



**Holocaust Claims Processing Office
Annual Report to the Governor and Legislature**

January 15, 2019
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I. Introduction

In the summer of 1998, the State of New York enacted the *Holocaust Victims Insurance Act of 1998*, which was followed by the signing of a Memorandum of Understanding between U.S. insurance regulators (New York being among the leaders), European insurance companies, and representatives of international Jewish and survivor organizations establishing the International Commission on Holocaust Era Insurance Claims (“ICHEIC”). This past year marked the 20th anniversary of the Holocaust Claims Processing Office’s efforts to resolve claims for unpaid insurance policies. Though ICHEIC closed in 2007, the HCPO continues to work directly with insurance companies, foreign insurance agencies such as the German Insurance Association, and claims processes to address outstanding claims.

The State of New York continues to help individuals of any background obtain a measure of just resolution for the theft of property during the reign of the Nazi regime. Due to our efforts, banks, insurance companies, international organizations, museums and art collectors, and countries around the world are sensitized to the issues regarding Holocaust-era assets and therefore continue to consider restitution claims from Holocaust victims and their heirs.

The HCPO was established to provide institutional assistance to individuals seeking to recover assets lost due to Nazi persecution. Claimants pay no fee for the HCPO’s services, nor does the HCPO take a percentage of the value of the assets recovered. The HCPO is a unit within the Financial Frauds and Consumer Protection Division in the Department of Financial Services (“the Department”).

The HCPO has been able to ease the burdens, roadblocks, and costs often incurred when individuals pursue claims on their own. It remains the only government entity in the world that aids Holocaust victims and their heirs with a variety of multinational restitution and compensation processes.

II. Overview of Operations and Accomplishments

Summary of Operations

In response to the complex nature of restitution claims, the HCPO has developed a systematic method to handle cases. First, individual claims are assigned to members of the HCPO staff who assist in securing the necessary genealogical and historical documentation to ensure viability of the claim. As claims received by the office range from the partially or even fully documented to the purely anecdotal, the HCPO undertakes claimant-specific research in domestic and international archives as well as public and private repositories to obtain as much data as possible regarding lost assets. The HCPO also conducts general historical research to corroborate and

contextualize the information the office shares with claimants, claims processing organizations, companies, institutions and governmental authorities.

Second, the HCPO determines where to file the claim(s) by ascertaining which present-day company or claims process is responsible for the lost asset in question. Third, the HCPO submits claim information to the appropriate companies, authorities, museums, or organizations requesting that a complete and thorough search be made for the specified asset and when applicable, that the lost property be restituted to claimants. To ensure rigorous review of these requests, the HCPO maintains frequent contact with entities to which it submits claims. Claimants may contact the HCPO with questions at any time knowing that they have a committed advocate that will be responsive to their concerns.

Finally, the HCPO reviews the decision rendered on the claim to ensure that it adheres to published processing guidelines and helps claimants understand those guidelines in order to interpret decisions. In the event a claimant wishes to appeal a decision, the HCPO guides claimants through the appeals process and performs additional research when possible. Alternatively, when claimants receive positive decisions that include monetary awards, the HCPO facilitates payment by explaining the necessary forms and following up with the claims entity to ensure payment.

The HCPO continues to work directly with the organizations and processes effectuating Holocaust-related restitution and compensation. See Figure 1.

Figure 1 - Compensation Organizations and the HCPO



The HCPO anticipates that victims and their heirs will continue to need its assistance given current conditions and the following recent developments: The Conference on Jewish Material Claims Against Germany recently announced a settlement with the Federal Republic of Germany to offer one-time payments to individuals who fled Nazi Europe through the *Kindertransport* program; the Netherlands' state-operated railway company will establish a commission to compensate Holocaust survivors and their relatives for transporting victims of Nazi persecution; in accordance with a treaty between France and the United States, the U.S. government will begin issuing a second round of payments to eligible claimants for wrongs suffered because of deportation from France during the Holocaust; the claims processing entities in the Czech Republic, France, Germany, Israel, Poland, the Netherlands, and the United Kingdom are still accepting and handling claims; insurance companies continue to review and process claims submitted directly to them; and the Polish government has passed legislation that now enables Polish Holocaust victims who reside outside of Poland to receive pension payments.

As a result, the time required for submitting and processing claims is determined by circumstances beyond the HCPO's control.

Claimant Demographics

In 2018, HCPO received claims from 136 individuals. From its inception through December 31, 2018, the HCPO has received claims from 5,909 individuals from 46 states, the District of Columbia, and 40 countries. See Figures 2 and 3.

Figure 2 – International Geographic Distribution of HCPO Claimants
(Areas appearing in color represent countries where HCPO claimants reside.)

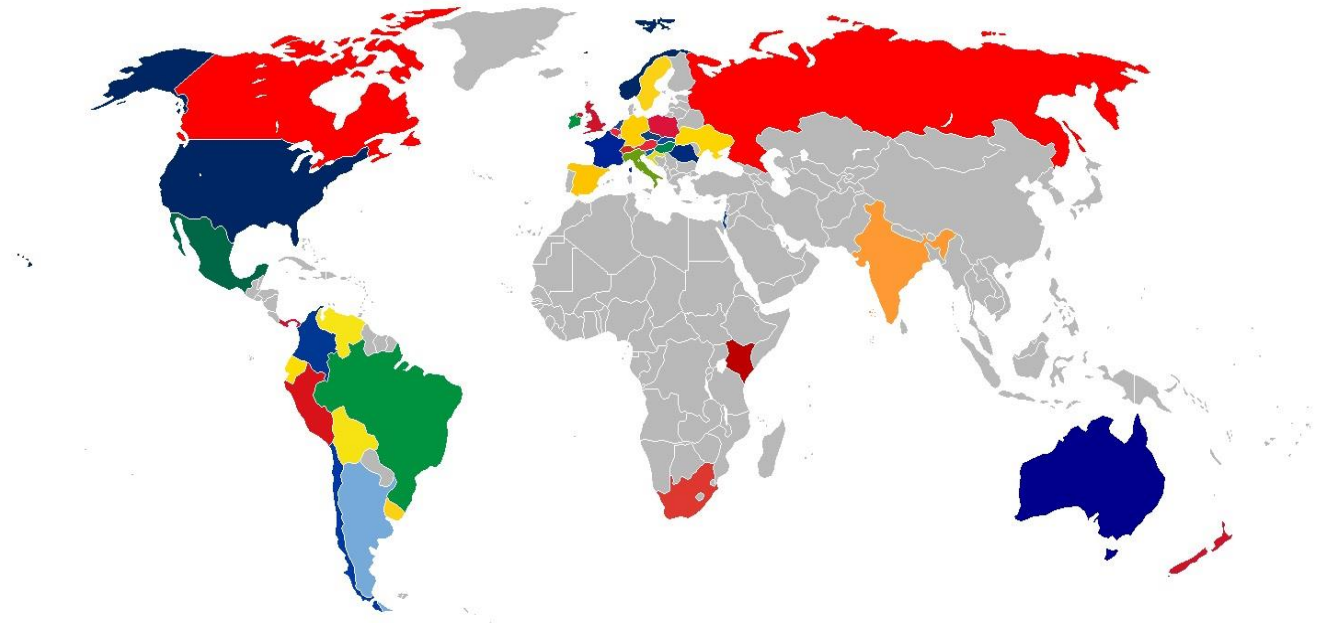
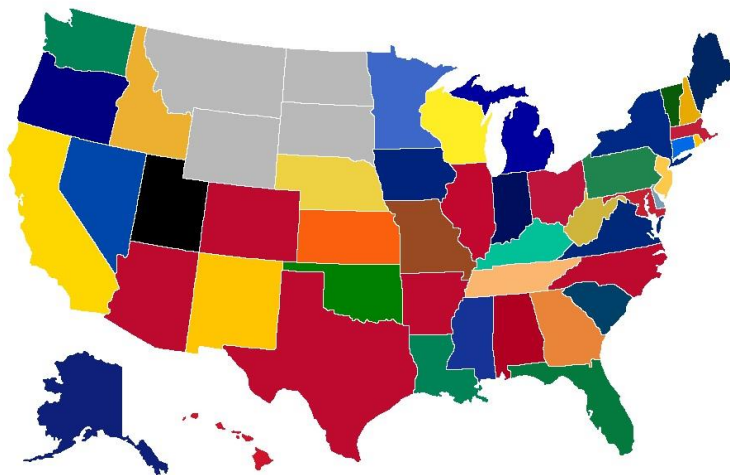


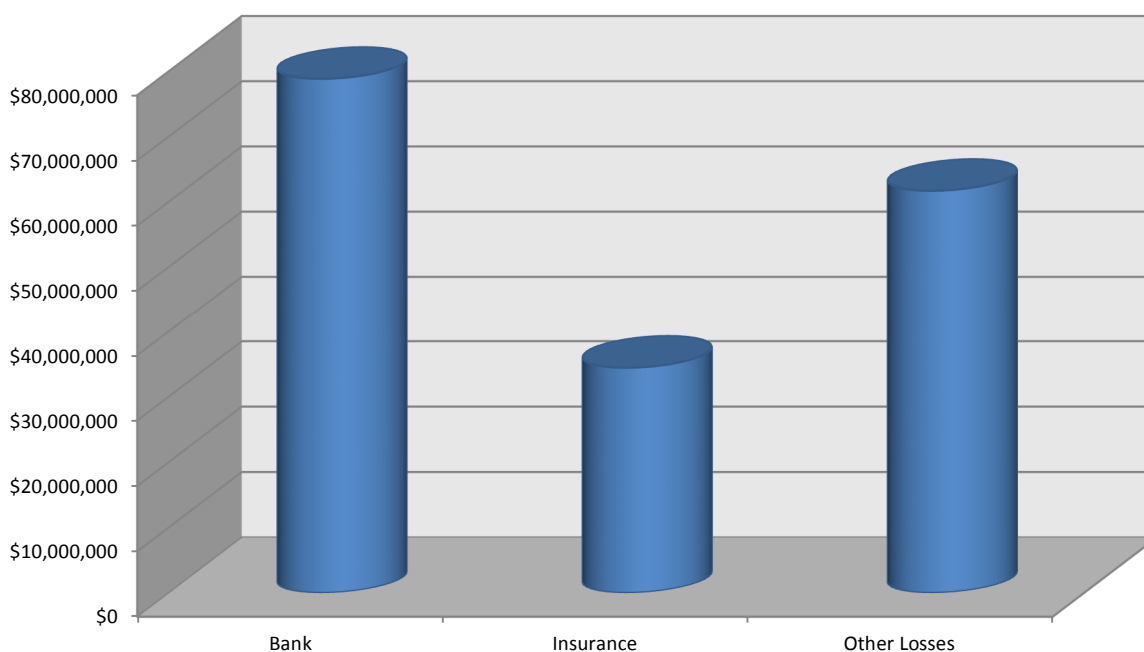
Figure 3 - Domestic Geographic Distribution of HCPO Claimants
(Areas appearing in color represent states where HCPO claimants reside.)



In 2018, HCPO has successfully resolved 627 claims of 111 individuals in which an offer was presented, or the asset deemed non-compensable.¹ In 2018, claimants received \$1,317,638 in offers.

In total, the HCPO has successfully resolved 16,082 claims of 5,363 individuals in which an offer was presented, or the asset was deemed non-compensable. To date, the HCPO has secured 8,446 offers; their combined total² for bank, insurance, and other losses amounts to \$178,247,630. See Figure 4.

Figure 4 - Total Offers Extended to HCPO Claimants to Date by Claim Type



¹ In addition to assisting in obtaining offers of compensation, the HCPO has assisted thousands of Holocaust victims and their heirs obtain resolution of their claims by: demonstrating that the assets sought had been previously compensated via postwar restitution or compensation proceedings that were active from the 1950s through the 1970s, or in some cases, through a present-day claims process; showing that the claimed asset has otherwise been handled appropriately (i.e., in accordance with the original owners' wishes); or confirming that the asset was not lost as a result of Nazi persecution.

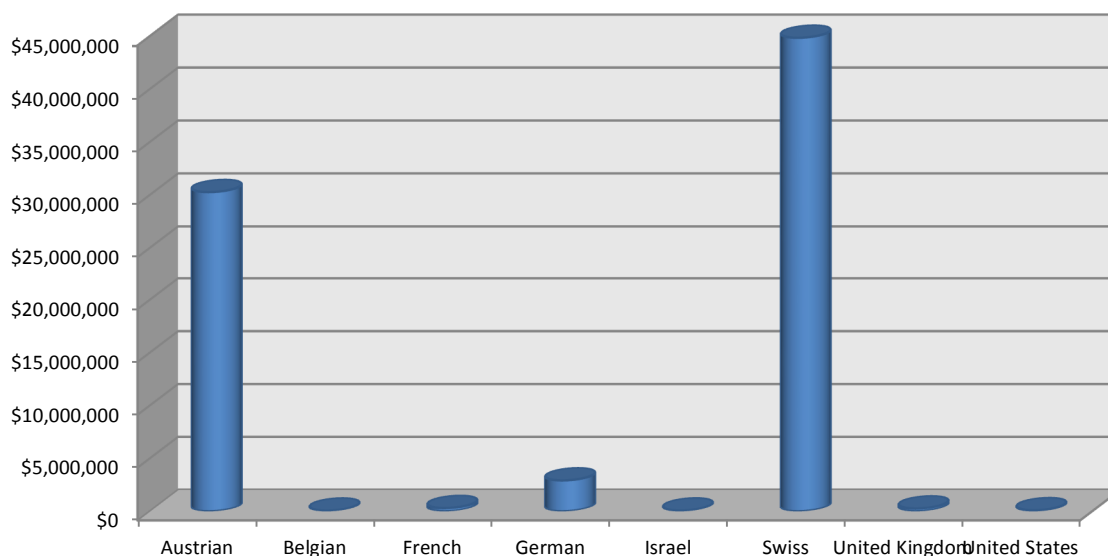
² Processes offer victims or heirs monetary compensation calculated on the value of the lost assets. However, the total amount of funds available to a claims agency may be limited and may not allowed for full payment of loss. Thus, the actual payment may be substantially less than the lost asset's value. The amount offered is important as it recognizes the actual loss and guides in determining the amount of payment when full payment is not possible. Therefore, the HCPO reports the amount offered. Sometimes victims do not consider the offer adequate and do not agree to settle. In other cases, the amount offered is the amount paid.

Bank Claims

In 2018, 15 individuals submitted claims for assets deposited in banks relating to 28 individual account-holders. In 2018, HCPO claimants received \$30,430 in offers.

Of the claims filed with the HCPO to date, 2,534 individuals (from 42 states, the District of Columbia, and 37 countries) submitted claims for assets deposited in banks relating to 3,918 individual account-holders. The HCPO has secured the settlement or resolution of 6,897 claims where the offer was presented, or the asset was deemed non-compensable. To date, the total dollar value of offers extended to HCPO claimants seeking the return of bank assets is \$78,895,467. See Figure 5.

Figure 5 - Bank Claims



2018 Highlight:

In 1935, Sylvain Soloman Levy and his wife Erna Levy (née Felsenthall) resided at No. 1, Rue de la Montagne, Sarreguemines (Moselle), France in Saarbrücken region on the German-French border. It was there that their daughter was born. Sylvain earned a living for his family as a *représentant*. With the invasion of Poland, France declared war on Germany, which was followed by the *de facto* annexation of Sarreguemines by the Third Reich. The Levy family fled along with the rest of the population of Sarreguemines and was forced to leave everything behind. They reestablished themselves in Montbron (Charente), where they lived until 1943. In January 1944, before going into hiding, Sylvain and Erna entrusted their daughter to the care of a Catholic nun. In August 1944, the family of three was reunited. They returned to Sarreguemines and lived in a military installation on the outskirts of the town until they immigrated to the United States where their son was born.

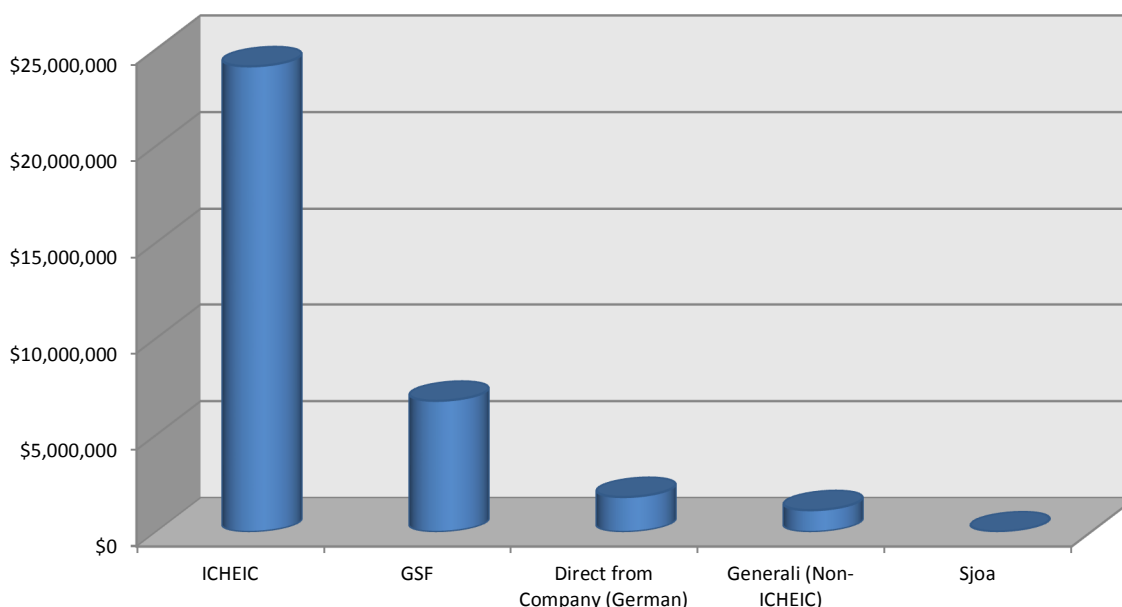
The family originally filed an insurance claim with the HCPO that was unsuccessful; however, after further review, the office determined that the family was eligible to file a bank and material loss claim with the Commission for the Compensation of Victims of Spoliation Resulting from the Anti-Semitic Legislation in Force during the Occupation of the French Republic. The family ultimately received an award for three bank accounts owned by Sylvain Levy.

Insurance Claims

In 2018, five individuals submitted insurance claims relating to 39 individual policyholders. By year-end, HCPO claimants received \$181,458 in offers.

To date, 2,462 individuals (from 42 states, the District of Columbia, and 26 countries) have submitted insurance claims relating to 3,763 individual policyholders. The HCPO continues to receive inquiries and claims for unpaid insurance policies. When possible, the HCPO submits such claims directly to successor companies for consideration. The HCPO has secured the settlement or resolution of 6,203 claims where the offer was presented, or the asset was deemed non-compensable. The total dollar value of offers extended to HCPO claimants seeking the proceeds of insurance policies is \$34,867,048. See Figure 6.

Figure 6 - Insurance Claims



2018 Highlight:

Ludwig Loeb was born on September 26, 1873 in Germany. Loeb was a successful businessman and a factory manager living in Berlin. In 1936, he moved to France where he was eventually arrested and detained in Rivesaltes. He died in 1943.

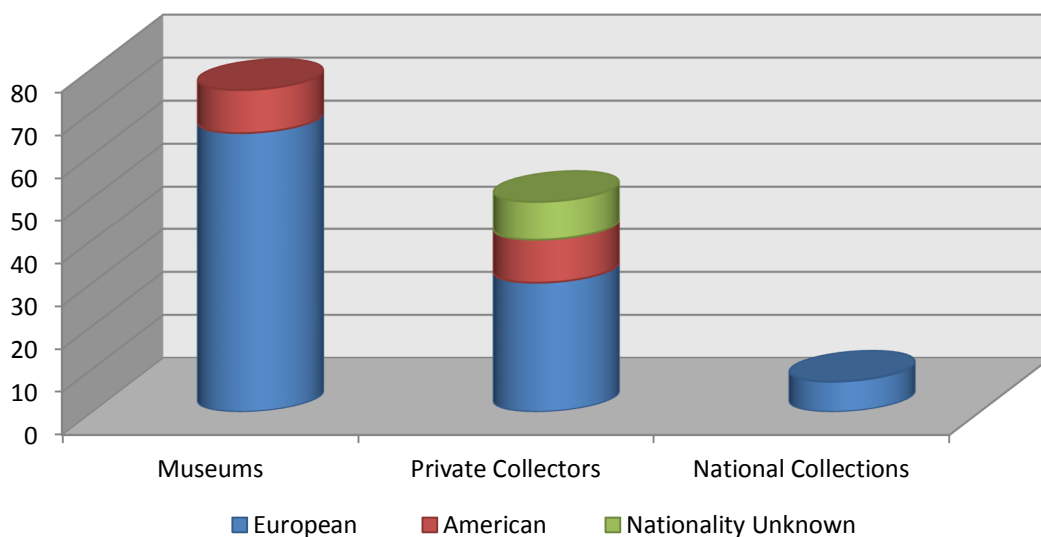
The HCPO submitted an insurance claim for an unspecified policy to the German Insurance Association requesting that the claim be circulated to all relevant member companies. A match was found for an insurance policy issued to Ludwig Loeb by Vita Life Insurance Company in Berlin. Loeb took out the policy in February 1935 as a single premium contract. The policy was intended to mature in 1940. However, the policy had been paid earlier in 1938. As it was not possible to transfer any money to France in 1938, the company assumed that the proceeds from the policy never reached the rightful recipient. The company offered a full settlement of the claim awarding approximately \$127,000 to the family.

Art Claims

From 1933 to 1945 the Nazi regime carried out the greatest spoliation of works of art in history. Nazi plundering, which ranged from outright seizure to sales made under duress, was not limited to museum quality pieces but included works by lesser-known artists, decorative arts, musical instruments and composition, and Judaica. Unlike claims for financial assets, claims for Holocaust-era looted art do not lend themselves to centralized settlements. Instead, given the individualized nature of these cases, they require working with a variety of entities and must be resolved on an object-by-object basis.

In 2018, the HCPO coordinated settlements for 11 works of art. To date, the HCPO has accepted 176 art claims (from 19 states, the District of Columbia, and 13 countries) relating to thousands of items with sufficient detail to permit additional research, and has facilitated restitution settlements involving 151 cultural objects from 33 different collections. See Figure 7.

Figure 7 - Location of Object at Time of Present-day Discovery



2018 Highlight:

At the end of November, the German Lost Art Foundation hosted a conference to mark the 20th anniversary of the Washington Conference Principles on Nazi-Confiscated Art that were endorsed by the representatives of 44 governments present at the Washington Conference on Holocaust Era Assets. These non-binding principles, intended to help the heirs of Jewish collectors recover their families' Nazi-looted art, serve as the backbone of the HCPO's art restitution efforts.

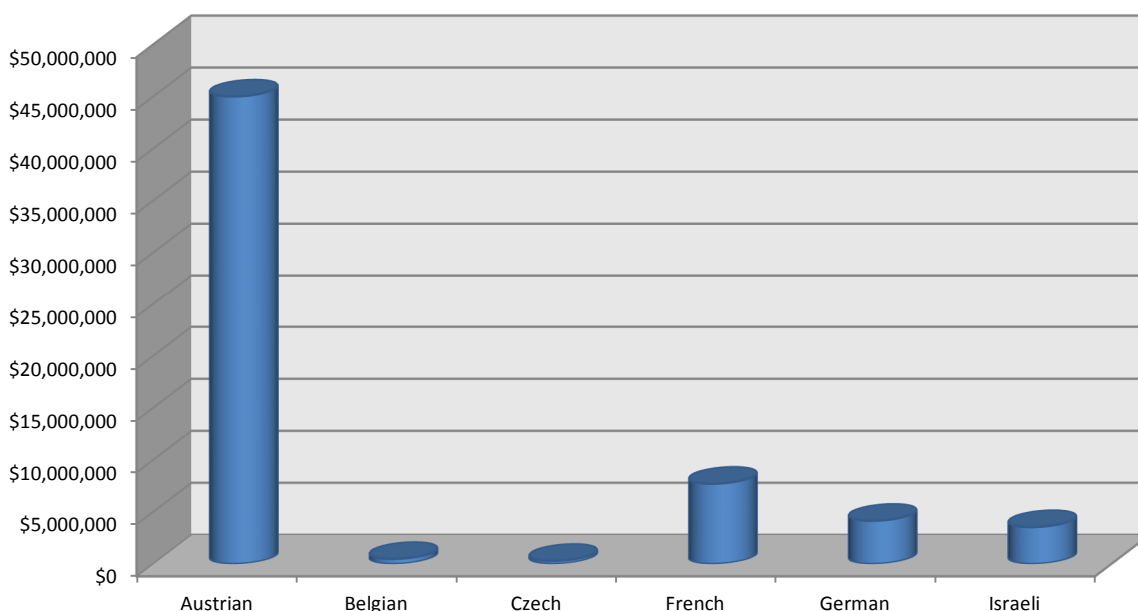
While the public has become more aware of the issues of looted property and the topic has become part of the usual discourse in the art world, many still feel that, after 20 years, efforts to return art lost as a result of Nazi persecution still fall far short of the aspirations laid out in Washington in 1998. Various stakeholders involved in Holocaust era asset restitution matters are focused on improving these critical principles.

Material Losses and Other Claims

Several compensation agencies administering programs covering bank account and/or insurance policy losses also assess claims for material and/or other losses resulting from Nazi persecution. In addition, new programs have recently been established that offer compensation for the atrocities individuals suffered as victims of Nazi persecution. Of the HCPO's claimants, 737 of them (from 34 states and 16 countries) have submitted claims for compensation under material asset, real property loss or other schemes.

In 2018, 114 individuals submitted material loss claims relating to 134 asset holders. In total, HCPO claimants received \$1,105,750 in offers in 2018. To date, the HCPO has secured the settlement or resolution of 2,982 claims where the offer was presented, or the asset was deemed non-compensable. The total dollar value of offers extended to HCPO claimants seeking other losses is \$64,485,115. See Figure 8.

Figure 8 - Other Compensation Claims



2018 Highlight:

When Gustava Singer was just six years old, her mother and extended family perished in Auschwitz. Gustava and her father survived the war, and in 1947 they immigrated to the United States. After years of suffering, Gustava was looking for a fresh start and decided to Americanize her name and unofficially became known as Janet.

In 2017, the HCPO assisted Janet with her application for a Polish Social Security pension for War Veterans and Victims of Oppression of WWII. However, because Janet had unofficially changed her name, the Veterans Office could not confirm that Gustava and Janet were the same person. The HCPO obtained a copy of Janet's petition for naturalization that included both of her first names, and with that in hand, the application process was completed and approved.

III. Annual Expenditures for Calendar Year 2018

The Holocaust Claims Processing Office has a staff of five. The total cost of operating the HCPO during the 2018 calendar year was \$752,638, including personal service, fringe and indirect costs, and non-personal service expenditures, as follows:

Total for Calendar Year 2017	
Personal Service	\$459,091
Fringe/Indirect	\$291,393
Non-Personal Service	\$2,155
Total	\$752,638

NOTES:

Funding: Full costs for the HCPO are borne by the Department of Financial Services.

Fringe/Indirect: Fringe and indirect costs are presented based on the actual payments made. In SFY 2017–18, the fringe rate was 64.12%.