



Holocaust Survivors' Foundation - USA

Member Organizations (Partial List)

June 25, 2008

Amer. Assn. of Jewish Holocaust Survivors of Greater Boston

Assn. of Holocaust Survivors from Former USSR, Los Angeles

C.A.N.D.L.E.S., Terre Haute, IN
Child Survivors of Arizona

Child Survivors/Hidden Children of The Holocaust

Coalition of Holocaust Survivor Clubs in South Florida

Council of Nazi Holocaust Survivor Organizations of So. California

Habonim Cultural Club, Miami

Holocaust Child Survivors & Friends of Greater Hartford

Holocaust Survivors Club of Boca Raton

Holocaust Survivors of Greater Detroit

Holocaust Survivors of Greater Pittsburgh

Holocaust Survivors of South Florida

Holocaust Survivors Group of Southern Nevada

Houston Council of Jewish Holocaust Survivors

The Jewish Holocaust Survivors & Friends of Greater Washington

Jewish Survivors of Latvia, Inc. New York

National Assn. of Jewish Child Holocaust Survivors, Inc.

New American Jewish Social Club, Miami

New Cracow Friendship Society, New York

Survivors of Atlantic City, NJ

Survivors of the Holocaust Asset Recovery Project, Seattle

Survivors of the Holocaust of New Mexico

Tikvah Acharay Hashoah, San Francisco

The Honorable Barney Frank
United States House of Representatives
Financial Services Committee
Fax Number: 202 225-6952

Dear Chairman Frank and Members of the Financial Services Committee:

We are Holocaust survivors, and members of the executive committee of the Holocaust Survivors Foundation, USA, which includes elected leaders of groups throughout the country representing thousands of survivors. Our views have been widely covered in national and Jewish media such as the New York Times, Wall Street Journal, Associated Press, New York Jewish Week, Forward, Los Angeles Times, Miami Herald, Palm Beach Post, Ft. Lauderdale Sun-Sentinel, to name a few.

We have met with you Mr. Chairman on numerous occasions, and our members including your constituent Izzy Arbeiter have testified before Congress about the issues of vital interest to Holocaust survivors. As Izzy and many of us have testified, one of the major problems survivors have had to confront is that the voices of Holocaust survivors have been ignored in favor of the interests of governments, corporate conglomerates, and non-survivor NGOs.

When you held the hearing in the Financial Services Committee on February 6 of this year, we were all ecstatic at the comments made by the members who attended. To us it was the best of our government in action – well-informed members of Congress speaking eloquently about the rights of Holocaust survivors to the truth about their families' financial legacies, and their rights to have the same access to the U.S. courts as any other citizens to reclaim looted insurance policies.

That is why we are totally perplexed and dismayed at the latest versions produced by the Financial Services Committee in the past few days. This letter only touches on a few of the more hurtful provisions of the measure. To put it in clear terms, we feel that the current Committee draft is a betrayal of Holocaust survivors whose rights to recover information about and fair compensation for their families' insurance policies have been stymied unfairly in the last decade.

After the unanimous approval expressed by the attendees of the February 6 hearing, including yourself Mr. Chairman, we cannot understand how HR 1746 became transformed to the pro-insurance industry legislation that was shown to us in the past few days. The original version was clear in its effort to credit the testimony of survivors about the sad track record of the past decade, and fill in the gaps left by ICHEIC and court cases giving foreign companies excessive protection. Today, the measure before the Committee discredits all of the elected Holocaust survivor leaders who testified before Congress, and stands as a whitewash of ICHEIC's shortcomings.

"JUSTICE AND DIGNITY FOR SURVIVORS"



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Tikvah Acharay Hashoah, San Francisco

We are astonished that the Committee might actually allow history to be rewritten in such a way as to deny the facts and truths experienced by survivors who have spoken out and contacted you and your colleagues.

There are three overarching problems with the latest draft substitute amendment.

First, the original bill expressly states Congress's disapproval of the Administrations' and courts' actions that stymied Holocaust survivors' insurance rights and protected companies from disclosing all relevant facts about their handling of our families' insurance policies. Instead of asserting Congress's proper role to protect survivors' basic rights, the current draft approves these awful precedents. Since those past practices resulted in a fraction of the unpaid insurance policies owed to Jews being repaid (\$250 million or \$500 million, depending on what is counted, out of \$18 billion), we cannot understand why the initial aim to obtain justice for Survivors has been subverted.

Second, the original HR 1746 calls for all companies in the U.S. market to disclose policyholder information so survivors and heirs, who were either children at the time of the Holocaust or were born after WWII, can identify family policies. In contrast, the Committee proposal unrealistically provides only that the tens of thousands of possible claimants whose policies remain unpaid would have to depend on one office, in one insurance department, to obtain meaningful information about pre-war policies from the dozens of global insurers who do business in the United States. This is worse than ICHEIC, which at least resulted in names being published for claimants to see before they filed claims, even though those company disclosures were incomplete.

Third, the original HR 1746 made it clear that Holocaust survivors' and heirs have always had the right to go to U.S. courts to have a judge and jury decide their cases against any insurer that failed to pay their families' policies if they were not satisfied with ICHEIC. ICHEIC was always voluntary, for the insurers and for claimants, and no legislature ever agreed that survivors would lose access to the courts in the future if they tried ICHEIC as a first step. However, the Committee proposal makes ICHEIC final and binding on claimants, which was never supposed to be the case. With ICHEIC's scandals and inconsistencies so well documented in the media and in the Congressional hearings (2001, 2002, 2003, 2007, and 2008), we cannot understand why the status quo so detrimental to survivors is being perpetuated.

We have several other concerns about the latest proposal, including the 180-degree switch in the preamble language that conflicts with the actual history of that we survivors know because we lived it. The newest preamble language rehabilitates the institutions responsible for the current poor record of insurance recoveries. It is inconsistent with the well-documented history that shows that ICHEIC was created after several states passed laws to require relief similar to the original HR 1746. The insurance industry clamored to create a mechanism to fend off the pro-survivor protections enacted by state legislatures. Even Judge Mukasey held that ICHEIC was created and controlled by the insurance industry – he called it “the company store.”

“JUSTICE AND DIGNITY FOR SURVIVORS”



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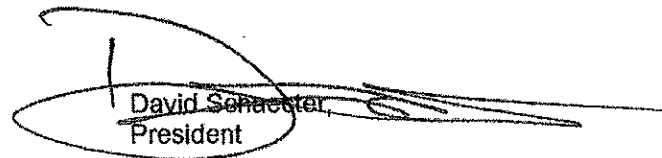
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The newest preamble also ignores the fact that when Congress became tired of all the broken promises and required ICHEIC to report details about the companies' track records of claims handling and other information (in the Foreign Relations Authorization Act of 2003), ICHEIC refused to cooperate. The State Department did nothing to enforce Congress's law at the time.

In short, Mr. Chairman, we simply cannot understand why the insurers' side has been taken against those of us who have witnessed first hand ICHEIC's failures, not only in regard to our own claims but in the experiences of the thousands of our members who trusted the process only to be betrayed.

The current draft legislation continues the sad tradition set by ICHEIC and the Executive Branch's hands-off approach to survivors' rights. Until recent days, Mr. Chairman, we hoped that you and your committee would buck this terrible trend and stand up for our rights. We urge you to reinstate the Tom Lantos-Ileana Ros-Lehtinen-Robert Wexler version of HR 1746 that was passed on unanimous consent by the House Foreign Affairs Committee.

Respectfully,



David Schacter,
President

Joined by HSF Executive Committee:

Israel Arbeiter, Boston MA
Nesse Godin, Washington, D.C.
David Mermelstein, Miami, FL
Alex Moskovic, Hobe Sound, FL
Leo Rechter, Queens, NY
Jack Rubin, Boynton Beach, FL
Henry Schuster, Las Vegas, NV
Fred Taucher, Seattle, WA
Lea Weems, Houston, TX
Esther Widman, Brooklyn, NY

"JUSTICE AND DIGNITY FOR SURVIVORS"

Groups Supporting Lantos-Ros-Lehtinen-Wexler Version of HR 1746 as of February 6, 2008

Holocaust Survivors Foundation, USA, Inc.

National Association of Jewish Holocaust Survivors (NAHOS)

Child Survivors/Hidden Children of the Holocaust

Southern California Council for Soviet Jews

Florida Holocaust Survivors Coalition

Holocaust Survivors of Greater Boston

Holocaust Survivors of Greater Miami

Holocaust Survivors of Southern Nevada

Survivors of the Holocaust Asset Recovery Project, Washington State

The Jewish Holocaust Survivors & Friends of Greater Washington (D.C.)

Habonim Cultural Club, Miami

Holocaust Survivors Club of Boca Raton

The New American Social Club

Holocaust Council, United Jewish Communities (UJC) of Metro West, New Jersey

Houston Council of Jewish Holocaust Survivors

Generations of the Shoah International

The Generation After in the Washington, DC area (VA & MD)

CHAIM (Children of Holocaust Survivors Assoc. in Minnesota)

Second Generation Los Angeles

Generation After Milwaukee, WI

Generations of the Shoah-New Jersey

Holocaust Council of MetroWest, UJCNJ, New Jersey

Generations After at the Florida Holocaust Museum, St. Petersburg, FL

Second Generation of Jewish Holocaust Survivors in Houston

Phoenix Holocaust Survivors' Association

CHAIM (Children of the Holocaust-Survivors Association in Michigan)

3G NY (New York Group of grandchildren of survivors)

New York Legal Assistance Group (Legal Aid Group)

The Blue Card, Inc. (New York City Holocaust survivor social service delivery group)

Jewish Community Relations Council of Boca Raton

Jewish Community Relations Council of Minneapolis-St. Paul

Holocaust Insurance Effort Is Costing More Than It Wins

By JOSEPH B. TREASTER

September 16, 2003

WASHINGTON, Sept. 16 — Lawrence S. Eagleburger, the chairman of a widely criticized commission to help Holocaust survivors collect claims from European insurance companies, said today that his organization had spent 60 percent more for operations than it had persuaded insurers to pay in claims.

In testimony to the House Committee on Government Reform, Mr. Eagleburger said that since its founding five years ago, his organization, the International Commission on Holocaust-Era Insurance Claims, had spent \$56 million and obtained offers of claims payments of \$35 million.

He also said that while the commission had received 54,000 claims that it regarded as valid — a tiny fraction in relation to the millions of policies that experts say were sold in Europe at the time of the Holocaust — only 2,600, or less than 5 percent, have received offers of payment.

Mr. Eagleburger said he did not know how many people had accepted the offers. He said the insurance companies had offered to pay an additional \$7.5 million on 650 claims that had bypassed the commission and gone directly to the insurers.

Mr. Eagleburger said he was encouraged that the pace of dealing with claims was increasing, but he added, "The numbers are nowhere near where they need to be." He said the commission had set a deadline of Dec. 31 for survivors to file claims.

The commission was created in 1998 by American regulators and Jewish organizations, and a half-dozen European insurers agreed to join in hopes of avoiding lawsuits. The United States government has endorsed the commission as the best hope for getting justice for Holocaust victims. Most of the lawsuits have been dropped or settled, but about 20 are pending against Assicurazioni Generali, a big Italian insurer.

Independent Holocaust experts asserted at the hearing that the commission had been outmaneuvered by the insurers.

Representative Henry A. Waxman of California, the committee's ranking Democrat, said that based on commission data, the insurers reject five claims for every one they pay.

"Denials do not have to be justified," said Daniel Kadden, a former aide to the insurance commission in Washington State and a consultant to survivors. "There is no follow-up to see that the companies act on the evidence presented to them."

A major roadblock, Holocaust experts say, has been the refusal of the European insurers to publish the names of owners of life insurance policies sold at the time of the Holocaust.

In many cases the owners died in the Holocaust. Records of transactions were often destroyed when families were ripped apart, and potential beneficiaries have no way of knowing if insurance existed.

At first many insurers refused to pay claims unless survivors could produce copies of policies or death certificates. Now they say they will accept less evidence, but survivors in most cases must determine whether they might have a claim.

In the hearing, Republicans and Democrats as well as independent Holocaust experts expressed support for legislation intended to force the European insurers to publish the names of the policyholders.

Mr. Waxman and Representative Mark Foley, Republican of Florida, have drafted such legislation.

But Mr. Eagleburger and a senior Bush administration official objected today to forcing the companies to publish policyholders' names. Mr. Eagleburger said a listing would provide a jumble of information that would be difficult to process. The administration official, Ambassador Randolph M. Bell, the special envoy for Holocaust issues, said that requiring such a list "would not get any additional claimants and would almost certainly stop the current, now much improved process whereby claimants actually are getting paid."

Mr. Waxman told Mr. Bell, "I don't see the reasoning."

Mr. Eagleburger said that the commission had published the names of 500,000 policyholders on its Web site. He said the commission had not determined how many families in the Holocaust bought life insurance.

ACTION MEMORANDUM
S/ES

UNCLASSIFIED

TO: The Secretary

FROM: EUR - Beth Jones
H - Paul Kelly

SUBJECT: Report to Congress on the German Foundation,
"Remembrance, Responsibility and the Future"

Issue for Decision

- Whether to approve the attached report for submission to the Senate Foreign Relations Committee and the House International Relations Committee concerning the German Foundation, "Remembrance, Responsibility and the Future."

Section 704 of the Foreign Relations Authorization Act, FY 2003, as enacted in Public Law 107-228, requires the Secretary of State to report to the appropriate congressional committees on the status of the implementation of the Agreement between the Government of the United States of America and the Government of the Federal Republic of Germany concerning the Foundation, "Remembrance, Responsibility, and the Future," done at Berlin July 17, 2000, and, to the extent possible, on payments to and from the Foundation and on certain aspects of the functioning of the International Commission on Holocaust Era Insurance Claims ("ICHEIC").

The report attached at Tab 1 provides information on implementation of the Agreement and on the status of payments to and from the German Foundation, "Remembrance, Responsibility, and the Future." The Department requested additional information from ICHEIC in an effort to meet the reporting requirements of Section 704(a)(3)-(7). ICHEIC Chairman Lawrence S. Eagleburger responded that he would not provide the Department of State any information regarding ICHEIC's undertakings. A copy of the exchange with Eagleburger is attached at Tab 3. Therefore the report only contains that information which is available to the Department.

Report to Congress: German Foundation "Remembrance, Responsibility, and the Future"

Bureau of European and Eurasian Affairs
March 2006

[As required by Section 704 of the Foreign Relations Authorization Act, FY 2003 (as enacted in Public Law 107-228)]

Introduction

Section 704 of the Foreign Relations Authorization Act, FY 2003, as enacted in Public Law 107-228, requires the Secretary of State to report to the appropriate Congressional committees on the status of the implementation of the Agreement between the Government of the United States of America and the Government of the Federal Republic of Germany concerning the Foundation "Remembrance, Responsibility, and the Future," signed in Berlin on July 17, 2000, and, to the extent possible, on payments to and from the Foundation and on certain aspects of the functioning of the International Commission on Holocaust Era Insurance Claims ("ICHEIC"). This is the seventh report submitted pursuant to that law.

Background

The United States Government played a critical role in a multilateral effort that resulted in the establishment of a Foundation under German law entitled "Remembrance, Responsibility, and the Future" ("Foundation"). The Foundation was capitalized with 10 billion German Marks (DM), valued at the time at approximately five billion dollars. Since June 2001, the Foundation has been making payments to survivors in recognition of the suffering they endured as slave and forced laborers. The Foundation also covers other personal injury claims and certain property loss or damage caused by German companies during the Nazi era, including claims against German banks and insurance companies. Further background is available in previous reports submitted to the committees.

Implementation of the Agreement

The United States and the Federal Republic of Germany have taken various steps to implement the Foundation Agreement. In August 2000, a German law establishing the Foundation took effect. In October 2000, the United States and the Federal Republic of Germany exchanged diplomatic notes to bring the Foundation Agreement into effect. The United States' note indicates that the German law, as clarified and interpreted by several German Government letters, is fully consistent with the Foundation Agreement, which sets forth the principles that shall govern the operations of the Foundation.

The United States Government has filed statements of interest recommending the dismissal, on any valid legal ground, of lawsuits brought against German companies for wrongs committed during the Nazi era, and is committed to do so in future cases that are covered by the Foundation Agreement.

On May 30, 2001, the German *Bundestag* declared that "adequate legal certainty" had been achieved for German companies in the United States. Under the law establishing the Foundation, this declaration by the *Bundestag* authorized the Foundation to make funds available to the seven partner organizations (foundations that had previously been established in Belarus, the Czech Republic, Poland, Russia and Ukraine, as well as the Conference on Jewish Material Claims Against Germany and the International Organization for Migration) that would make payments to individual recipients.

Funds Available to the Foundation

By early 2002, the entire sum of 10 billion DM had been made available to the Foundation by the Federal

Republic of Germany and by German companies.

Payments from the Foundation

As of December 2005, approximately \$5.1 billion (4.265 billion Euro or 8.3 billion DM) had been paid to approximately 1,646,000 surviving slave and forced laborers. This represents 98 percent of the funds (8.1 billion DM plus an additional amount from interest earnings) available from the Foundation's capital for slave and forced labor payments. The remaining funds will continue to be paid out over the next six months. A breakdown of payments by partner organizations follows:

Partner Organization	Number of Recipients	Amount (in Euro)
Belarus/Estonia	129,000	345,300,000
Conference on Jewish Material Claims	154,000	1,116,800,000
Czech Republic	76,000	209,200,000
International Organization for Migration	87,000	366,300,000
Poland	483,000	971,000,000
Russia	245,000	392,000,000
Ukraine	472,000	864,500,000
TOTAL	1,646,000 Recipients	4,264,800,000 Euro (approximately U.S. \$5.1 billion)

ICHEIC

The law establishing the Foundation provides funds to ICHEIC for the payment of claims arising from unpaid insurance policies issued by German insurance companies, as well as for the associated costs, and also a contribution to the ICHEIC humanitarian fund. The Foundation Agreement provides that insurance claims made against German insurance companies will be processed according to ICHEIC claims handling procedures and under any additional claims handling procedures that may be agreed among the Foundation, ICHEIC, and the German Insurance Association.

Following two earlier extensions, the deadline for filing claims was extended to December 31, 2003. The later filing deadline was designed to provide additional time for applicants, assisted by a publicized list of names, to determine whether to file a claim. Applicants who contacted ICHEIC prior to the December 31 deadline to obtain claim forms had until March 31, 2004, to complete the form and send it so that ICHEIC receives it by that date.

The Department of State was unable to obtain such information on the ICHEIC claims process as required by Section 704(a)(3)-(7). Some information about ICHEIC, including statistics on claims and appeals, however, is publicly available on ICHEIC's Web site (www.icheic.org).