



**NEW YORK STATE  
DEPARTMENT OF FINANCIAL SERVICES  
HOLOCAUST CLAIMS  
PROCESSING REPORT**

**As Required by Section 37-a of the Banking Law**

**Report to the Governor  
and the Legislature**

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## I. Summary

For more than 14 years the State of New York has helped individuals of all backgrounds obtain a measure of just resolution for the theft of property during the reign of the Nazi regime. Though banks, insurance companies, and private and public art collectors are now more willing to consider claims from Holocaust victims and their heirs, the processes for filing claims for looted property can be difficult to find and navigate.

The Holocaust Claims Processing Office ("HCPO") was established in 1997 as a means to provide institutional assistance to individuals seeking to recover assets lost due to Nazi persecution. The HCPO falls within the Department of Financial Services ("the Department"), which was created by combining the Departments of Banking and Insurance, both of which had funded the HCPO.

The mission of the HCPO is threefold:

- recover assets deposited in banks;
- recover proceeds of unpaid insurance policies issued by European insurers; and,
- recover art lost, looted, or sold under duress between 1933 and 1945.

The HCPO has been able to alleviate burdens and costs often incurred when individuals pursue claims on their own. Since its inception, it has received claims from almost 5,000 individuals and is currently assisting almost 2,800 individuals with active claims.

Through years of experience, HCPO has developed a fine-tuned claims process. In the first step of that process, HCPO staff works with claimants to collect the most detailed and accurate information possible. HCPO has developed investigative skills that make it possible to corroborate information provided by claimants with HCPO's own research in archives, libraries and other resources. The documentation that the HCPO secures on behalf of claimants has proven instrumental in substantiating their claims. Successes are a direct result of the HCPO's individualized analysis.

The HCPO then submits claims information to the appropriate companies, authorities, museums or organizations requesting that a complete and thorough search be made for specified assets and that, when applicable, lost assets be restituted to claimants. To ensure rigorous review of these requests, the HCPO maintains frequent contact with entities to which it submits claims. Claimants contact the HCPO with questions at any time knowing that they have a committed advocate that will be responsive to their concerns.

Once an entity has completed its review of a claim and reaches a determination, the HCPO reviews the decision to ensure that it adheres to that entity's published processing guidelines. Since claimants may lose track of the many claims they submitted, and, as each entity has unique and often complex guidelines, the HCPO helps claimants understand these guidelines in order to interpret decisions.

In the event that 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 various forms and by following up with the claims entity to confirm payment.

Since 1997, the HCPO has worked directly with almost all the organizations and processes effectuating Holocaust-related restitution and compensation. (See Figure 1). HCPO's outcomes with the major processes are described in Section III of this report.

The HCPO anticipates that victims and heirs will continue to need its assistance, given current conditions and recent developments, namely: the claims processing entities in France, Israel, the Netherlands, and the United Kingdom are still accepting and handling claims; members of Congress continue to express an interest in adopting legislation to address unresolved claims for Holocaust-era insurance policies; insurance companies continue to review and process claims submitted directly to them; and the Federal Government is considering establishing a U.S. Art Commission to mediate claims regarding Holocaust-era looted art and the proposal currently in circulation requests that the HCPO assist with such a process.



Figure 1 - Compensation Organizations and the HCPO

## II. Overview of Accomplishments

From its inception through December 2011, the HCPO has responded to more than 13,000 inquiries and received claims from 4,912 individuals from 45 states, the District of Columbia, and 39 countries.

In total, the HCPO has successfully closed the cases of 2,125 individuals in which an offer was accepted, there was previous compensation or there was a final determination. The claims of 2,787 individuals remain open. The combined total of offers<sup>1</sup> extended to HCPO claimants for bank, insurance, and other asset losses amounts to \$158,292,370. (See Figure 2).

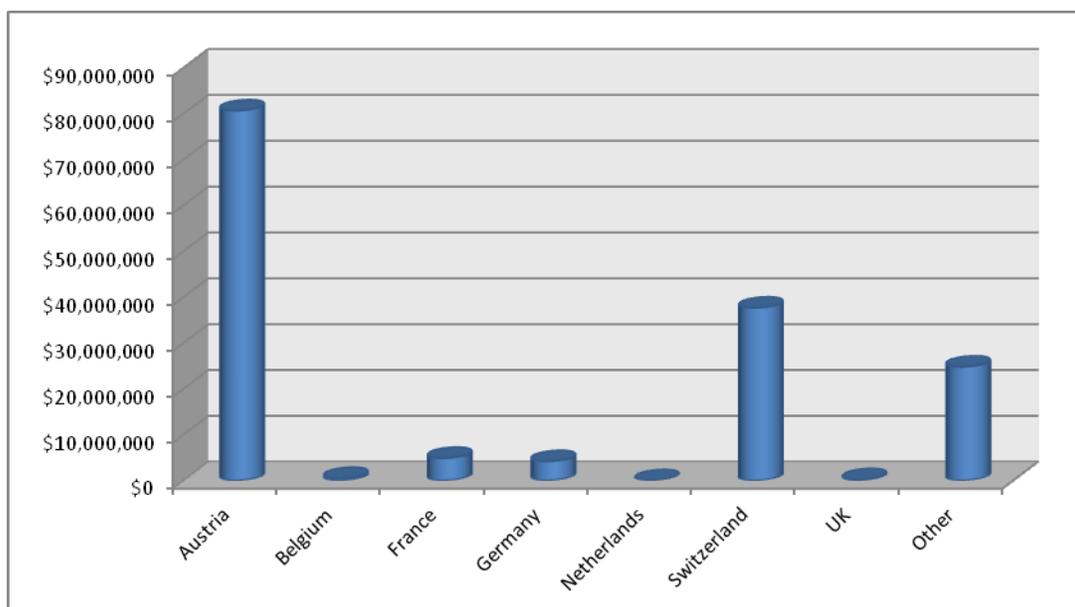


Figure 2 - Total Offers Extended to HCPO Claims to Date by Country

<sup>1</sup> In some processes, victims or heirs will be offered an amount based on their actual loss. However, the total amount of funds available for a specific type of claim may be limited and may not allow for full payment of loss. Thus, the actual payment may be substantially less. The amount offered is still important because it recognizes the actual loss and, if payments are a set percentage of the loss, does determine the amount of the payment. Thus, 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:** Of the claims filed with the HCPO to date, 2,396 individuals (from 42 states, the District of Columbia, and 38 countries) have submitted claims for assets deposited in banks referencing 3,705 individual account-holders. The HCPO has closed the claims of 456 individuals; 1,940 individuals currently have open bank claims which have been submitted to a number of parallel claims processes. To date, offers extended to HCPO claimants seeking the return of bank assets total \$74,748,855. (See Figure 3).

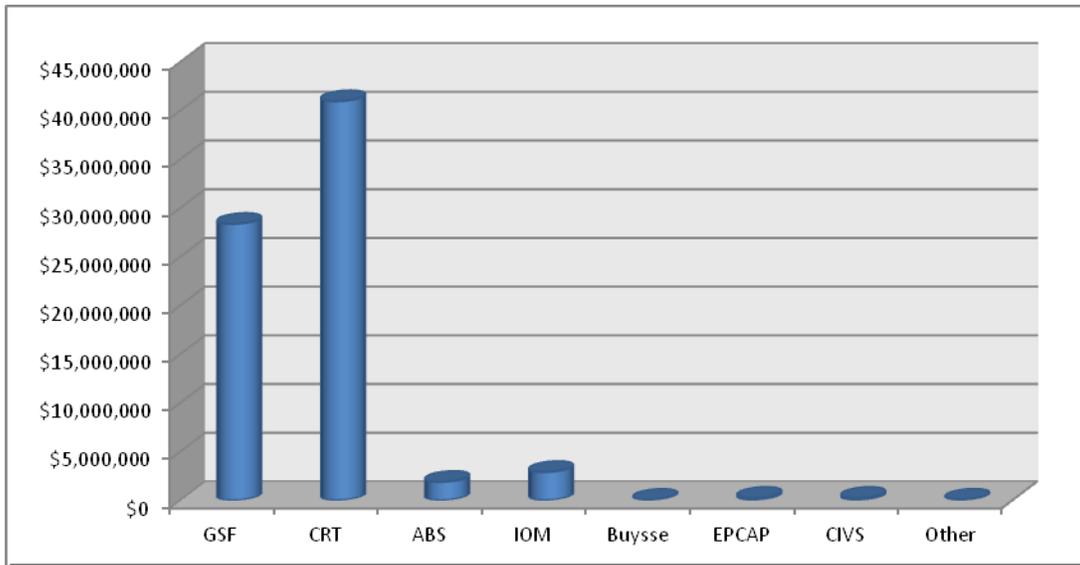


Figure 3 - Bank Claims

**INSURANCE:** To date, 2,344 individuals (from 42 states, the District of Columbia, and 26 countries) have submitted insurance claims referencing 3,563 individual policy-holders. The HCPO has closed the insurance claims of 1,641 individuals; 703 individuals currently have open insurance claims. Claims for unpaid insurance policies have been submitted to a number of parallel claims processes for consideration. To date, offers extended to HCPO claimants seeking the proceeds of insurance policies total \$31,672,791. (See Figure 4).

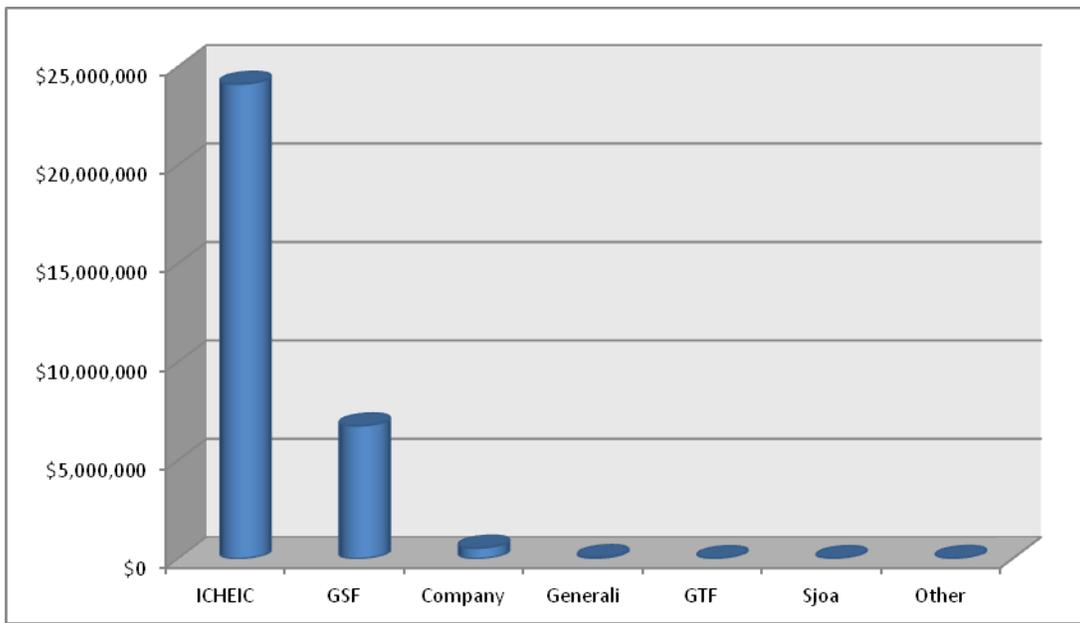


Figure 4 - Insurance Claims

**ART:** The HCPO has accepted 162 art claims from victims or heirs (from 19 states, the District of Columbia, and 12 countries) referencing thousands of items. Approximately 8,000 of these are in sufficient detail to permit additional research. The office has closed the claims of 28 individuals; 134 individuals currently have open art claims. To date, 56 cultural objects have been restituted to HCPO claimants. (See Figure 5).

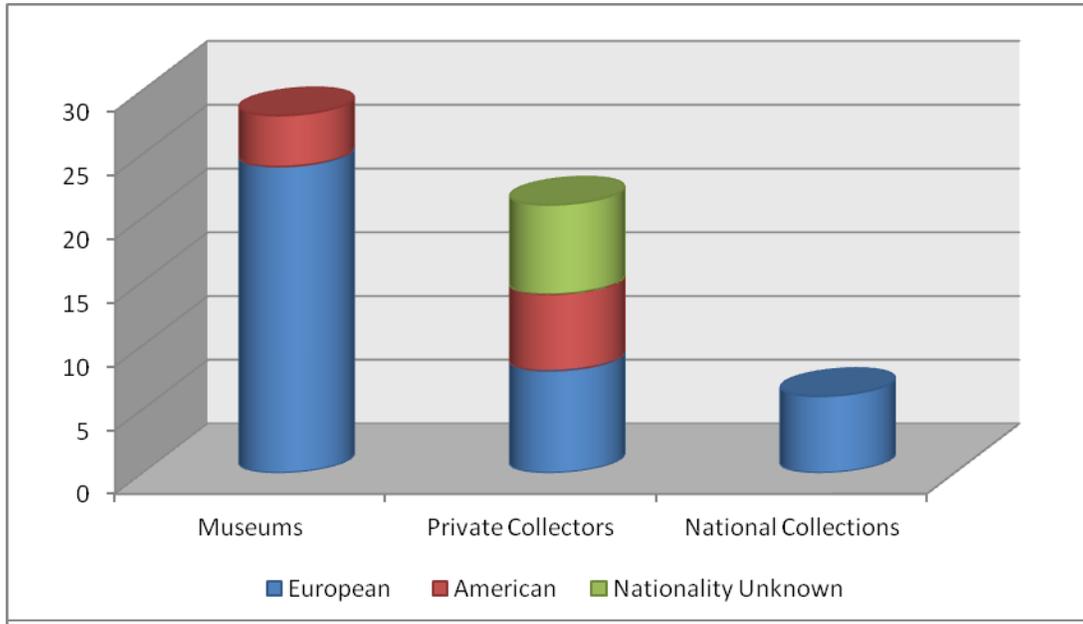


Figure 5 - Location of Objection at Time of Present-day Discovery

**OTHER:** Several compensation agencies administering programs covering bank account or insurance policy losses also assess claims for material or other losses resulting from Nazi persecution. Of the 4,912 individuals who filed claims with the HCPO, 870 were found eligible for compensation under material asset, real property loss or other programs. To date, offers extended to HCPO claimants seeking other material losses total \$51,870,724. (See Figure 6).

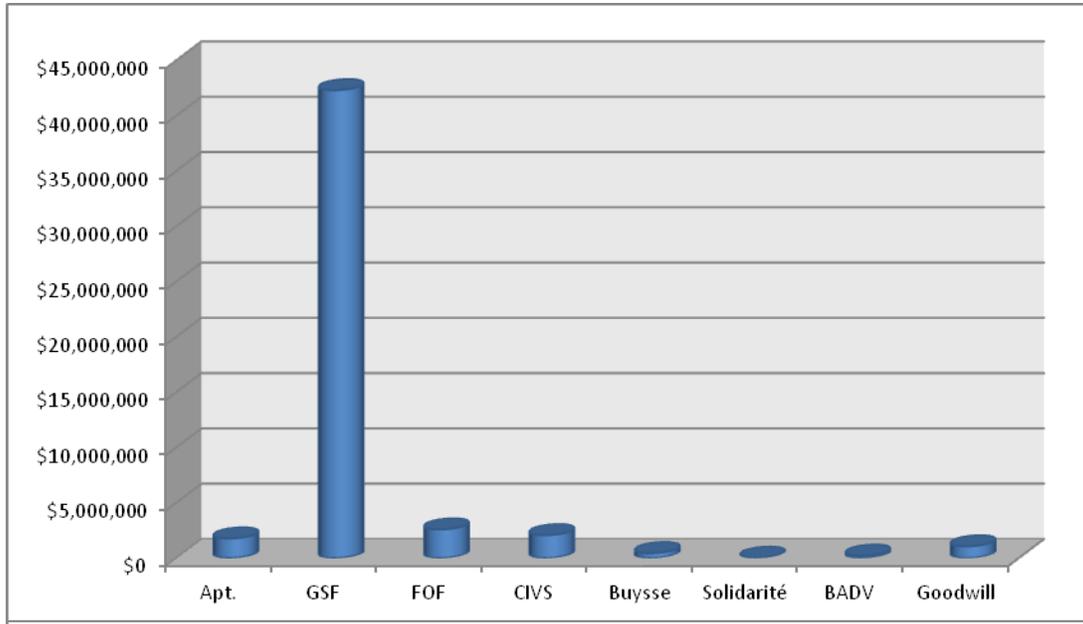


Figure 6 - Other Compensation Claims

### III. Restitution Highlights

World-wide, there are many processes for handling Holocaust-era restitution claims. Listed below are the results of HCPO's work utilizing the largest and most well known of them. In addition to the processes described below, the HCPO works with a variety of partner organizations, law firms, and other professionals to research and resolve claims for property lost during the Holocaust-era.

- i. *Austrian National Fund for Victims of National Socialism and the General Settlement Fund, Austria*: The combined total of all National Fund awards to HCPO claimants is \$1,811,260; the total General Settlement Fund awards to HCPO claimants to date is \$78,277,426. The average value of awards for bank assets is \$45,611, ranging from \$34 to \$2,142,522. The average award value for insurance policies is \$21,041, ranging from \$39 to \$280,699.
- ii. *Claims Resolution Tribunal, Switzerland*: The combined total of all CRT awards to HCPO claimants is \$40,967,109, with the average award being \$133,812, representing a range of \$122 to \$2,397,544.
- iii. *Claims Filed Directly with Insurance Companies*: Prior to the establishment of the International Commission on Holocaust Era Insurance Claims ("ICHEIC"), the HCPO submitted claims for unpaid life insurance policies directly to the issuing insurance company or its present-day successor. Since the closing of ICHEIC, the HCPO is again submitting claims directly to companies. Thus far, offers to claimants for claims the HCPO has submitted directly to companies total \$664,443.
- iv. *Commission for the Compensation of Victims of Spoliation, France*: The combined total of all CIVS awards to HCPO claimants to date is \$2,548,511. The value of the average award for bank assets has been \$4,225, the largest being \$36,562 and the smallest being \$1,500.
- v. *The Company for Locating and Retrieving Assets of People Who were Killed in the Holocaust, Ltd., Israel*: To date, HCPO claimants have been awarded \$10,484 in payments. The award values ranged from \$536 on the low end to \$1,195 at the top, with the average award being \$1,048.
- vi. *Enemy Property Claims Assessment Panel, London*: HCPO claimants have been awarded a total of \$244,477 in payments. The average award value is \$16,298 with the largest being \$78,503 and the smallest being \$349.

- vii. *Foreign Claims Settlement Commission, United States*: To date, HPCO claimants have received payment from the FCSC totaling \$20,270.
- viii. *French Minister of Defense, France*: To date, the combined total of all payments received by HCPO claimants under this program is \$2,849,083.
- ix. *German Federal Office for Central Services and Unresolved Property Issues, Germany*: To date, HCPO claimants have received payment from the BADV totaling \$243,670.
- x. *Goodwill Fund, Germany*: To date, HCPO claimants have received a total of \$1,061,248 through this program.
- xi. *Nazi Looted Art*: In 2011, five works of art were restituted to HCPO claimants. *Portrait of an Unknown Older Woman* by Robert Theer (Figure 7) and *The Old Burgtheater* (Figure 8) by Klimt were returned by the Wien Museum with the unanimous approval of the Vienna City Council to the heirs of Laura and Karoline Broch. *Still life with melons* by the Russian artist Sergei Kolesnikoff (Figure 9) was subject to a settlement agreement between the heirs of Vladimir Radan and the current possessor of the painting. The drawing *Barn, Hofgastein* by Adolph von Menzel (Figure 10), as well as the painting *Madame La Suire* by Albert von Keller (Figure 11) were the subject of restitution agreements between the heirs of Alfred Sommerguth and the Städel Museum in Frankfurt am Main and the Zürich Kunstgesellschaft respectively.



Figure 7



Figure 8



Figure 9



Figure 10



Figure 11

#### **IV. Holocaust Claims Processing Office Expenses in 2011**

The HCPO has a full time staff of six. The total cost of operating the HCPO during 2011 was \$615,659, including personal service, fringe and indirect costs, and non-personal service expenditures, as follows:

##### **Calendar Year 2011**

	Banking Department	Insurance Department	Total
Personal Service Costs	196,833	201,955	398,788
Fringe & Indirect Costs	149,709	65,877	215,586
Non-Personal Service Costs	1,287	0	1,287
<b>TOTAL</b>	<b>347,829</b>	<b>267,832</b>	<b>615,661</b>

Note: Historically the costs of operating the HCPO were split between the Banking and Insurance Departments. Effective October 3, 2011, those Departments were merged into the Department of Financial Services. The full costs of HCPO are now borne by the Department of Financial Services.