady, non-competitive manner. Recently class action proceedings were instituted in a German court by Gabriele Hammerstein, alleging that the Claims Conference had blocked her claim to her parents' sanatorium.

Allegedly, this is merely the tip of the iceberg because the value of assets from East Germany alone may amount to billions of dollars. In addition, murmurings are increasing about plundered Jewish artworks which the Claims Conference is apparently also reluctant to fully disclose. All these issues could be laid to rest if genuine transparency applied.

FINALLY THERE is the ongoing debate over whether the Claims Conference has adequately memorialized the German victims of Nazi persecution, whose property still provides millions in restitution funds. This is exemplified by the plaque at Yad Vashem acknowledging - by name - senior directors of the Claims Conference for grants bestowed, rather than emphasizing the actual victims of the Holocaust.

A rising disquiet about Claims Conference management has now intensified following the bizarre response by Chairman Julius Berman to calls for Israel Singer to step down from the Claims Conference presidency after the WJC - a constituent organization of the Claims Conference - fired him.

Instead of declining to comment prior to consulting his board, Berman responded that "our position for years has been - and remains - that this sounds like an internal fight within the World Jewish Congress, and it would be inappropriate to allow the dispute to come out into the public at the Claim Conference."

He added "In my opinion, Singer can continue to function because of who he is and what he represents."

Berman does not represent any organization on the Claims Conference board, but is a senior partner in a major law firm, an Orthodox rabbi and a former chairman of the Conference of Presidents of Major American Jewish Organizations.

After virtually the entire global media - not to mention sundry anti-Semitic Web sites - had been disseminating the lurid WJC scandal, Berman's ex-cathedra announcement that Singer could stay on and negotiate with governments on behalf of the Jewish people is nothing less than astonishing.

A New York Jewish Week editorial asked: "Now that Singer has become a liability found to have violated his fiduciary responsibilities to the WJC, can the Claims Conference... allow him to stay on as a leader championing morality and righteousness?"

The Jewish Press, a Brooklyn-based Orthodox weekly, queried "whether someone with a serious cloud over his head can continue to function effectively as the lead representative of the Jewish community in an effort to address one of history's most profound moral issues. This, frankly, is a question that should have been asked several years ago, when the attorney-general of the State of New York came to some rather negative conclusions about Mr. Singer's stewardship of WJC finances, although no criminality was found."

BERMAN'S surprising response has now raised questions about the moral compass of the Claims Conference leadership. Clearly, an organization acting as trustee for Jewish restitution funds must not only be pristine-pure, its officers cannot even be perceived as being in any way associated with improprieties.

Berman's statement of support for Singer should, I would expect, accelerate demands by the government of Israel and leading Jewish organizations to insist on a long-overdue review of the Claims Conference structure.

Whatever the outcome, the need to thoroughly restructure in order to enable the Claims Conference to better reflect the reality of today's Jewish life must become a top priority. If the complaints prove unfounded, transparency will at least put an end to false rumors.

After the WJC debacle, we must ensure that the vastly more important Claims Conference, whose decisions will have a profound impact on the future of the Jewish people, is managed by a regime of good governance in a totally open manner and fulfills its mandate of serving the interests of survivors and their heirs, as well as enshrining the memory of those who perished during the Holocaust.

The writer chairs the Diaspora-Israel relations committee of the Jerusalem Center for Public Affairs and is a veteran international Jewish leader.

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The Jewish Week

SERVING THE JEWISH COMMUNITY OF GREATER NEW YORK

(05/04/2007)

Holocaust Era Claims: Mission Not Accomplished

Yisroel Schulman

The International Commission on Holocaust Era Claims (ICHEIC), with a mandate to help policyholders and their heirs receive monies from unpaid Holocaust era insurance claims, held its final meeting in Washington, D.C., on March 20. After nine years, ICHEIC is out of business.

In the weeks following ICHEIC's closing, there have been articles chronicling that organization's alleged successes. While those same articles mention that ICHEIC has had its share of critics, not enough thoughtful analysis has been given to the commission's real failures.

ICHEIC is often lauded for having processed, free of charge, more than 90,000 claims and compensated more than 48,000 claimants. What is not made clear, however, is that, of these 48,000 claimants, about 34,000 of them received so-called humanitarian awards of \$1,000. Only 14,000 claimants who applied to the commission were compensated because their relatives were actually determined to have bought insurance policies.

To put this in perspective, the Conference on Jewish Material Claims Against Germany recently met with German Chancellor Angela Merkel to bring to her attention the fact that the German social security administration has denied ghetto pensions to about 61,000 of the approximately 70,000 survivors who applied for such compensation. With a failure rate of over 87 percent, the German program has been rightfully and widely criticized by survivors and Jewish and humanitarian organizations. Considering that ICHEIC has done only marginally better, why hasn't there been a similar public uproar?

Over the years, ICHEIC fostered the notion that claimants were denied compensation solely because they did not have adequate documentation regarding purchased insurance policies. However, we are aware of numerous claimants (only the commission knows the precise number who fall in this category) who, in fact, had definitive proof that policies were purchased, but were nonetheless denied compensation because the commission allowed the use of "negative evidence."

For example, if a claimant had a copy of an actual insurance policy that her relative had bought from the Generali Insurance Company, but the policy information did not appear in Generali's records, the "negative evidence" would lead to her application being denied. It was ICHEIC's decision to allow the use of "negative evidence," which certainly belies the claim of Lawrence Eagleburger, the commission's chairman, that the organization's principal purpose was to find claimants and pay them.

Other examples of ICHEIC's failings include the way in which it dealt with decisions made by the Generali Trust Fund (GTF). The trust fund was created to process claims concerning Generali and, in that capacity, had the authority to determine if claimants had compensable claims. As early as November 2002, ICHEIC had concerns that GTF's performance was below acceptable standards and, in late October 2004, the commission terminated its relationship with the trust fund, citing GTF's gross incompetence. Despite acknowledging GTF's sub-par performance, ICHEIC refused to review any of the fund's final decisions, thereby denying claimants a fair decision-making process.

There has been mention in the press that ICHEIC, over its nine-year lifespan, spent approximately \$100 million on administrative expenses. Because the commission distributed about \$300 million to the 48,000 claimants noted above, for every \$3 that went to the heirs of insurance owners, about \$1 went to keep ICHEIC's bureaucracy afloat. The commission, which was funded with about \$550 million, is going out of business with monies left over.

According to various press reports, ICHEIC has disbursed between \$174 million and \$200 million through a humanitarian fund to support Holocaust education and needy survivors. Unanswered questions include who made these "humanitarian" decisions and, indeed, whether it was ever in ICHEIC's mandate to disburse money for philanthropic purposes.

Among those benefiting from the commission's largesse is a program called the "Initiative to Bring Jewish Literacy to Youth in the Former Soviet Union." From 2004 to 2006, ICHEIC spent \$3.4 million to send children to camp in St. Petersburg and Moscow. While a good cause, one would be hard-pressed to find a true nexus between that grant and ICHEIC's mission to facilitate the processing of insurance claims from the Holocaust period.

At the final commission meeting, Chairman Eagleburger is quoted as having said that ICHEIC "has achieved its goal of bringing a small measure of justice to those who have been denied it for so long." As a lawyer who has closely worked with ICHEIC claimants, I sadly disagree. For nine years, ICHEIC failed the very people it was created to serve. n

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The Jewish Week

SERVING THE JEWISH COMMUNITY OF GREATER NEW YORK

(06/29/1997)

'Phantom Rule' May Have Limited Holocaust-Era Awards To Claimants

Former arbitrator says policy that should have favored survivors and heirs was not applied in many cases.

Stewart Ain - Staff Writer

When a commission investigating Holocaust-era life insurance policies ended its work in March after nine years, it boasted that it had awarded more than \$300 million to survivors and their heirs.

Now, a former commission arbitrator is criticizing the group's work, alleging that a "phantom rule" was used by some of the dozens of arbitrators, accounting in part for the denial of 84 percent of all claims filed.

The arbitrator, Albert B. Lewis, who is also a former New York State insurance superintendent, is calling for a reopening of these cases.

The "phantom rule," as Lewis described it, was that without an actual insurance policy in hand, either from the company or the claimant, the onus was on the claimant in seeking financial redress.

In fact, though, when the commission was established, the actual rules called for a more sympathetic stance toward the survivors and their heirs, specifying that there would be "relaxed standards of proof" favoring the claimant in determining the awards.

Lewis's comments follow that of other critics of the International Commission on Holocaust-Era Insurance Claims (ICHEIC), who have pointed out the wording of the 1998 memorandum of understanding signed by the six major European insurance companies that provided the money. The memorandum said the commission "shall establish 'relaxed standards of proof' that acknowledged the passage of time and the practical difficulties of the survivors, their beneficiaries and heirs, in locating relevant documents."

Lewis told The Jewish Week that Katrina Oakley, the commission's law administrator in London, had tried to pressure him into changing two awards that he granted to claimants. She complained that his interpretation of "relaxed standards of proof" differed from that of other arbitrators.

In an e-mail she sent Lewis on Nov. 26, 2003, Oakley wrote that she was "concerned" that his "interpretation is sufficiently different that it would set a precarious precedent."

Oakley wrote also that in cases where neither the heir nor the company was able to prove a policy's existence, "the appellant has a heavy burden of proof that" such a policy was issued.

Lewis said he refused to change his ruling and that the appellants were paid because the "phantom rule" Oakley cited "was never adopted by ICHEIC, nor was it included in the arbitrator's handbook."

"Ms. Oakley had no authority to promulgate any of ICHEIC's rules," Lewis said.

He relied instead, he said, on rules adopted by ICHEIC that said arbitrators should be more lenient, following the "principles of equity and justice." And he quoted the commission's chairman, Lawrence Eagleburger, as saying "there is intentionally built into the standards wide latitude and flexibility."

But Oakley delayed granting the contested awards, prompting Lewis on June 15, 2004, to send her an e-mail saying he considered her actions a "blatant attempt to pressure me as an arbitrator to reverse proposed monetary awards to claimants. It was a flagrant violation of the rules and it denied the claimants due process. ... Your unauthorized conduct in delaying [the] award during which [the claimant] is receiving no interest is an affront" to those who drew the rules and acted as arbitrators.

Elan Steinberg, a former member of the ICHEIC board, said he had never heard of the "phantom rule" and termed it a "smoking gun" for those who are still seeking payment of their relatives' Holocaust-era life insurance policies.

"We had agreed that we would use relaxed standards of proof, which is contrary to the adjudicator's letter," he said, referring to Oakley.

Steinberg, who left the commission in 2004, said he was “deeply saddened and troubled” by the high percentage of claim rejections.

“There should be no statute of limitations on justice,” he said.
“There is no question in my mind that these issues, which touch on the moral and ethical obligations we have to our Holocaust martyrs, must remain open.”

Sidney Zabłudoff, a retired U.S. government economist who was a consultant to Jewish claims restitution groups and has been highly critical of ICHEIC, said he had never before heard of the “phantom rule.”

Although he said it was “always clear” that documentary proof of each Jewish life insurance policy could never be found – he estimated that there were 870,000 of them in 1938 in what was later Nazi-occupied Europe – the commission’s rejection of 84 percent of claims “sounds a little high.”

“ICHEIC rules clearly state that there was to be a relaxed standard of proof and that if any evidence existed at all, the burden of proof shifted to the company,” he said.

The rule Oakley mentioned in her e-mail, Zabłudoff said, “is absolutely strange because it is against ICHEIC’s precedent.. I never heard anybody say that.”

Lewis said he was unable to review the cases before him in a detached way.

“You have to be made of wood not to feel the pain,” he said. “One woman of six siblings is living in Borough Park and said she had a sister who had a \$10,000 policy. I believed her. She said she went to five concentration camps and when she was liberated she couldn’t walk. She asked me to hurry up [with his review] because if she got something [from the policy] she would like to share it with her grandchildren. Is there an emotional involvement? Yes. Should I tell her she’s a liar? I gave her \$104,000. It was my last award. They were upset with that one too.”

The \$104,000 reflected the price of the insurance payoff adjusted for inflation over more than 60 years.

After his ruling, Lewis said he learned that the woman wrote to ICHEIC “wanting to know my mother’s name because she wanted to make a special prayer for her memory. ... If I had to do it again, I

would.”

Asked why he was coming forward now, Lewis said he was not aware of the high percentage of rejected claims until the commission released the figures in March. He said that of the more than 90,000 claims made, 78,814 – or 84 percent – were denied.

What’s more, 34,158 of the claimants received a \$1,000 humanitarian award, seemingly a token amount.

“Is a humanitarian award a mendicant award?” he asked.

“I’m appalled,” Lewis continued. “It indicates to me that something is wrong, and part of what might be wrong is that phantom rule that was put into the system.

“When ICHEIC was formed, [heirs] were urged to file their claims. Thus, they were given hope by ICHEIC that their claims would be heard, only to have them denied by ICHEIC. Is this tantamount to being indirectly labeled as fraudsters or liars? How much abuse must they take?”

Samuel Dubbin, a Miami lawyer who represents Holocaust survivors and their heirs, said he was aware that there had been “a lot of inexplicable denials” of claims. He noted that the ICHEIC process “resulted in the payment of less than 3 percent of all the policies owned by Jews at the beginning of World War II.”

Zabludoff said that of the more than 90,000 claims filed, only 16,000 were offered settlements as a result of documentary evidence or because of sketchy documentation that could be pieced together to prove a claim.

Lewis is calling for survivors and heirs to be able to press Holocaust-era claims in the courts, and he said he would ask the National Association of Insurance Commissioners to address this issue once more. He noted that the European insurance companies only began to address this issue after state insurance commissioners, who regulate the insurance industry in the United States, warned them that their Holocaust claims practices jeopardized their licenses in the U.S.

Dubbin noted that Congressional legislation is now being written that would require insurers to disclose all Holocaust-era policies and permit heirs to pursue their claims through the courts. Few names of Jewish policyholders from Eastern Europe were ever

published, despite the existence of ICHEIC. It is estimated that the value of those Holocaust-era policies is between \$17 billion and \$200 billion, according to a draft of the bill.

The Jewish Week

SERVING THE JEWISH COMMUNITY OF GREATER NEW YORK

More Than Rumor

by Stephen E. Herbits

The statement by American Jewish Congress Chair Jack Rosen concerning Israel Singer's activities displays a serious disregard for the authority of the New York State attorney general (AG) ("Israel Singer Back In Leadership Role," Nov. 30). Rosen falsely and brazenly asserts that Singer did nothing wrong and dismissed everything stated previously as mere "rumors."

Perhaps he was too busy to read the AG's report on Singer's activities. In it, the AG explicitly found that Singer wrongly enriched himself using charitable dollars from individual donors. The AG found that in no fewer than three incidents, Singer violated the Estates, Powers and Trusts Law and at least once, the Not-for-Profit Corporation Law.

More disturbing are matters the AG left open regarding Singer's failure to fully disclose the details of his activities.

To this date, Singer has never identified the numbered Swiss bank account 15.03.49 or explained his motives regarding his attempt to transfer \$1.5 million of World Jewish Congress money there in February 2002.

To this date, Singer has never adequately explained or provided evidence for the hundreds of thousands of dollars in cash he withdrew from the WJC, just between 2001 and 2004. He has never explained why, in just those four years, he received over \$4.3 million in cash, compensation, reimbursements and benefits, while nearly 75 percent of it was not reported to the tax authorities.

To this date, Singer has never provided an explanation for flying on the Concorde in 2002 or charging over \$20,000 for a stay at the Four Seasons in Paris, charging for car insurance for automobiles driven by his children and thousands of dollars for a trip to Saudi Arabia that he never took.

To Rosen, this may constitute "rumors." To the AG and the Internal Revenue Service, these constitute far more serious matters.

That the New York State AG already found Singer to have broken the law should be enough for those leaders in the American Jewish Congress to stand up to Rosen's imprudent decision, apologize for the error in judgment and join the WJC, the Claims Conference and IJCIC in disassociating themselves from any official, formal role with Singer. The consequences of Singer's persistent, comprehensive and extensive fiscal irregularities — and his obligations to the WJC, the attorney general and the tax authorities — are a long way from being finalized.

Miami

Editor's Note: Stephen Herbits is the former secretary general of the World Jewish Congress.