

THE APPEALS PANEL

Established under an Agreement dated 16th October, 2002 made by and among the Foundation “Remembrance, Responsibility, and Future”, the International Commission on Holocaust Era Insurance Claims, and the German Insurance Association

Chairman: Timothy J Sullivan— Panel Members: Rainer Faupel and Abraham J Gafni

PRIVILEGED AND CONFIDENTIAL

20th January 2004

THIRD REPORT OF THE APPEALS PANEL TO THE FOUNDATION “REMEMBRANCE, RESPONSIBILITY, AND FUTURE”, THE GERMAN INSURANCE ASSOCIATION AND THE INTERNATIONAL COMMISSION ON HOLOCAUST ERA INSURANCE CLAIMS

By section 3.12 of Annex E (the Appeals Guidelines) included in the Agreement dated 16th October, 2002 (the Agreement) made by and among the Foundation “Remembrance, Responsibility and Future” (the Foundation), the International Commission on Holocaust Era Insurance Claims (the ICHEIC) and the German Insurance Association (the GDV) (jointly called the parties to the Agreement), the Appeals Panel is required to submit to the parties to the Agreement quarterly written reports on its appeals processing. These reports shall include the activities and the conduct in general and the expenses, costs and fees that it has incurred.

I—GENERAL

This third Report covers the period 1st October to 31st December 2003. The Appeals Panel met on 16th and 17th October 2003 in Williamsburg, Virginia, USA. The Appeals Panel further met and discussed specific issues by way of several telephone conferences.

II—STATISTICAL SUMMARY

A Statistical Summary of the status of appeals in the Appeals Office for the Appeals Panel is set out in Annex 1 attached.

III—SPECIFIC ISSUES

Publication of awards

The Appeals Panel was informed that at ICHEIC’s annual meeting on October 29th 2003, questions were raised by the Jewish groups and Regulators about the accessibility of decisions from the Appeals Panel. There were specific requests to publish the decisions on the ICHEIC web site or to at least make the decisions available in a private manner. The ICHEIC Chairman asked

the Appeals Panel for their views on the matter and suggested that the Quarterly Reports be used to highlight any general trends or lessons that can be learned without identifying individual cases.

The Appeals Panel would like to point out that neither the Agreement, nor the wording of the waivers signed by Claimants and Appellants, nor the generally accepted international and national standards of data protection allow the publication of decisions as they are. To remove names from the decisions would be insufficient to make the appeals anonymous. It would require manpower and subsequent cost to make the decisions truly anonymous. However, honouring the request for more transparency, the Appeals Panel decided to provide information on the reasons for dismissing appeals. The Appeals Panel will further reflect on how to improve the reporting of decisions.

As of the end of December 2003 the Appeals Panel has sent decisions in 13 cases to the Appellant and the Respondent. Eight appeals were dismissed for the following reasons;

- one appeal failed as it was not deemed plausible that the policy was issued by the company named in the appeal
- two appeals failed as it was not deemed plausible that a policy existed nor that the company named in the appeal could have issued the policy
- two appeals failed as the appeals were beyond the Panel's scope as the claimants were not Holocaust victims as defined in Section 14 of the Agreement
- one appeal failed where the claimant failed to prove a policy existed
- one appeal failed as the appeal was beyond the Panel's scope as the claim was for unpaid salary and pensions
- one appeal failed as the policy had already been compensated by a decision of the restitution authority

IV—SUMMARY OF THE APPEALS PANEL EXPENSES COSTS AND FEES

As set out above the Quarterly Report shall include a financial summary of the “expenses, costs and fees” incurred by the Appeals Panel and this is set out in Annex 2 attached. These figures have been provided by ICHEIC's accounting office.

V—NEXT MEETING

The Appeals Panel decided that it will meet again in London, England on the 7th and 8th January 2004.

London, 20th January 2004

Timothy J. Sullivan
Chairman

Rainer Faupel
Panel Member

Abraham J. Gafni
Panel Member

ANNEX 1 – APPEALS STATISTICAL SUMMARY

The following summarises the status of appeals received to date;

	As reported 30th September 2003	4th Quarter 2003	Total
Total appeals received	64	34	98
Total by company			
• Allianz	24	6	30
• AXA	1	3	4
• GDV (blocked account cases)	3	0	3
• GDV (non MOU companies)	4	18	22
• RAS	32	7	39
Number of awards	0	5	5
Value of awards	\$0	\$39,452	\$39,452
Number of appeals dismissed	1	7	8
Number of claims now closed by appeal	0	13	13
Inquiries received	3	3	6

ANNEX 2 – FINANCIAL SUMMARY

Total costs to date for the Appeals Panel are \$646,741.90. These costs can be broken down as follows;

	As reported 30th September 2003	4th Quarter 2003	Total
Staff wages	\$ 90,755.48	\$39,414.54	\$130,170.02
Maintenance office machines	\$ 1,146.27	\$0.00	\$1,146.27
Arbitrator	\$194,360.82	\$66,382.50	\$260,743.32
Professional & Consulting fees	\$87,433.17	\$45,755.03	\$133,188.20
Translations	\$3,027.16	\$9,737.83	\$12,764.99
Other expenses	\$2,279.94	\$186.30	\$2,466.24
Office expenses	\$278.88	\$0.00	\$278.88
Mail & printing	\$130.61	\$104.85	\$235.46
Communication	\$277.19	\$2,082.50	\$2,359.69
Travel staff	\$105.52	\$3,077.83	\$3,183.35
Meeting	\$1,356.21	\$427.44	\$1,783.65
Consultant travel	\$72,958.06	\$14,443.43	\$87,401.49
Legal fees	\$9,500.00	\$1,520.34	\$11,020.34