

REPORT TO THE INTERNATIONAL COMMISSION ON
HOLOCAUST ERA INSURANCE CLAIMS ON WINTERTHUR LIFE
AND ITS LIFE ASSURANCE SUBSIDIARIES

24 FEBRUARY 2006

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Scope

We refer to the report by KPMG Fides Peat (KPMG) dated 10 February 2006 (the Compliance Report), which is set out in Appendix 2, on the compliance by Winterthur Life Insurance, and its subsidiaries engaged in the life assurance business as at 31 December 1999 (Winterthur Life) with the five audit standards (Audit Standards) promulgated by the International Commission on Holocaust Era Insurance Claims (ICHEIC) set out in Appendix 3. The Compliance Report refers to the report prepared by Winterthur Life management, dated 14 September 2000 (The Management Report), which is set out in Appendix 4.

Audit Standard 1 lists the countries that are relevant for audit purposes, all of which were occupied by Nazi Germany. Switzerland is not included in this list. Winterthur Life is domiciled in Switzerland, but the scope of our work did not extend to records of policies that were sold in that country. In accordance with an Addendum to the Audit Standards, we understand that a second stage audit will address the processing of claims received in relation to policies sold in Switzerland.

In accordance with the Engagement Letter between us dated 2 October 2000, we have reviewed the Compliance Report and the supporting working papers, have made site visits to Winterthur Life's archives and carried out limited sample testing of Winterthur Life's database and archives. A summary of work performed by us is set out in Appendix 1. This work was completed on 16 July 2004 and, save review of the Compliance Report, we have not undertaken any further work since that time.

Our opinion, which is set out below, is not in any way a guarantee as to the conduct of Winterthur Life in respect of any particular insurance policy or claim thereon at any time or in any particular circumstances.

Data recording completed after the KPMG compliance audit – DBV-Winterthur

As described in the Compliance Report, the compliance auditors identified the existence of certain additional policy information that had not been recorded on the searchable database. KPMG concluded that this was an exception to Winterthur Life's compliance with Standard Four. Our opinion on KPMG's work is not qualified in this regard.

Subsequent to the completion of the compliance audit, Winterthur Life has conducted an additional investigation and data recording exercise, the results of which are contained in an Additional Management Report prepared by Winterthur Life Management, dated 7 July 2004 and set out in Appendix 5. We have performed testing to determine whether the additional policyholder information has been recorded in accordance with the criteria endorsed by the ICHEIC. Nothing has come to our attention that would suggest that Winterthur Life has not recorded the agreed additional data to an acceptable standard and within the context of a reasonable cost and time frame.

Opinion

Based on the work performed by us referred to above, in our opinion the conclusions in the Compliance Report are adequately supported by the work performed by KPMG.

Ernst & Young LLP

Ernst & Young LLP
London

24 February 2006

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APPENDIX 1 TO THE ICHEIC PEER REVIEW AUDITORS' REPORT TO THE INTERNATIONAL COMMISSION ON HOLOCAUST ERA INSURANCE CLAIMS ON WINTERTHUR LIFE INSURANCE AND ITS LIFE ASSURANCE SUBSIDIARIES**Summary of work performed by Ernst & Young LLP - Peer Review Auditors***Planning Process- Peer review*

Our approach considered KPMG's planning of the Independent Audit. We considered whether KPMG were familiar with Holocaust issues and assessed how their audit processes were planned to address the requirements of ICHEIC. We considered if the staff were knowledgeable and briefed about Holocaust matters and whether adequate resources had been applied to the assignment. We also considered independence issues.

Field work- Peer Review

We reviewed the KPMG working papers and discussed the results of their work with them. We enquired if Winterthur Life had placed any limitations on their scope and if Winterthur Life had provided unfettered access. We noted issues that had arisen to determine whether they had been, if appropriate, considered for their report.

Additional work for the ICHEIC

We conducted additional testing of the database and archives to determine, on a statistical sampling basis designed to give a 95% confidence level, if relevant records in the archives had been identified and correctly recorded in the search process. The selection of archives for testing was drawn from a list of archive sites included in the KPMG working papers.

Reporting

We reviewed the Management Report and KPMG Compliance Report and considered whether or not the results of the KPMG Independent Audit were fairly reflected in their Report. We also considered the results of our additional testing in reaching our conclusion.

Additional Recording Exercise completed after the KPMG compliance audit

We gained an understanding of the scope of the additional recording exercise and determined whether Winterthur Life had received appropriate approval from ICHEIC for the course of action taken. We undertook a review of the Additional Management Report, the project administration, including quality assurance activities, and conducted testing, on a statistical sampling basis, to determine if records had been accurately recorded.

Winterthur Life Insurance, Winterthur
Compliance Report on the Standards
defined by ICHEIC

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1 Introduction and General Issues

1.1 Background

On 25 August 1998, a Memorandum of Understanding ('MOU') was signed between six European insurance companies ('Insurance Companies'), The United States Insurance Regulatory authorities, the State of Israel and Jewish and survivor organizations. In the MOU it was agreed that the parties would establish a process to expeditiously address the issue of unpaid insurance policies issued to victims of the Holocaust.

The International Commission on Holocaust Era Insurance Claims ('ICHEIC') was established with the role of initiating and conducting an investigatory process to determine the status of those insurance policies issued to holocaust victims during the period of 1920 to 1945.

In order to determine the status of the policies, ICHEIC and the Insurance Companies developed/adopted five Standards as set out below. The five Standards are dealt with in this report under the following headings:

- Standard 1 Identify Relevant Companies
- Standard 2 Identify Relevant Archive Sites
- Standard 3 Identify and Secure Relevant Records
- Standard 4 Develop Investigations Database
- Standard 5 Investigate Incoming Claims

1.2 Objectives/Scope of Compliance Review

ICHEIC and the Insurance Companies agreed on a procedure for "direct certification" through an independent audit and peer review process. As part of this process, every insurance company was required to appoint an independent auditor. The independent auditor was to examine and report on the Insurance Company's compliance with the five Standards. A peer of the independent auditor was then to review the independent auditor's work.

Winterthur Life Insurance ('Winterthur Life') appointed KPMG Fides Peat Forensic Switzerland ('KPMG') as its independent auditor. This report contains our findings and conclusions for each of the five Standards based on work performed until 15 November 2001.

1.3 Work performed

For the purpose of this engagement, we have performed the following (but not limited to) activities:

- Took notice of the five Standards as defined by ICHEIC
- Took notice of Winterthur Life Insurance's management report dated 14 September 2000

- Took notice of the project organization of the Winterthur Life Insurance's project to achieve compliance with ICHEIC's Standards ('WWW project'), the 'Project Manuals' and the 'Operation Procedures'
- Conducted several interviews and meetings with the head of the Data Collection & Claims & Research team
- Conducted interviews with the respective team leaders, responsible for the Munich, Wiesbaden (including Berlin and Offenbach), Brussels, Luxembourg and Paris sites
- Reviewed the project files for the WWW project regarding Munich, Wiesbaden, Brussels, Luxembourg and Paris
- Performed site visits to the Winterthur, Munich, Berlin, Wiesbaden, Offenbach, Paris and Brussels offices
- Took statistical defined samples to determine the correct and complete recording of identified relevant records
- Took samples on the claims processing

For further details on the work performed to ensure the compliance of the respective Standards, we refer to the review sections of this report.

1.4 Period after Debrief Meeting

KPMG's findings of its compliance audit/review were presented and discussed in the AMSEG (a sub-committee of ICHEIC) debriefing meeting on 14 and 15 November 2001 in Switzerland. In this meeting the issue was discussed that additional Deutsche Beamten Versicherung (DBV) - Winterthur Life data sources existed containing names that had not been recorded on the searchable database (see section 6 for further details). In this debrief meeting Winterthur Life was required to investigate more fully the existence of additional policyholder data and to determine an appropriate course of action. KPMG's work after 15 November 2001 was limited to providing assistance to Winterthur Life in their determination of what data should be recorded and performing a short review at an early stage on the quality of their additional recording process. However, KPMG did not perform any work as compliance auditor on the additional work performed by Winterthur Life following the debriefing meeting of 14 and 15 November 2001.

Winterthur Life informed KPMG on 6 October 2003 that it had been agreed with ICHEIC that the work performed by Winterthur Life since the debriefing meeting of 14 and 15 November 2001 should be audited by the peer review auditor only and that no further review had to be performed by the independent auditor. This report therefore contains findings and conclusions based on KPMG's work performed until 15 November 2001 only.

1.5 Notes

KPMG's conclusions in this report are based on its work as described in the respective review sections, and included the review of the available documentation in the project files, examination of other relevant material (internet, publications etc.), and interviews with key personnel.

Our work has been performed based on our letter of engagement dated 20 October 2000.

The procedures and activities performed by KPMG do not constitute a financial audit and, as such, no assurance as to truth and fairness of the financial information is expressed. The only purpose of this report is to give an overview of the examination KPMG performed to determine the compliance of Winterthur Life with the ICHEIC Standards and to comment on the compliance of Winterthur Life with the Standards as set/agreed with the ICHEIC.

As Winterthur Life started with the WWW Project (1997) before the MOU was signed (1998), the ICHEIC was formed (1998) and the Standards were defined (1999), Winterthur Life also performed searches in for ICHEIC purposes non-relevant countries. The activities in these non-relevant countries were not part of KPMG's review and KPMG did not perform any review on these non-relevant countries.

In all relevant countries, search and recording activities commenced and in some cases were completed before the five Standards of ICHEIC were agreed upon. As a consequence, evidence indicating compliance with the five ICHEIC Standards in retrospect was not always available.

KPMG states expressly that, as Switzerland was not a relevant country according to ICHEIC, Switzerland and the Winterthur sites in Switzerland were not part of KPMG's review and were not included in this compliance report (with the exception of the database which is located in the Winterthur premises).

2 Approach of Winterthur Life

In September 1997, before the MOU was signed in 1998, Winterthur Life formed a project team ('WWW Project') sponsored by the chairman of Winterthur Life. The highest organizational level of the WWW Project is the Steering Committee. As part of the project a 'Data Capture & Research' team was formed and this was further divided into project teams per region. The tasks of the teams were:

- to identify the relevant companies within their relevant geographical territory
- to identify the archives of the relevant companies and to secure and record the relevant documents in a database for further use

To ensure the correct approach by these teams, Winterthur Life's project management developed 'Project Manuals' and the 'Operation Procedures' manual, which incorporated Standards such as how to record documents. In addition there was a quality control system in place including a review of the respective teams by internal audit teams of Winterthur Group.

Although for ICHEIC purposes only the period 1920 to 1945 had been identified as relevant, Winterthur Life decided that for the purposes of the WWW Project, all documents out of the period 1920 to 1960 were to be considered relevant.

3 Standard 1 – Identify Relevant Companies

3.1 Approach of Winterthur Life

Based on annual reports, annual and anniversary publications and management papers Winterthur Life compiled a list with relevant countries¹ where possibly life insurance policies were sold during the period 1920-1945. Those countries were Austria, Belgium, France, Germany, the Netherlands, Italy and Luxembourg. Local teams were responsible for identifying and investigating:

- the archives of all Winterthur Life companies currently owned by the Winterthur Group
- the archives of companies no longer owned by the Winterthur Group, but for which records existed

The Research & History team was responsible for the compilation of the history of the corporate structure, policy and culture during the relevant period. This information was used to determine the completeness of the relevant companies identified by the local teams. The Research & History team compiled a list containing European life insurance companies in 1938 and based on this documentation, Winterthur Life found it had issued life insurance policies in Belgium, France, Germany and Luxembourg.

Winterthur Life identified as ‘relevant companies’ which issued life insurance policies between 1920 and 1945:

In Germany:

- Winterthur Life, Branch Office for Germany
- Deutsche Beamten Versicherung, Germany (DBV)

In Belgium:

- Winterthur Life, Branch Office for Belgium
- Union & Prévoyance, Belgium

In Luxembourg:

- Union & Prévoyance, Agency for Luxembourg

In France:

- Winterthur Life, Branch Office for France

¹ Based on the “Yad Vashem, Main Camps and Killing sites during the Nazi Era, 1998: Borders as of March 11, 1938”.

3.2 Review performed by KPMG regarding Standard 1

3.2.1 KPMG's work performed included

- comparing the list of relevant subsidiaries with a report by the US Board of Economic Warfare in 1943 regarding Axis penetration of European Insurance
- reviewing the 'Neumanns Jahrbuch' for the years 1924 to 1940 and the 'Assekuranzjahrbuch' for the years 1939 to 1943
- reviewing the Chronology of Winterthur Life Insurance as published in the Book on the History of Winterthur Life
- reviewing Winterthur Life files regarding countries that were determined as being non relevant
- interviewing the team leaders of the relevant countries and obtaining confirmation that no further information had come to their attention on other companies and archive sites not yet taken into consideration for this project

No additional relevant companies were found during KPMG's work.

3.2.2 Findings on the compliance of Winterthur Life with Standard 1

Due to the fact that Winterthur Life started its project WWW prior to the definition of the ICHEIC Standards, the available project files do not always produce a clear picture on how relevant companies were identified in the respective countries, nor is an audit trail available on how it was determined that a company was relevant or not for ICHEIC purposes.

However, based on the work performed by us and the information provided to us by the project team during our review (see paragraph 3.2.1), we have found no indication and have no reason to believe that all relevant companies have not been taken into account in the WWW project.

3.2.3 Conclusion

Based upon the work performed as described in paragraph 3.2.1, and notwithstanding the findings as specified in paragraph 3.2.2, nothing came to our attention that made us believe that Winterthur Life was not in compliance with ICHEIC Standard 1.

4 Standard 2 – Identify Relevant Archive Sites

4.1 General

Winterthur Life had regional headquarters for Germany in Munich and Wiesbaden, for France it was in Paris, for Belgium and Luxembourg in Brussels.

4.2 Approach of Winterthur Life

In general, in every relevant location, Winterthur Life searched the buildings for relevant documents and archives based on the building plan and sought written confirmation from department leaders of the respective companies that all relevant material had been brought to the attention of the Data Capture & Research team. Winterthur Life then established a detailed inventory list of available documents in every room. In addition, the Research & History team researched external archives to determine further possible companies and archive sites.

In Germany, relevant archive sites were identified as being in Wiesbaden, Offenbach, Berlin and Munich. No relevant records were found in Hamburg, Hanover or Cologne.

In Belgium, relevant archive sites were identified in Brussels and Overijsse. During its searches, Winterthur Life identified that part of the archives of L'Union et Prévoyance (one of the companies out of which Winterthur Life Europe Assurances was formed in 1996) had been permanently handed over to the Belgium government. Winterthur Life historians researched the contents of this archive and compiled an index from this which was later published as a book. Relevant records from this were recorded in the database.

In Luxembourg, relevant archive sites were identified and searched at the offices of Winterthur Life Europe Assurances, Luxembourg.

In France, a relevant archive site was identified in Paris.

4.3 Review performed by KPMG regarding Standard 2

4.3.1 KPMG's work performed included:

- reviewing the available project files
- interviewing the team leaders of the respective project teams and asking for confirmation
- reviewing the documentation prepared by the Research & History team
- reviewing minutes
- reviewing the available documentation of the building and archive searches as prepared by Winterthur Life
- searching the internet to identify further possible addresses of Winterthur Life in the relevant countries

4.3.2 Findings on the compliance of Winterthur Life with Standard 2

In a number of cases, it was decided not to search buildings or archive sites, based on the fact that the respective companies were only agencies or were founded after the relevant period. No underlying documentation on how this was determined is available in the project files.

Due to the fact that Winterthur Life started its WWW Project prior to the definition of the ICHEIC Standards, the available project files did not always produce a clear picture on how relevant archive sites were identified in the respective countries, nor was a clear audit trail available that showed the relation between building plans of sites and the searches in these buildings to determine if an archive was relevant or not.

However, based on the information provided to KPMG by the project team and KPMG's additional work as described, KPMG did not find any indication and had no reason to believe that any relevant archive sites were not taken into account in the WWW Project.

4.3.3 Conclusion

Based on the work performed as described in paragraph 4.3.1 and notwithstanding the findings as specified in paragraph 4.3.2, nothing came to KPMG's attention that makes it believe that Winterthur Life is not in compliance with ICHEIC Standard 2.

5 Standard 3 – Identify and Secure Relevant Records

5.1 Approach of Winterthur Life

In general, in every relevant location, Winterthur Life's approach included:

- issuing a directive (30 January 1997) ('1997 Directive') that it was not allowed to destroy documents from the period 1920-1960
- issuing a directive declaring all company records from 1920-1960 relevant
- appointing national archivists for each country to manage and keeping secure all relevant records
- storing all relevant documents in central WWW archives per relevant company, with the exception of life insurance policies still in force, which remained in the active company archives
- logging any movement of documents
- numbering all relevant documents with a unique barcode
- recording all numbered documents in an archive database
- having recorded them, checking samples of barcodes against the original document
- performing reviews of compliance with operational procedures
- keeping records under high security at the archive sites

In Germany, all relevant records for documents regarding Munich were stored at a central WWW archive in Munich and all relevant records for DBV were archived in Offenbach, Wiesbaden and Berlin.

To the best knowledge of the team managers of the Wiesbaden and Munich project teams there was no considerable period determined for which no records were found and the team managers are not aware of any documents being destroyed except for the following:

- Records were destroyed due to war incidents
- Furthermore, the headquarters of DBV and Winterthur Life were in the Russian sector in Berlin and were evacuated after the war and archives transported to the American sector and Munich respectively. It is not known if all the files and records were transported at that time
- Until the 1997 Directive, records were as part of normal procedure, destroyed on a regular basis after the legal retention period that records had to be kept in Germany

In Belgium, all relevant records are stored in secured WWW archives in Brussels, Overijsse and the "Archives Générales du Royaume". With regard to destruction and loss of records, the Brussels project team manager confirmed that to the best of his knowledge there was no considerable period in which no records were found and he was not aware of documents being destroyed except those destroyed prior to the 1997 Directive as part of normal procedure after the legal retention period that records had to be kept in Belgium.

However, some documents were stored at a location that was not secure from an unknown date until 1998 when the files were moved to an external archive. It is known that some documents went missing after this transport.

In Luxembourg, the relevant files were returned to the secure WWW archive in Luxembourg. With regard to destruction and loss of records, the Luxembourg project team manager confirmed that to the best of his knowledge there was no considerable period in which no records were found and he was not aware of documents being destroyed except those destroyed prior to the 1997 Directive as part of normal procedure after the legal retention period that records had to be kept in Luxembourg.

In France, all relevant files are currently stored in Paris. To the best knowledge of the French project team manager there was no considerable period in which no records were found and he was not aware of documents being destroyed except those destroyed prior to the 1997 Directive as part of normal procedure after the legal retention period that records had to be kept in France.

5.2 Review performed by KPMG regarding Standard 3

5.2.1 *KPMG's work performed included*

- reviewing the working papers of the respective sites to determine that the process as described in the Operating Procedures was followed by the respective teams (searches in the archives, the existence of the guiding papers ("Laufblätter"), the overviews of percentage of correctness, the Quality System Administrator had signed on the documents etc)
- reviewing the internal quality control documents and reviews performed by Winterthur Life Group internal audit department
- reviewing the minutes of team leader and Steering Committee meetings
- conducting interviews with the respective team leaders to identify possible problems and issues and work performed by the respective teams not written down in the project files, and to get a confirmation that, to their knowledge, no relevant documents were not recorded or relevant archive sites were not reviewed
- reviewing the security of the central WWW archives by interviews and physical inspections

Offenbach/Wiesbaden

We checked the archives in Offenbach and Wiesbaden to identify any relevant records which were present in these archives but had not been recorded in the database.

Munich

We checked the archives in Munich to identify any relevant records that had not been recorded in the database.

Brussels

In the Brussels archive, a sample was taken on non-relevant archive files (boxes) to determine that these boxes only contained non-relevant documents.

Paris

In the archive of Paris La - Défense, sometimes WWW documents are required for the daily business. We checked this procedure by reviewing the control form used on a document given out, and did not find any indication that this procedure as described to us was not in place.

5.2.2 Findings on the compliance of Winterthur Life with Standard 3

In some cases, records were transported from other archive places to central WWW archives (for example from Berlin to Offenbach). No clear audit trail was available that showed that all relevant documents found in a local archive were transported to the central WWW archive.

For every room or relevant archive, a description of the contents was prepared. Based on these documents, the relevant files were transported to the central WWW archives. No audit trail was available or was found that described for each identified room, which documents had been moved and by whom, to the central archives.

As a consequence KPMG could not find evidence that proved that all relevant determined documents in a specific room were transported to the central WWW archives and were part of the data recording process as described in this chapter and the chapter on Standard 4.

Although the audit trail was not in all cases available to show the complete transport of files from local archives to the central WWW archives in accordance with the process that was in place, KPMG found no indication and had no reason to believe that relevant files had not been transported to the central WWW archives.

5.2.3 Conclusion

Based upon the work performed as described in paragraph 5.2.1, and notwithstanding the findings as specified in paragraph 5.2.2, nothing has come to our attention that makes us believe that Winterthur Life is not in compliance with ICHEIC Standard 3.

6 Standard 4 – Development Investigations Database

6.1 Approach of Winterthur Life

Each of the five team managers was responsible for the data capturing operations at their respective locations. Three databases were used to capture data as it flowed through the system. All life insurance policies were archived.

The client records were prepared for data capture. They were bar-coded and allocated to data entry clerks. Then the client records were entered into the key database. This database was backed up daily. The data was checked on a sample basis by the Quality Standards Administrator ('QSA') to ensure that all data was properly entered. The QSA was responsible for correcting missing or incorrect entries.

The recording of company/management files followed predominantly the same process.

Winterthur Life maintained a central database (the 'Oracle database') to investigate claims. This Oracle database was located on a stand alone server that was installed in a secured room in Winterthur Life. Documents were transferred to the Oracle database and a log-file kept to provide an audit trail to follow the transfer of the data from the respective location into the central database.

An Oracle database was used by Winterthur Life for the investigation of claims. In addition, Winterthur Life had a history database containing all historical data.

6.2 Non recorded Relevant Files

6.2.1 Non recorded Relevant Files Germany

In Germany, there were four information sources - Name cards, Policy registers, Client files and Films. In certain cases records were found that had not been recorded separately, as several populations of records existed with the names of the same policy holders (for example Name cards in alphabetical order, Policy registers in numerical order etc.).

Given the fact that none of the four information sources were complete and given the fact that gaps in the different information sources were not identical for all information sources and given the fact that all information sources contained the same basic data, the source which contained the most names of policyholders had to be identified first. Based on samples taken from all information sources and with regard to the purpose of the recording (claims driven process), Winterthur Life assumed in 1997 that the films of the Name cards contained the largest population. Hence, only the Name cards were recorded in order to avoid duplicate names (see also 6.3.2 and 6.3.3).

6.2.2 *Non recorded Relevant Files Brussels*

In Brussels, 400,000 so-called 'punched cards' were found, some of which contained relevant information from the period. However, it was decided by the central Steering Committee not to record these punched cards in the central database as they did not offer any additional information to the documents already identified and recorded by the Brussels team.

6.2.3 *Non recorded Relevant Files Paris*

The recording of life-insurance contracts signed during the relevant period was based on a chronological index of contracts without any gaps. There were additional indices containing parts of the information of the chronological index, but in different order. As no gaps had been found in the chronological register, it was decided by Winterthur Life not to record the information in the other indices separately.

6.3 **Review performed by KPMG regarding Standard 4**

6.3.1 *KPMG's work performed included:*

- following the audit trail from the total of recorded records at the respective locations, to transfer protocols (where available) for logging files of the transfer in the Oracle database and the current content of the database
- interviewing the responsible persons for the database (IT specialist) to discuss the issues on the integrity and security of the database
- reviewing the available documentation
- reviewing the back-up and recovery procedures of the database
- reviewing the log file of the changes that were made during a certain period in the Oracle database
- analyzing the contents of the database by using ACL (Audit Command Language) to determine the numbers of records present in the database per location, gaps in the recording of the barcodes etc.
- taking samples to investigate the correctness and completeness of the recording process
- taking of samples and carrying out further controls to determine the justification for the non-recording of relevant records

6.3.2 *Samples taken by KPMG to review the correctness and completeness of the recording process*

KPMG took:

- retrograde samples (from database to the original document), based on statistical calculations
- progressive samples (from original documents to the database), based on statistical calculations

6.3.3 Findings on the compliance of Winterthur Life with Standard 4

6.3.3.1 Samples on the correctness of recording and on the completeness of recording

Based on the search process that was in place and that was mainly based on the name – first letters of a name, KPMG defined as a critical error those cases where (1) the name was not available or (2) an error in the first three letters had been made.

Based on its retrograde samples KPMG was able to conclude with a 95% confidence that the most likely error rate regarding the two critical errors was for (1) 0.00% and for (2) 0.57%, with an upper bound for (1) 0.85% and for (2) 1.78%.

Based on its progressive samples KPMG was able to conclude with a 95% confidence that 0.76% of the relevant documents or names available (with an upper bound of 1.96%) had not been recorded in the database.

6.3.3.2 Samples to determine the justification of the non recording of relevant records

In Germany, KPMG took samples that had not been recorded on the electronic database to test whether those sources contained additional information.

KPMG took samples of the four sources containing basic information (Name cards (recorded on films), Policy registers (recorded on films), Policy registers (books) and Client files). Based on KPMG's findings, it can be concluded that none of the four sources with the same basic information in Wiesbaden/Offenbach/Berlin were complete. In particular the 562 films of the Policy registers contain approximately 1.35% more names than the 136 films of the Name cards, but that the 136 films of the Name cards also contain 5.7 % names more than the 562 films of the Policy registers.

In Belgium, in Brussels, KPMG took additional samples of the so-called 'punched cards'. KPMG's sample confirmed the findings of the Winterthur Life team in Brussels.

In Paris we reviewed the chronological order of the records and asked for a written confirmation on the completeness of the insurance numbers in the indices.

6.3.3.3 Special circumstances

Regarding the information described above, consideration should be given to the special status of DBV. As the name implies, the main purpose of the company was to provide insurance cover for civil servants and military personnel. With the introduction of the "Law for reestablishment of professional civil service" in 1933, which led to the dismissal of Jewish Civil Servants, it may be assumed that new policies were unlikely to be issued for Jewish people after that date. Regarding this issue and in order to understand the implications of this issue, it should be noted that none of the populations were complete and gaps were not identical.

6.3.4 Conclusion

Based upon KPMG's work performed as described in 6.3.1 and notwithstanding the issues described in 6.3.3 but with the exception that other data sources existed containing policyholder information that was not available in the database, nothing came to KPMG's attention that made it believe that Winterthur Life was not in compliance with ICHEIC Standard 4.

The exception was discussed in the AMSG debrief meeting on November 14 and 15, 2001. Winterthur Life was required to investigate more fully the existence of additional policy information that had not been recorded on the searchable database. KPMG did not conduct a review of Winterthur Life's investigation and subsequent actions. Reference for this additional work should be made to Winterthur Life's additional management report and the report of the peer review auditor.

7 Standard 5 – Investigate Incoming Claims

7.1 Approach of Winterthur Life regarding Standard 5

The Claims & Enquiries team consisted of a team manager and several team members, who handled all incoming ICHEIC claims and enquiries.

The Claims & Enquiries team was responsible for receiving, processing and monitoring incoming claims and enquiries from the ICHEIC (and other direct claims). All incoming claims and enquiries were recorded in the so-called "Claims Database".

The Steering Committee decided on matched claims once the process of research had been completed.

Winterthur Life identified claim types and developed procedures on how to handle these claims. Every ICHEIC claim was recorded in the Claims Database, and received a unique "Winterthur Life" claim number in addition to the ICHEIC claim number.

In general, all "no matches" were reported to ICHEIC within 90 days.

If a person was found in the database, the original document could be accessed based on the barcode number. This barcode number related to the original document in the WWW archives.

7.2 Review performed by KPMG regarding Standard 5

7.2.1 KPMG's work performed included:

- reviewing Winterthur Life's operational procedure against the Standard 5 description
- interviewing the Claims & Inquiries team manager on the claims handling
- taking samples (based on statistical calculations) on the claims handling to check the correct recording of the incoming claims in the claims database, the completeness of the files (audit trail), the correctness and completeness of the search in the Oracle database (particularly if a claim was correctly recorded as a no match), and the processes of the claims handling against the Winterthur Life procedures
- reviewing the known "Match" claims with the handling against the Winterthur Life procedures, and reviewing the underlying documentation in the files to identify the correct handling and existence of evidence/documentation of these claims that supported the proposal to and decision by the Steering Committee

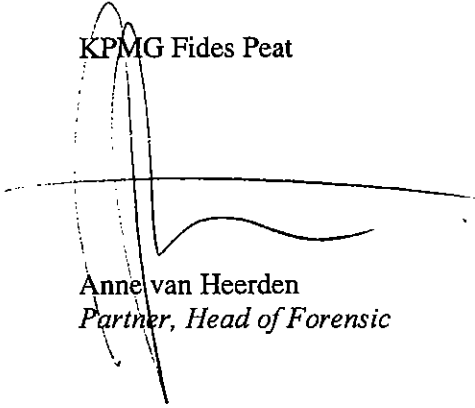
7.2.2 Findings on the compliance of Winterthur Life with Standard 5

All claims handled in the samples taken by KPMG were handled satisfactorily and in accordance with Winterthur Life procedure. Based on KPMG's samples, KPMG could therefore conclude that with a 95 % confidence the claims were handled in a way that the error rate 0,0 %, with an upper limit of 2,0 % was achieved.

7.2.3 Conclusion

Based upon KPMG's work performed and its findings nothing came to KPMG's attention that made it believe that Winterthur Life was not in compliance with ICHCIC Standard 5.

KPMG Fides Peat



Anne van Heerden
Partner, Head of Forensic



Peter Wüthrich
Senior Manager

PRIVILEGED AND CONFIDENTIAL

**ICHEIC AUDIT WORKING GROUP
AUDIT SCOPE AND STANDARDS**

CONTENTS

OBJECTIVES FOR SCOPE AND STANDARDS

STANDARDS

- One Identify Relevant Companies**

- Two Identify Relevant Archive Sites**

- Three Identify and Secure Relevant Records**

- Four Develop Investigations Database**

- Five Investigate Incoming Claims**

OBJECTIVES FOR SCOPE AND STANDARDS

During the ICHEIC meeting in Washington on 20-21 January 1999, the overall audit approach of the AWG, as in the Executive Summary, was accepted and notably it was understood that "the existence and content of company archives varies from country to country and from company to company. As the number of claims (and potential exposure) will also vary, the standards as well as the scope of audit may therefore vary from country to country." Based on these principles, the AWG has developed 5 broad standards and benchmarks with the following objectives in mind:

- To establish standards which ensure "the expeditious processing of all inquiries received (i.e. claims driven process) in a just and cost-effective manner in accordance with the claims handling guidelines established by the IC, and allow the assessment by way of a top down analysis of the total unpaid policies issued to Holocaust victims."
- To ensure that consistent investigative standards are applied by all Insurers participating in the ICHEIC process.
- To establish standards which can be subject to independent "audit" in order to satisfy external public scrutiny.
- To satisfy investigative requirements resulting from other ICHEIC decisions.

STANDARD ONE

Identify Relevant Companies

"Insurers" will identify all "Relevant Companies" which exist at 31 December 1999.

Definitions

Insurers

Includes all insurers participating in the MOU process (i.e. Allianz, AXA, Generali, Winterthur and Zurich to date)

Relevant Company

A company that issued life insurance policies during the period 1920 - 1945 inclusive, in a relevant country, including a subsidiary or branch office, where a control-relationship exists today or, in countries where nationalisation occurred, where control existed before nationalisation.

Relevant Country

Nazi Germany and Areas Occupied by Nazi Germany. Specifically, in the context of a reasonable cost and timeframe, these countries are:

Austria, Belgium, Czech Republic, Germany, France, Hungary, Italy, Luxembourg, The Netherlands, Poland, Slovakia and Romania.

STANDARD TWO

Insurers will identify their Relevant Archive Sites

Insurers will identify their "Relevant Archive Sites".

Definitions

Relevant Archive Sites

Those Insurer "Archive Sites" that might potentially contain "Relevant Records".

Archive Site

Any Insurer location (i.e. owned, leased or managed by third party sub-contractors) containing policyholder documentation of the company.

Relevant Records

Relevant records are:

- available "Policyholder Files" and other available company records to verify coverage for the purposes of the ICHEIC claims handling process; and
- other company data suitable to be used in the "Top Down Analysis".

Policyholder Files

Contracts, namecards, policy numbers, related correspondence, information and data for life insurance policies issued in the period 1920 to 1945, inclusive.

STANDARD THREE

Identify and Secure Relevant Records

For all relevant Archive Sites, prepare an overview which describes their content.
Further, identify, organise and secure Relevant Records within these sites.

STANDARD FOUR**Develop Investigations Database**

Insurers will identify and make available to the ICHEIC auditors (dependent on local regulations and availability), based on their findings in relevant company archives as defined in Standard 2, and using any other additional information from company records which will materially help their investigation of claims of Holocaust victims, an electronic and/or manual database and/or combination thereof, of the life insurance policies⁽¹⁾ issued to "Holocaust victims" (to the extent possible according to the definition agreed by the ICHEIC) during the period 1920-1945 inclusive. The database will include, at a minimum, where available, the "name" (first and last name and maiden name), policy number and the place and date of birth of the policyholder.

(1)

The term "life insurance policies" is used broadly to include all forms of life insurance, such as annuities, endowments, and dowries. The fact that the database(s) described above only consists of life insurance policies does not exclude the consideration of claims on other forms of insurance policies issued to "Holocaust Victims". If a company and the ICHEIC auditor disagree with the audit work plan, then the matter will be brought to the attention of the ICHEIC for a final decision.

STANDARD FIVE

Investigate Incoming Claims

Insurers will develop expeditious and reasonable systems and procedures for the investigation¹ of all claims received² and will describe their investigation activities by way of a workflow chart³. Each claims file will contain a completed audit trail which allows auditors to validate on a sample basis the investigation against the agreed claims handling process in each company.

¹ Each insurer can have different procedures in place for the investigation and handling of claims tailored to its individual circumstances, i.e. an approach that works for one Insurer may not work for another due to differences in systems, etc.

² Either directly or via the ICHEIC as set out in the draft Report of the Claims Working Group to the ICHEIC.

³ Work flow chart as introduced in the draft Report of the Claims Working Group to the ICHEIC.

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attorney work product prepared in
connection with pending litigation

APPENDIX 4

winterthur

**MANAGEMENT REPORT
OF
WINTERTHUR LIFE
CONCERNING
THE
PEER REVIEW
COMMISSIONED BY
THE INTERNATIONAL COMMISSION ON HOLOCAUST
ERA INSURANCE CLAIMS**

14th September, 2000

Management Report

Dear Sirs

Please find hereafter a concise description of Winterthur Life's activities with regard to compliance with the agreed Audit Standards 1 to 5 established by the International Commission on Holocaust Era Insurance Claims.

We have taken great efforts to set up an effective project organisation, called WWW, to investigate in and deal with all Holocaust-related issues. An organisational chart is enclosed to this report.

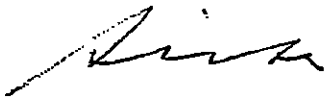
A comprehensive project documentation has been established consisting of

- project manual
- work paper file per relevant country
- working papers per relevant country.

We, therefore, abstain from describing in a detailed manner all the steps and measures taken to ensure compliance, but would kindly refer you to said project documentation for further details. A copy of the project manual (volume I and II) is enclosed herewith, for your perusal and information. The work paper file and working papers are available at our premises.

Sincerely yours

Winterthur Life Insurance Co.

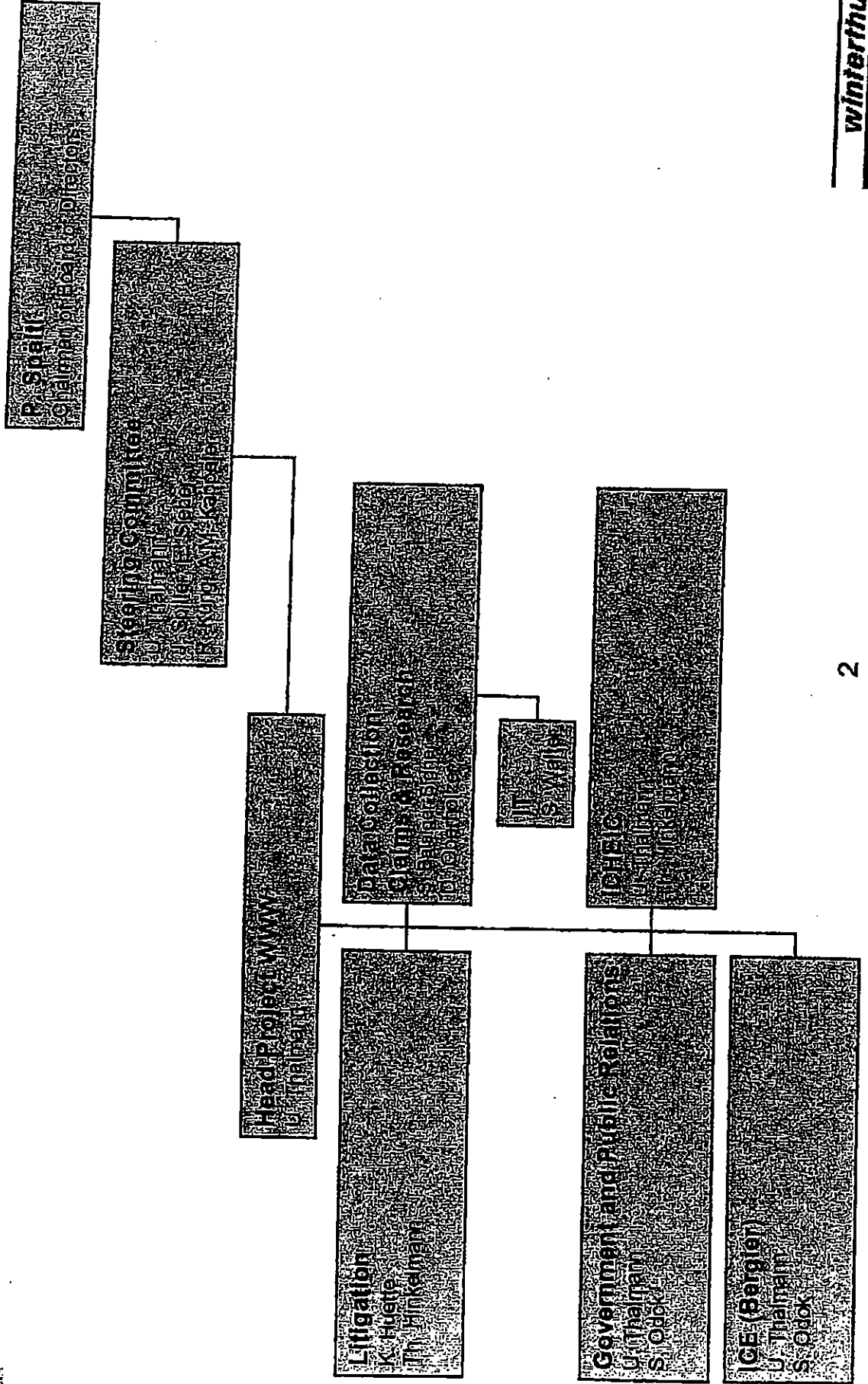


Erwin Sieber
Chief Auditor



Silvia Balsiger-Signer
Head of Data Collection & Research

Winterthur Life Project Organization WWW



STANDARD ONE

Identify Relevant Companies which existed at 31st December 1998

Definitions

Relevant Company

A company that issued life insurance policies during the period 1920 - 1945 inclusive, in a relevant country, including a subsidiary or branch office, where a control-relationship exists today or, in countries where nationalisation occurred, where control existed before nationalisation.

Relevant Country

Nazi Germany and Areas Occupied by Nazi Germany. Specifically, these countries are:
Austria, Belgium, Czech Republic, Germany, France, Hungary, Italy, Luxembourg, The Netherlands, Poland, Slovakia and Romania.

Measures taken

Based on annual reports, anniversary publications and management papers, we have identified the relevant companies of Winterthur Life within the context of above Standard 1 to be:

Winterthur Life, Branch Office for Belgium
Union & Prévoyance, Belgium

Winterthur Life, Branch Office for Germany
Deutsche Beamten-Versicherung, Germany

Winterthur Life, Branch Office for France

Union & Prévoyance, Agency for Luxembourg

STANDARD TWO

Insurers will identify their Relevant Archive Sites

Definitions

Relevant Archive Sites

Those Insurer "Archive Sites" that might potentially contain "Relevant Records".

Archive Site

Any Insurer location (i.e. owned, leased or managed by third party sub-contractors) containing policyholder documentation of the company.

Relevant Records

Relevant records are:

- available "Policyholder Files" and other available company records to verify coverage for the purpose of the ICHEIC claims handling process; and
- other company data suitable to be used in the "Top Down Analysis".

Policyholder Files

Contracts, namecards, policy numbers, related correspondence, information and data for life insurance policies issued in the period 1920 - 1945 inclusive.

Measures taken

The Winterthur Group is a centralised company with regional headquarters. Each regional headquarter is responsible for the activities of all business units within the specific country. It is also responsible for the management of its archive(s).

For the purpose of compliance with Standard 2 above, we have identified the relevant regional headquarters to be:

Brussels for Winterthur Life Belgium and Luxemburg

Munich for ex-Winterthur Life Germany (today DBV-Winterthur) *)

Wiesbaden for Deutsche Beamten Versicherung

Paris for Winterthur Life France

*) until 1945 the regional headquarter was located in Berlin

We have identified the archive sites containing relevant records to be:

Belgium: Archives at Winterthur premises and Allied Arthur Pierre (third party managed archive), both in Brussels

France: Archives at Winterthur premises in Paris

Germany: Archives at DBV-Winterthur premises in Berlin, Munich, Wiesbaden and Offenbach

Luxemburg: Archives at Winterthur premises in Luxemburg

We have appointed WWW national archivists who are responsible for managing the archives in a country. They are further responsible for the physical security of the relevant records as well as for ensuring compliance with the internal rules, in particular for ensuring that

- no relevant records are destroyed
- no relevant records are relocated (or, if they have to be relocated, such relocation is reported to the WWW project management)

STANDARD THREE

Identify and Secure Relevant Records

For all relevant Archive Sites, prepare an overview which describes their contents. Further, identify, organise and secure Relevant Records within these sites.

Measures taken

Besides WWW national archivists, we also have appointed temporary country team managers. They were instructed by the WWW project management to carry out the following tasks:

- to search all premises of the relevant companies from attic to cellar for relevant documents
- to establish a detailed inventory of records per room (archive, offices, closets etc.)
- to capture all relevant records in an archive database
- to collect and store all relevant records (paper, microfilm, electronic data media etc.) in a central WWW archive per relevant company
- to ensure a quick and easy retrieval of the archived documents

To ensure the integrity of the relevant records and that all relevant records have been reported, we have taken the following additional measures:

- issuance of directive that no relevant records may be destroyed
- all members of senior management had to complete and sign an inventory compliance statement
- any relocations of relevant records have to be reported to the WWW project management

WWW archive locations *)

Belgium

Winterthur Life, ave. des arts 56, Brussels
Allied Arthur Pierre, Brusselsesteenweg 328, Overijse

France

Winterthur Life, 102 terrasse Boieldieu, Paris La Defense

Germany

DBV-Winterthur, Leopoldstrasse 204, Munich
DBV-Winterthur, Frankfurter Strasse 50, Wiesbaden
DBV-Winterthur, Berliner Strasse 190, Offenbach

Luxemburg

Winterthur Life, 31 Bd. G.DD Charlotte

*) so called "dead" archives. Relevant policies which are still in force are in the regular company archives, however, separated from the other policy files.

Contents of WWW archives

- namecards (on microfilms, CD-ROMs, and in paper form)
- policyregisters (in paper form and on microfilms)
- client files
- punch cards
- mortgage files
- management papers

STANDARD FOUR

Develop Investigations Database

Insurers will identify and make available to the ICHEIC auditors (dependent on local regulations and availability), based on their findings in relevant company archives as defined in Standard 2, and using any other additional information from company records which will materially help their investigation of claims of Holocaust victims, an electronic and/or manual database and/or combination thereof, of the life insurance policies issued to "Holocaust victims" (to the extent possible according to the definition agreed by the ICHEIC) during the period 1920 - 1945 inclusive. The database will include, at a minimum, where available, the "name" (first and last name and maiden name), policy number and the place and date of birth of the policyholder.

Measures taken

General

We have established a central electronic database at Winterthur Life's headquarters in Switzerland enabling us to investigate claims.

For reasons of local data protection regulations, the relevant records had to be captured locally.

The country team managers were responsible for organising the data capture process according to the requirements of WWW project management.

Multiple data sources

In most of the relevant archives different data sources (e.g. name cards, policy registers etc.) were found which contained the same basic information. In order to avoid duplication of names the WWW project management decided *) that the following data sources were not to be captured in the database:

DBV-Winterthur: Client files, policy registers (paper and microfilms)

Winterthur Belgium: Punch cards

Winterthur France: Additional policy indices

*) based on extensive samples taken from all available data sources

All relevant documents listed under Standard three other than specified above were captured in the electronic database.

Procedures of electronic data capture

1. Preparation of documents for data capture by archivist

The archivist

- assigned bar code to each relevant record
- allocated documents to data entry clerks
- recorded bar codes and original storage location on control sheet
- distributed documents to data entry clerks

2. Recording of documents in the key data database by data entry clerk

The data entry clerk

- recorded name and christian name, date of birth, address, policy number, archive place, status of person recorded and any other useful information (where available) in the key data database in accordance with the instructions and rules issued

3. Backing up of daily output by Quality System Administrator (QSA)

The QSA

- received documents and files from data entry clerk
- backed up the files

4. Checking of data recorded by Quality System Administrator (QSA)

The QSA

- checked off the documents recorded against the documents supplied
- carried out random checks of documents recorded
- corrected incorrect or missing entries
- discussed quality and quantity of the work with the data entry clerk

5. Taking back of recorded documents by archivist

The archivist

- took back the documents after checking and correction by the QSA
- updated the control sheet
- checked that records taken back were identical with the records handed out

Procedures of optical data capture

Important records or delapidated records were either scanned or photographed. The images were stored on WORM (write once, read many) disks.

Otherwise, the procedures are analogous to the ones described above.

Data flow

The locally recorded data were stored on an external data storage media (Jaz disks). The country team manager sent these Jaz disks to Winterthur, Switzerland for import on the central server, once a week.

STANDARD FIVE

Investigate Incoming Claims

Insurers will develop expeditious and reasonable systems and procedures for the investigation of all claims received and will describe their investigation activities by way of a workflow chart. Each claims file will contain a complete audit trail which allows auditors to validate on a sample basis the investigation against the agreed claims handling process in each company.

Measures taken

General

Within the WWW project, a team "Claims & Enquiries" has been set up.

The Team is responsible for receiving, processing and monitoring incoming claims.

Procedures

The procedures are as per the enclosed workflow charts.

Winterthur Life
Legal Services
D. Oberholzer, U. Meier

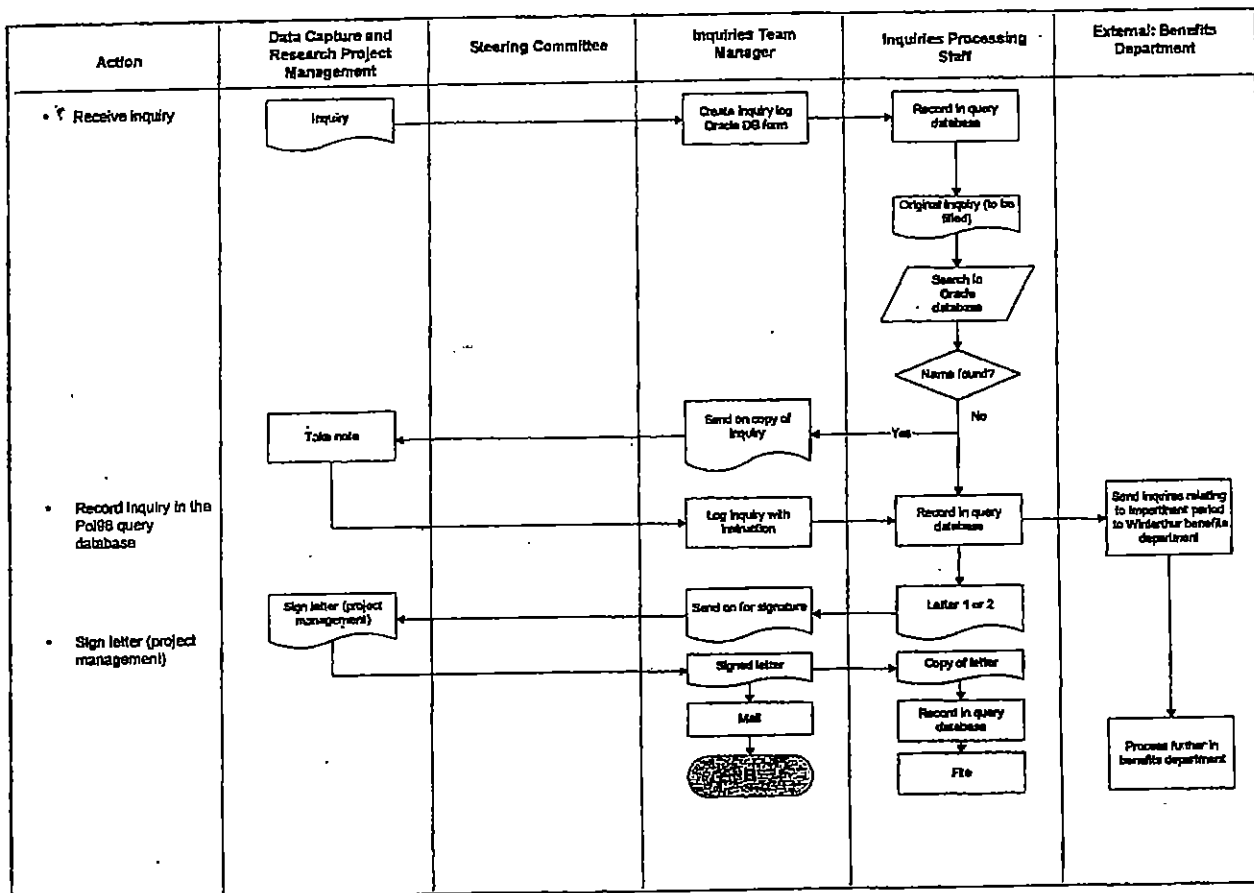
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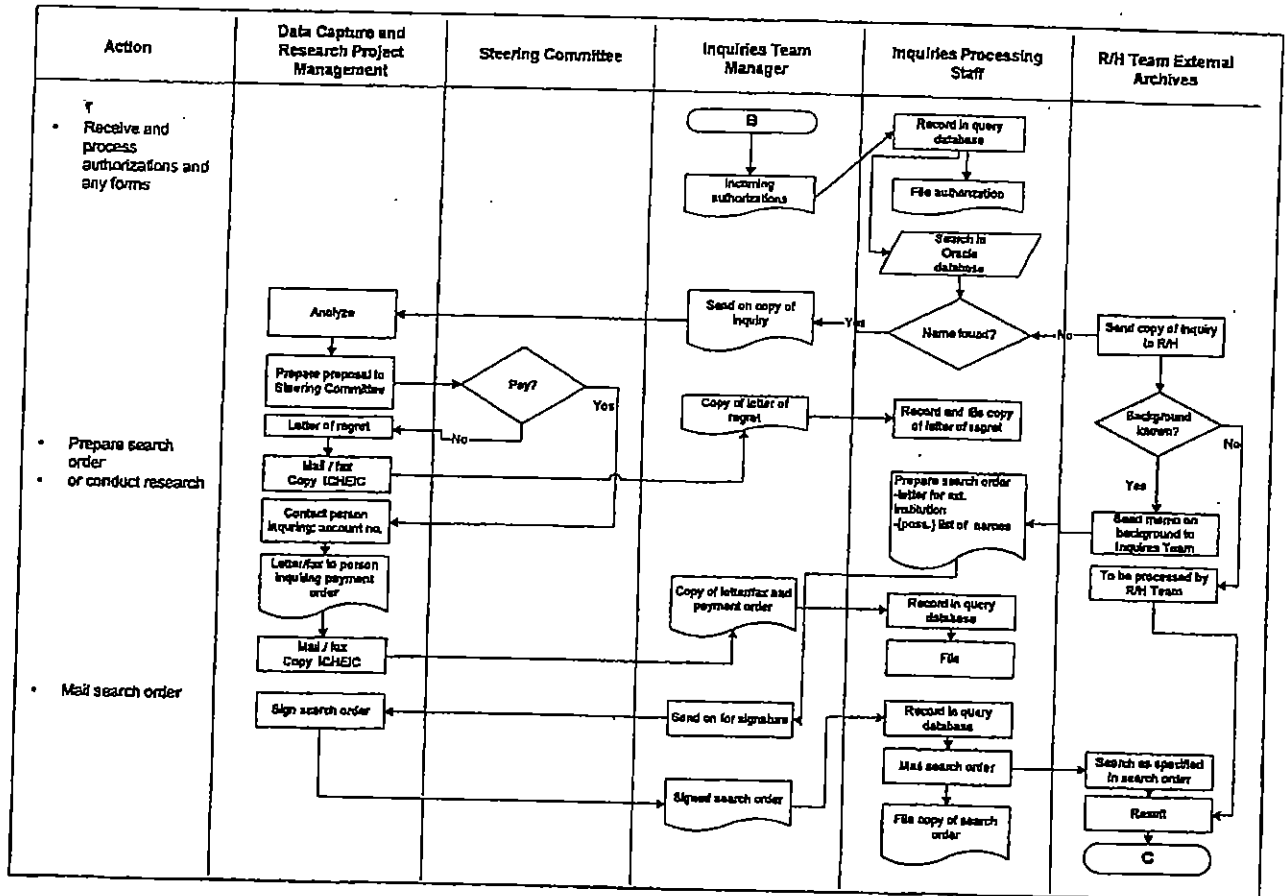
OP8: Inquiry Processing Concept

1	Workflow-Chart 1 WWK Inquiries (1)	2
	WWK Inquiries (2)	3
	WWK Inquiries (3)	4
2	Workflow-Chart 2 WWK Inquiries from GDV	5
3	Workflow-Chart 3 WWK Inquiries from Holland	6

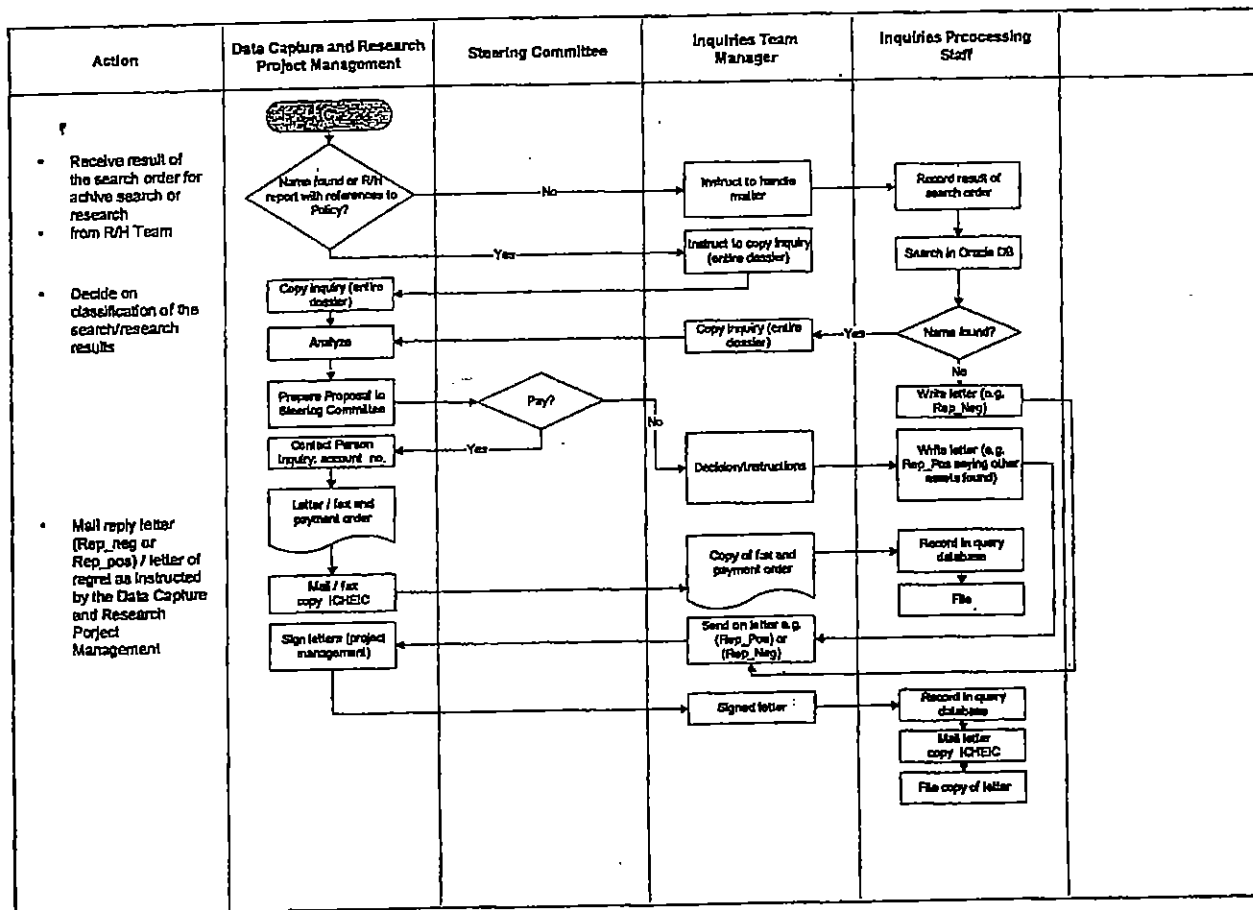
1 Workflow-Chart 1 WWK Inquiries (1)



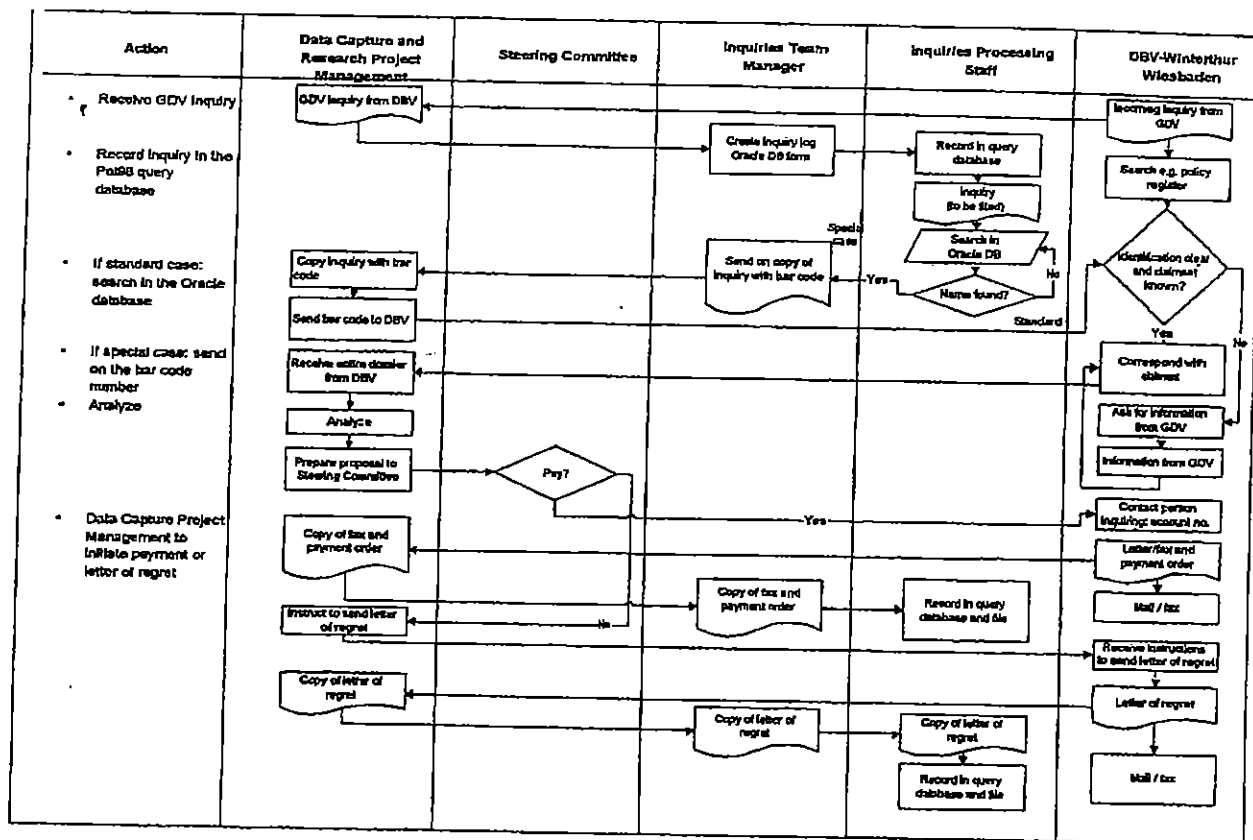
WWK Inquiries (2)



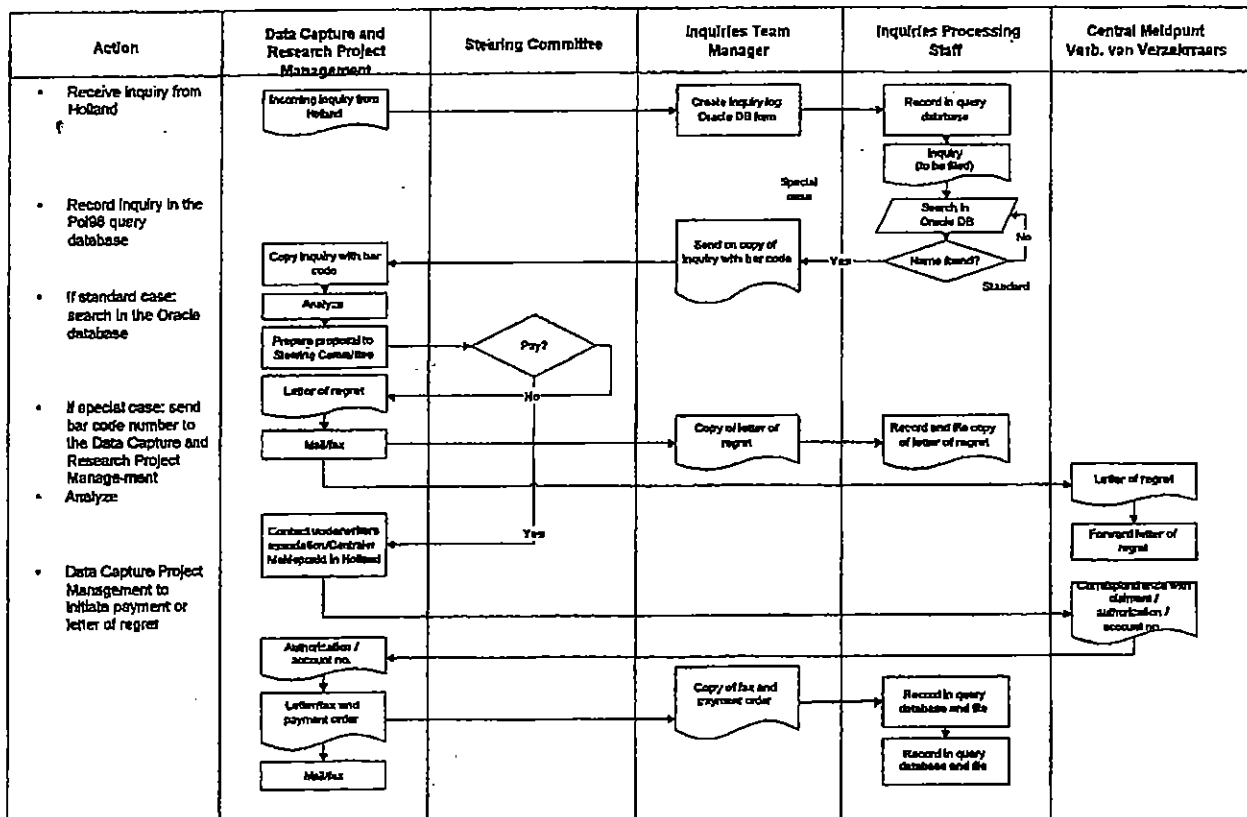
WWK Inquiries (3)



2 Flow Process Chart 2 WWW Inquiries from GDV



3 Flow Process Chart 3 WWW Inquiries from Holland



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Winterthur-Leben
Legal Services
D. Oberholzer

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OP8: Inquiry Processing Concept

Workflow-Chart 4	WWK Inquiry Wiesbaden	2
	Identification of enquiries relevant for the purpose of WWW	8

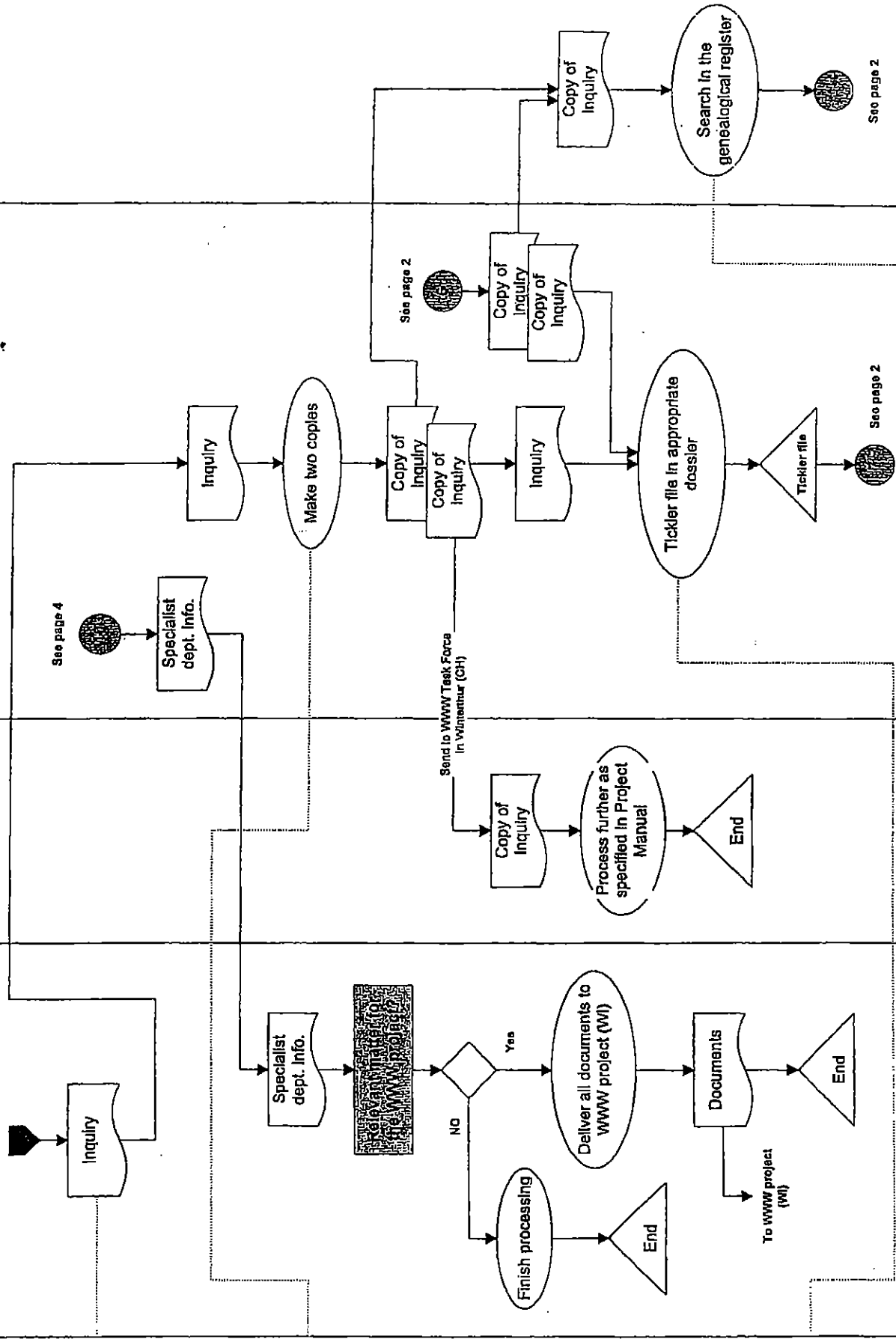
Notes

The Inquiries are either GDV lists or individual inquiries from third parties. Mr. M. Ruhe has written a letter giving instructions that all inquiries must be handled by "WWWW Project Search" only.

All inquiries are duplicated in two copies. One copy is sent to the Berlin Service Center for the initial search. The second copy is sent to the WWW Task Force for information.

GDV Inquiries are filed in the "GDV Inquiries" dossier. The matter is kept for future action, if necessary with reminders to deal with it.

All names in the genealogical register are checked.

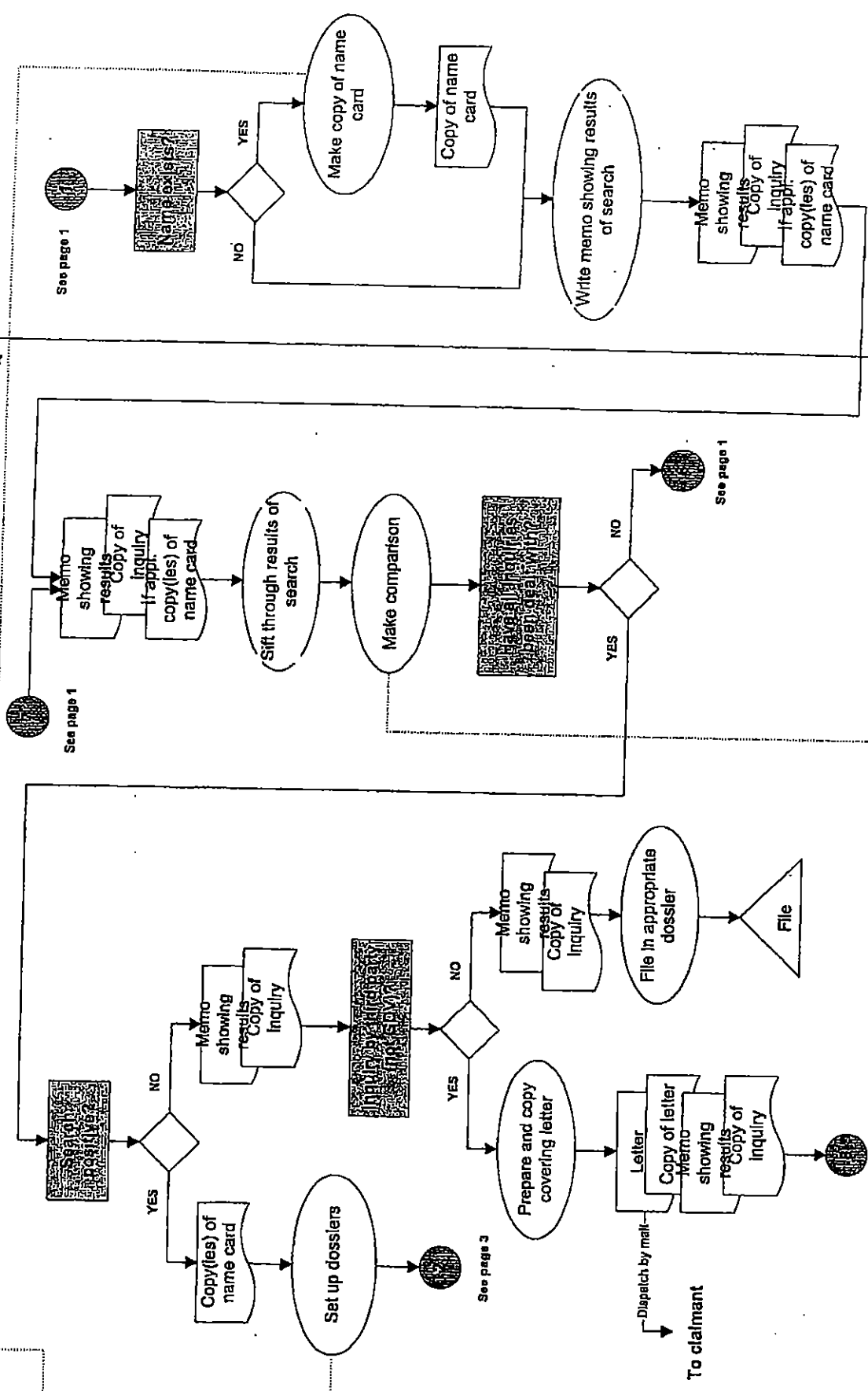


Notes

Copies of the name cards found are sent out, and never the originals. The originals remain where they were.

Separate dossiers are set up for all names where information (e.g. name cards, computer information etc.) has been researched. All information concerning the specific inquiries is collected in these dossiers.

The copied list from Berlin is compared with the original. If the GDV lists have not been processed fully, the inquiries concerned are sent to the Berlin Service Center again.



Berlin Service Center

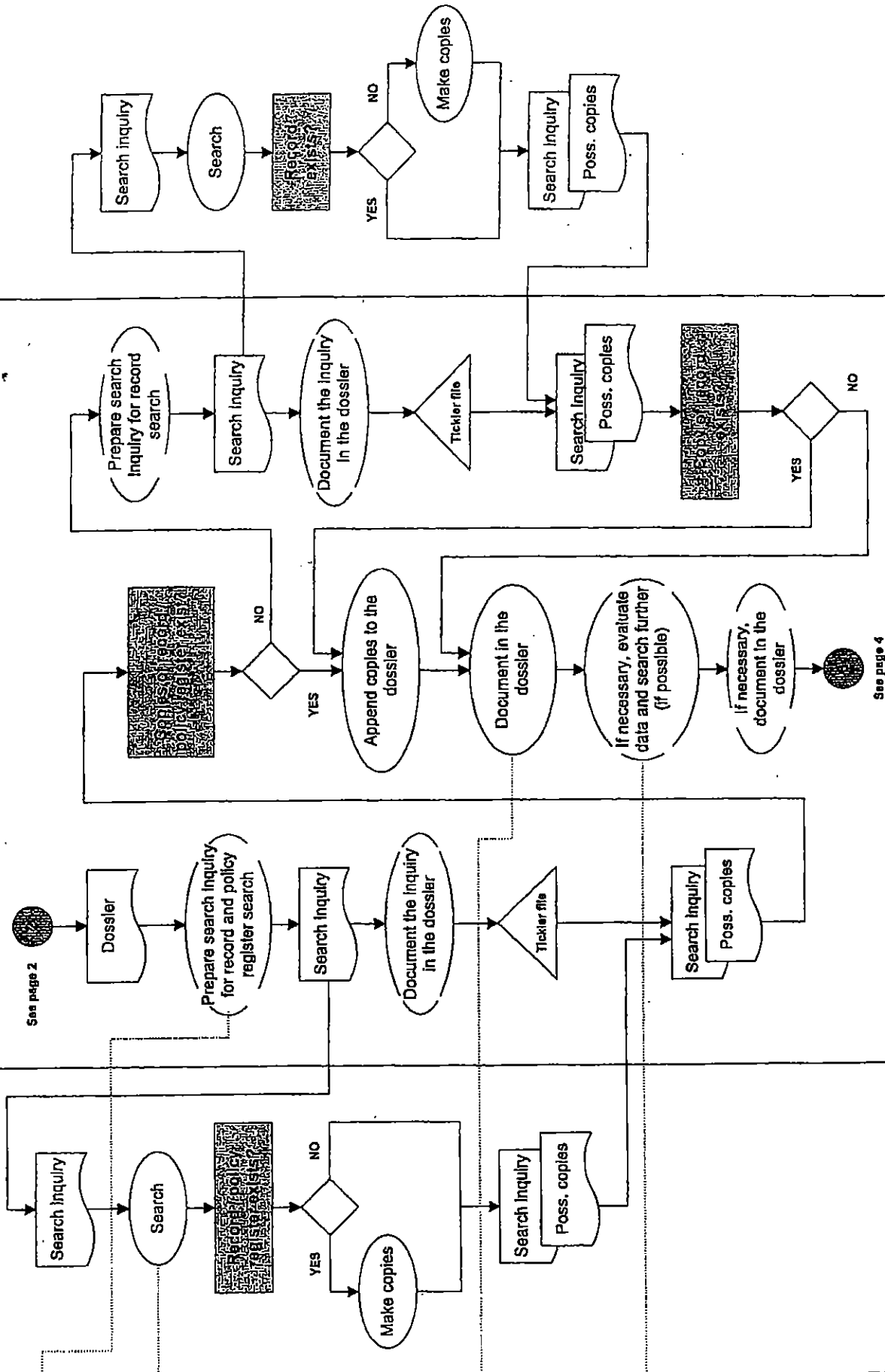
Notes

A search inquiry is prepared for both archives, asking them to search the appropriate records and policy registers and, if applicable, to attach copies

The results of the search are documented on the search inquiry

All information found in records / policy register is documented in the dossier. If no record or policy register is found, this is documented too.

This can involve further searches in computer files if particular leads are found (e.g. if the name exists in the computer system), if necessary, inquiries are made e.g. with Allianz or the claimant (inter alia for further identification of the person insured).



Notes:

Decision whether the Inquiry concerns a relevant matter (commencement of insurance < 1980, no benefit paid or incorrect benefit paid etc.) or not. The decision is always taken by the WWW Task Force (CH).

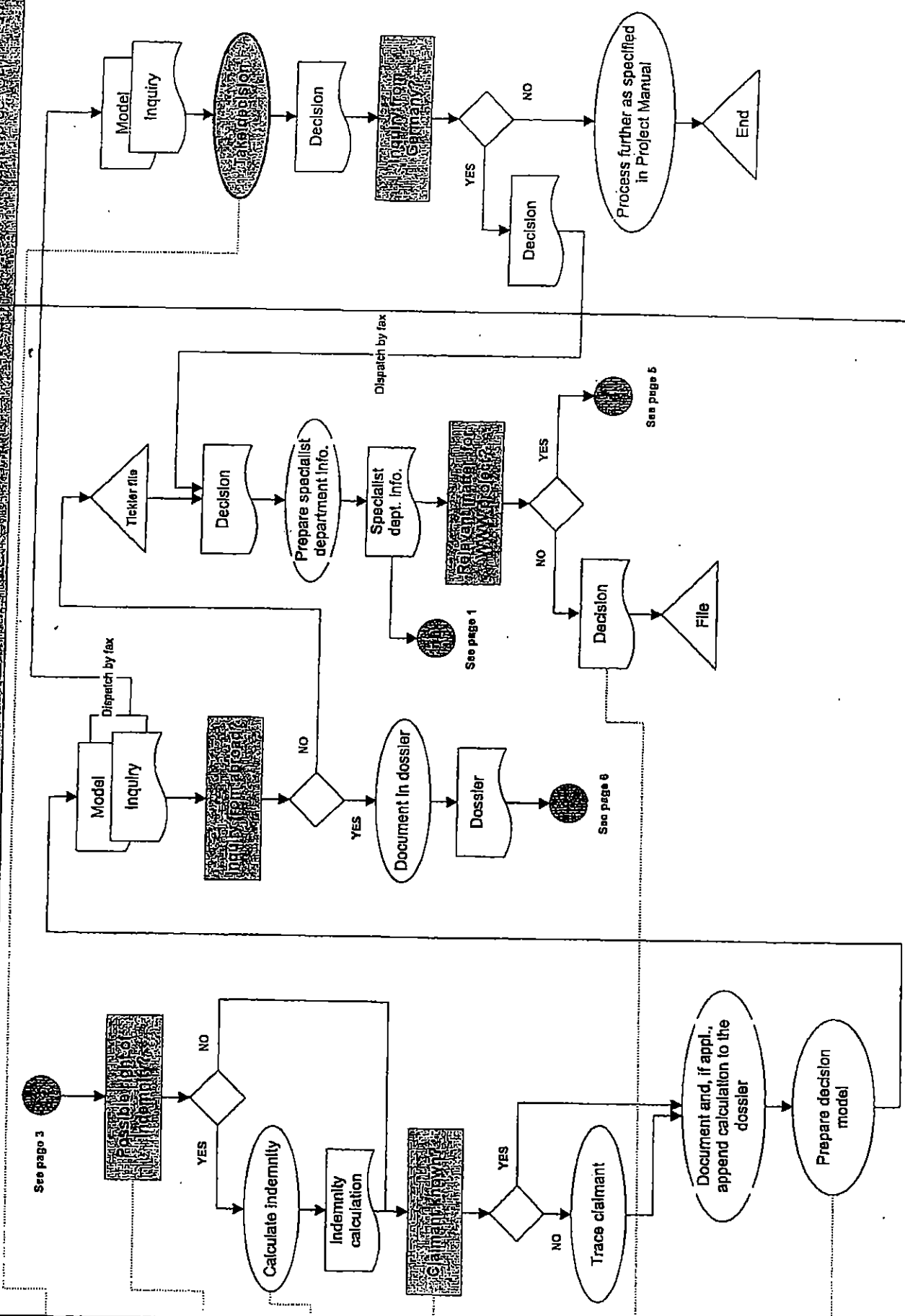
A right of indemnity exists if it is not obvious that benefits were paid according to contract.

The indemnity is calculated using approved standards.

It is only necessary to trace the claimant in the case of some SDV lists which do not give this information. A letter is written to SDV and/or Allianz asking them to disclose the claimant.

If the matter is not relevant for the WWW project, a copy of the dossier and a copy of the decision goes to the specialist department together with the info. Dept. The original decision is filed.

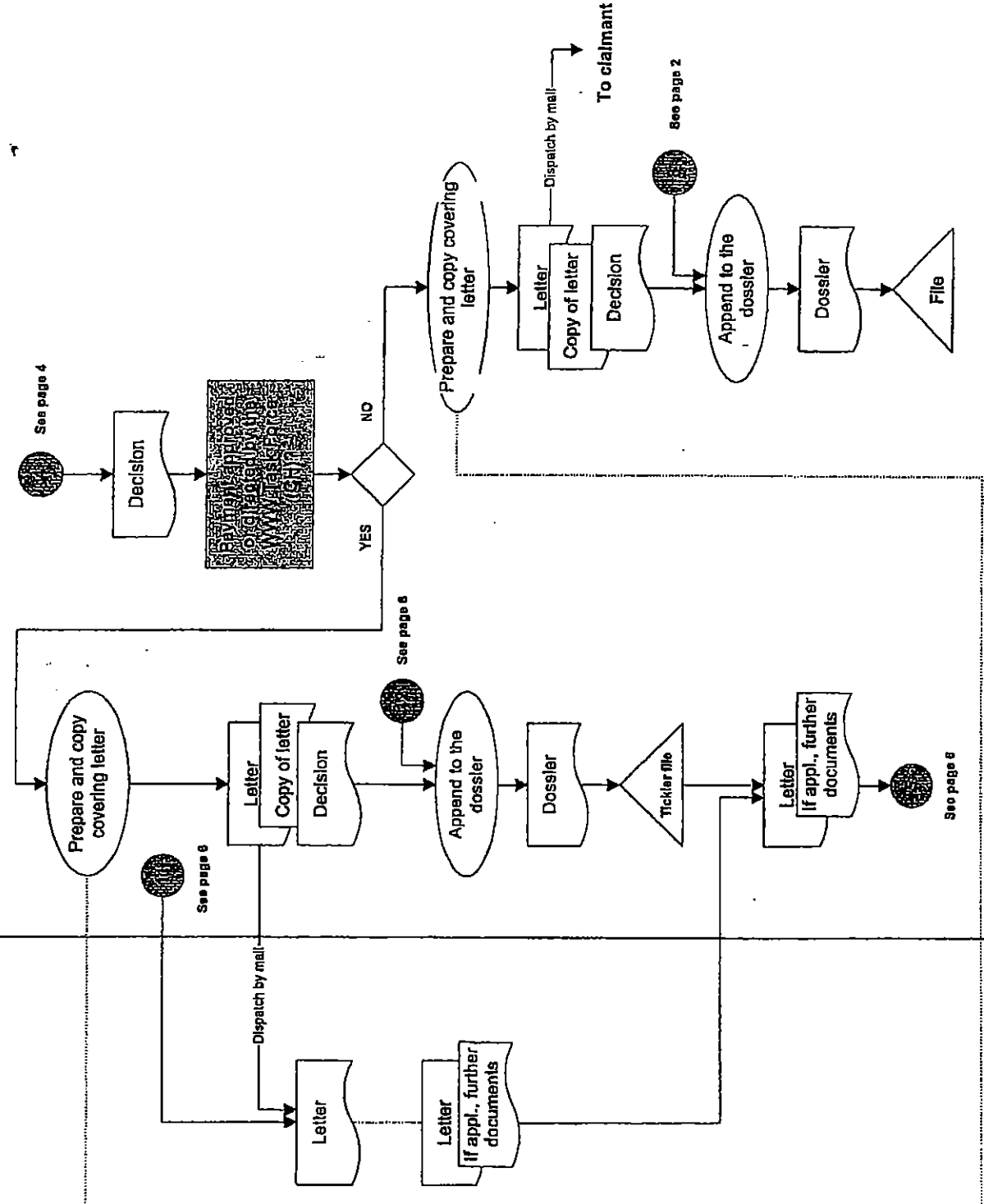
Preparation of a decision model for the WWW Task Force.



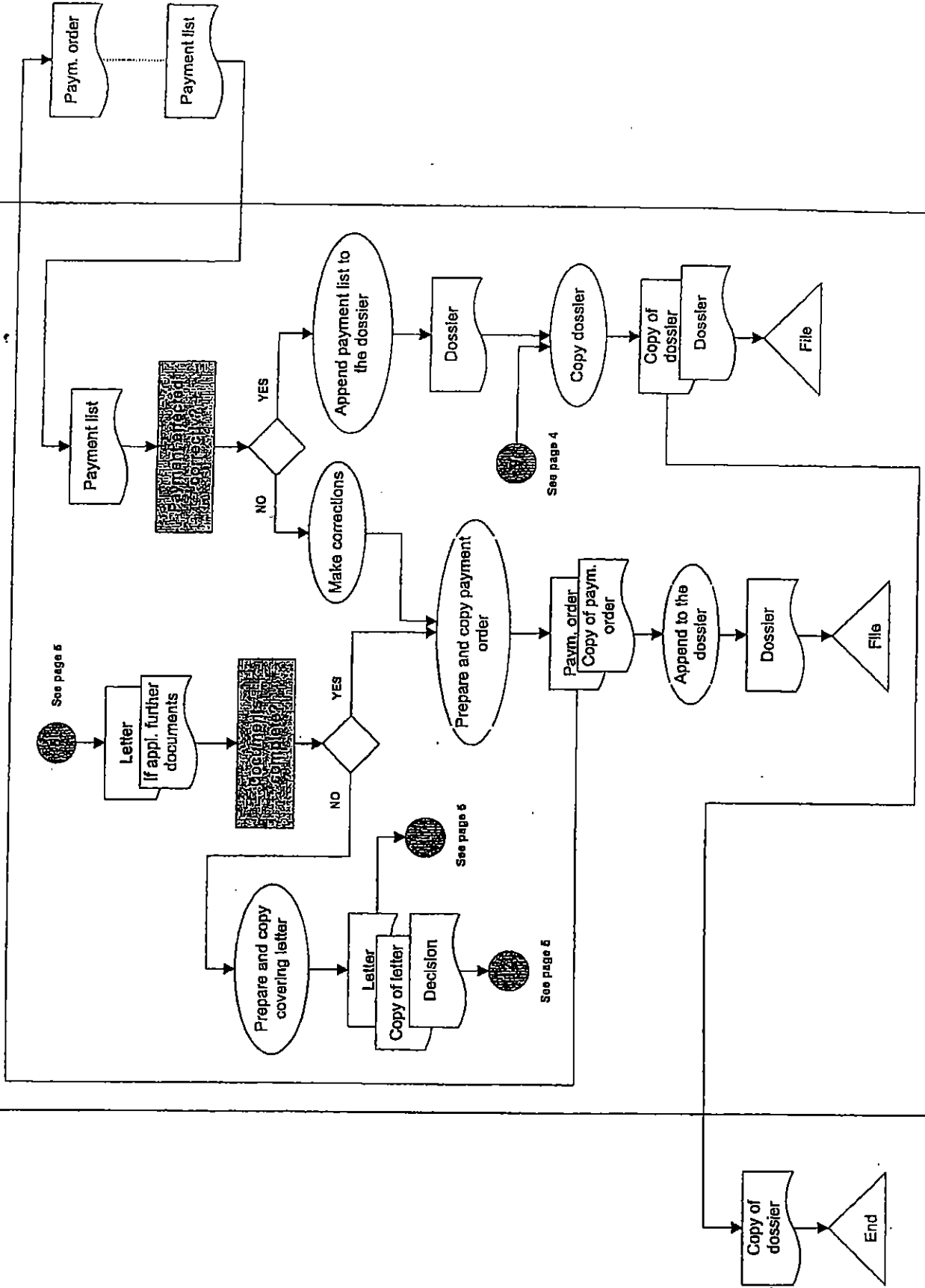
Notes

The claimant is informed of the results of the search and requested to give the bank and account details for the payment and, if necessary, to provide further documents (e.g. declaration of heirs). If all the necessary documents have already been received, the indemnity will be paid (see connector 5 on page 6 for further procedure steps)

The claimant is informed of the results of the search and the WWW Task Force's decision.



Notes



When processing has been completed, a copy of the entire dossier is sent to the WWW ask Force for information.

Identification of enquiries relevant for the purpose of WWW

Negative Characteristics (not relevant for the purpose of WWW)

- all insurance policies with an inception date later than 5th August, 1938 (DBV directive concerning rejection of all applications for insurance from Jewish persons) and no positive characteristics
- all enquiries of third parties clearly related to the "Ost-Bestand / Ost-Versicherung" and no positive characteristics
- all enquiries concerning RAD and no positive characteristics
- no positive characteristics

Positive Characteristics (WWW-relevant)

- all GDV list enquiries
- record is earmarked "Jew"
- additional name "Sara(h)" or "Israel"
- indication of Jewish contracting partner (in addition to policyholder); e.g. Jewish communities in case of group insurance schemes etc.
- indication of compulsory cancellation, confiscation, provisional sequestration, seizure
- paid-up policy / cancellation by an institution of the Third Reich; e.g. inland revenue, customs office, office of the Landrat etc.
- payment to institutions of the Third Reich or blocked account; e.g. inland revenue, customs office etc.
- indication of compensation according to Bundesentschädigungsgesetz; e.g. computation form, correspondence with compensation office etc.
- indication from records or from enquiries of third parties that the person was affected by the Holocaust; e.g. information on deportation, expulsion, forced closing down of businesses, expropriation, emigration, evacuation etc.

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Winterthur Life
Legal Services
D. Oberholzer

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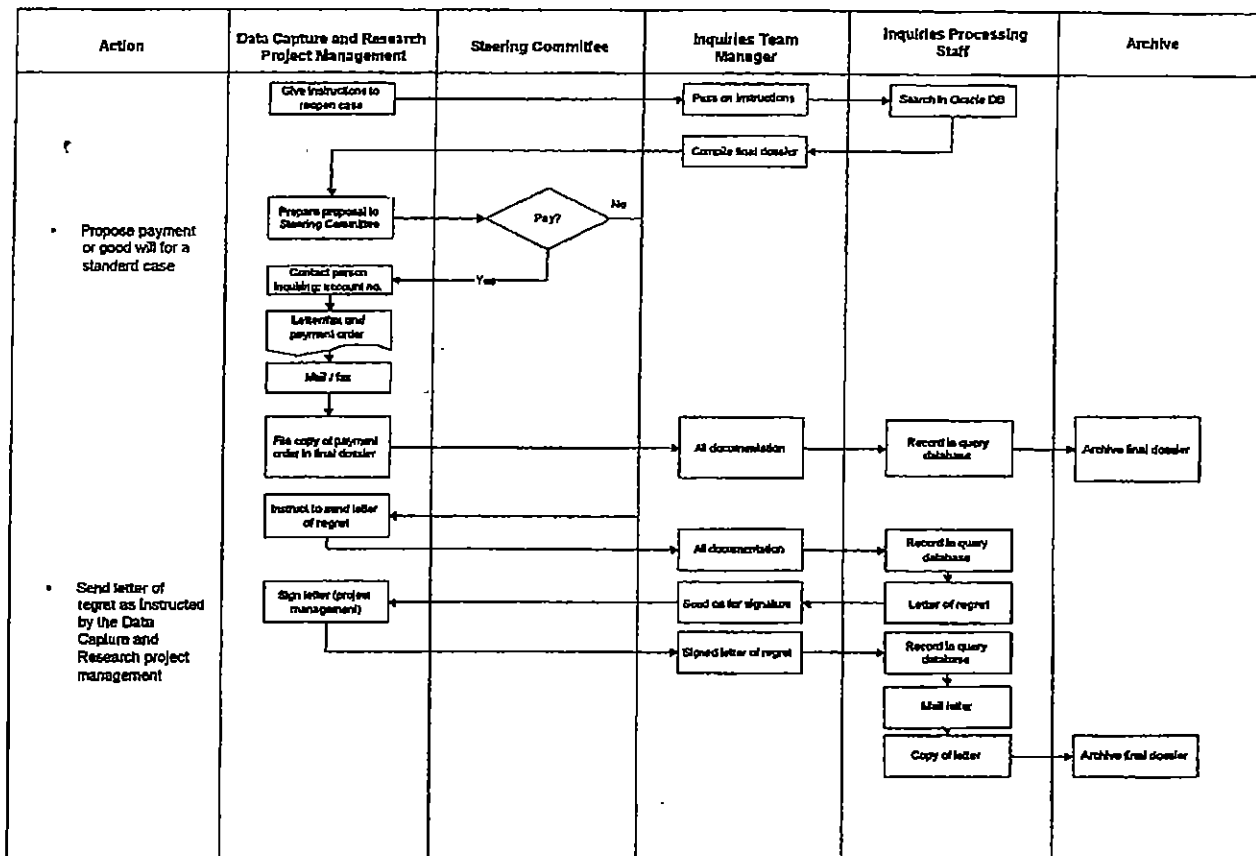
OP8: Inquiry Processing Concept

Flow Process Chart 5

Reopening All Negative Cases

2

Reopening All Negative Cases



Winterthur-Leben
Legal Services
D. Oberholzer

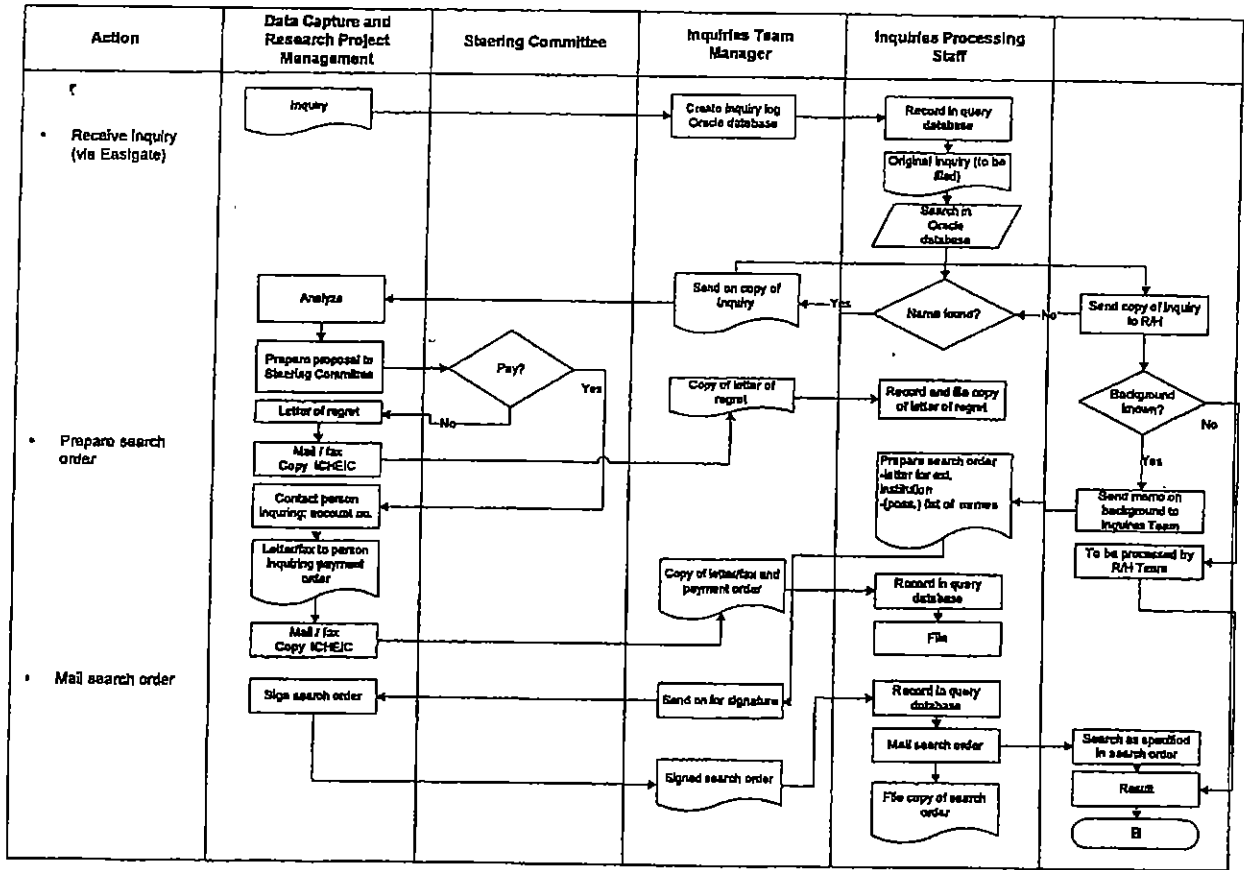
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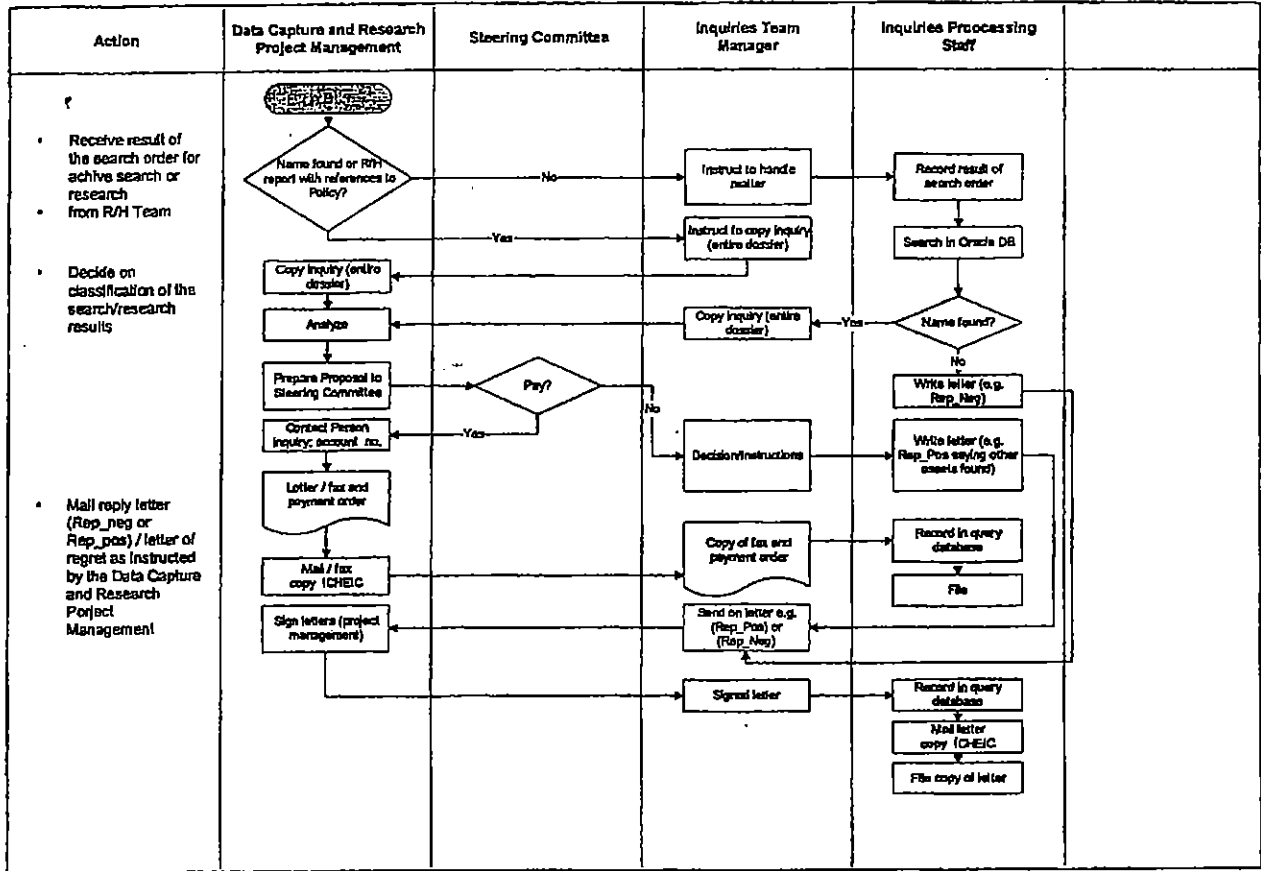
OP8: Inquiry Processing Concept

- | | | | |
|---|--|-------------------------------------|---|
| 1 | Workflow-Chart 6 ICHEIC Inquiries 1 | (named and unnamed company claims) | 2 |
| | ICHEIC Inquiries 2 | (named and unnamed company claims) | 3 |
| 2 | Workflow-Chart 7 ICHEIC Inquiries | (unnamed company claims – no match) | 4 |

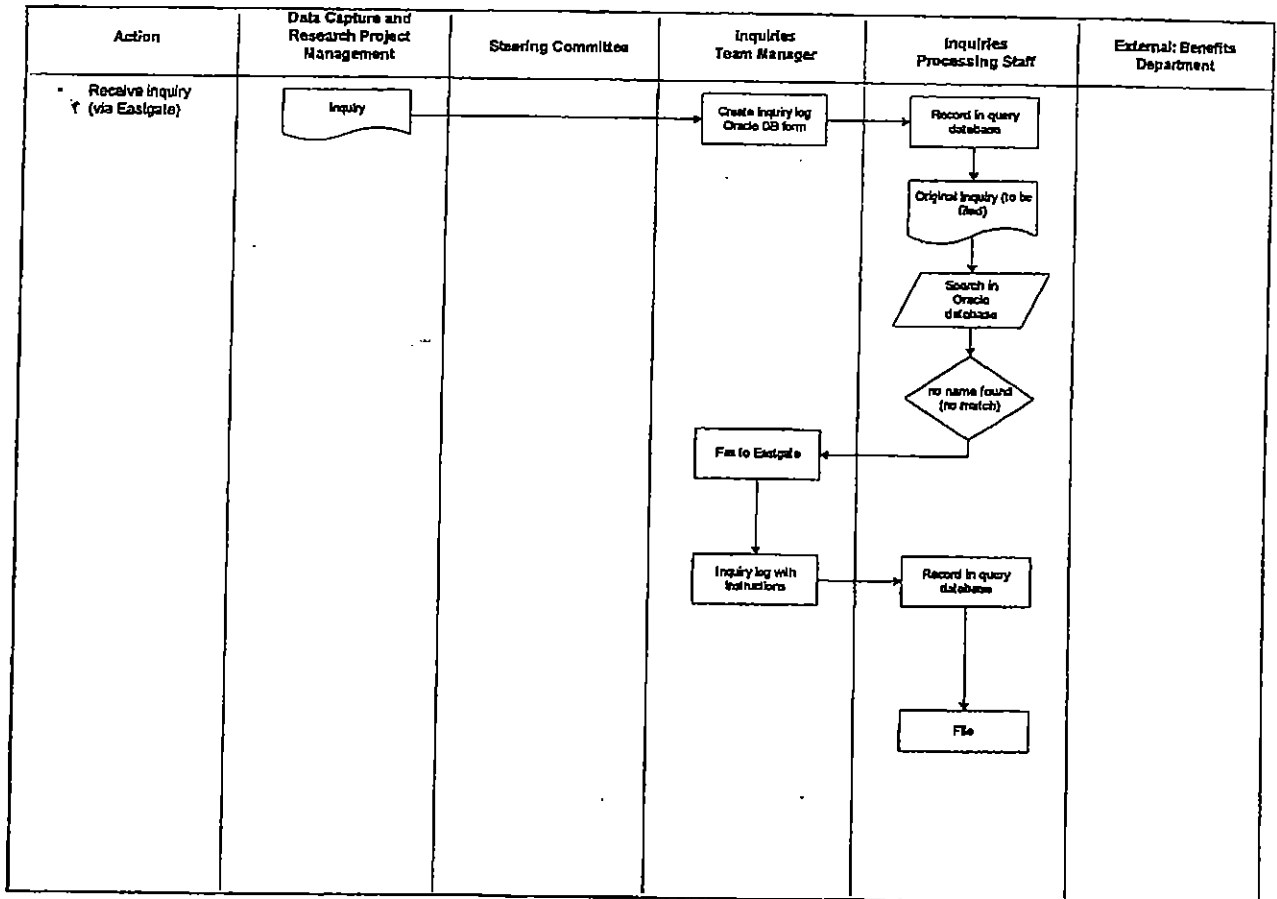
1 Workflow-Chart 6 ICHEIC Inquiries 1 (named and unnamed company claims)



ICHEIC Inquiries 2 (named and unnamed company claims)



2 Workflow-Chart 7 ICHEIC Inquiries (unnamed company claims -- no match)



Additional Management Report

Of

Winterthur Life

CONCERNING

THE REVIEW OF AUDIT STANDARD 4

COMMISSIONED BY

THE INTERNATIONAL COMMISSION ON HOLOCAUST

ERA INSURANCE CLAIMS

Dear Sirs

Please find hereafter a concise description and explanation of Winterthur Life's additional work with regard to Audit Standard 4 established by the International Commission on Holocaust Era Insurance Claims.

We have taken great efforts to set up an effective project organization for the additional work, which we conducted to resolve all outstanding issues regarding ICHEIC Audit Standard 4.

Sincerely yours

Winterthur Life Insurance Co.

A handwritten signature in black ink, appearing to read 'Torsten Hinkelmann', written over a horizontal line.

Torsten Hinkelmann

1. Winterthur Life's Audit Debrief Meeting of November 15, 2001.

During the Audit Debrief Meeting of November 15, 2001 ICHEIC agreed that Winterthur Life is in compliance with ICHEIC Audit Standards 1, 2, 3 and 5.

During the same meeting the Jewish members of the ICHEIC Audit Mandate Support Group (AMSG) questioned whether DBV-Winterthur is in compliance with ICHEIC Audit Standard 4, regarding the archival situation of Deutsche Beamten Versicherung in Offenbach.

The archives of Deutsche Beamten Versicherung in Offenbach contain four different information sources (films of name cards, policy register books, films of policy register books and client files), from which only one information source (films of name cards) was recorded onto the database.

Whilst Winterthur Life was convinced that the names captured from the films of name cards in addition with the names from the management files represent by almost 100 percent all names available in the other sources of information, the Jewish representatives requested further information regarding this issue.

With regard to Deutsche Beamten Versicherung more details regarding the number of names from the relevant period 1920-1945 contained in each of the different sources of information were requested. In case of Deutsche Beamten Versicherung records start at 1923.

Winterthur Life promised to come up with a presentation outlining a possible solution for the issue discussed.

2. Number of names in Deutsche Beamten Versicherung Archives

Winterthur Life conducted a research in its Deutsche Beamten Versicherung Archives in Offenbach in order to get precise figures with regard to the number of names from the relevant period contained in each source of information. Winterthur Life defined the relevant period for its daughter company Deutsche Beamten Versicherung from 1923 to

August 5, 1938. This period was defined, because in August 5, 1938 an internal decree was issued by the chairman of Deutsche Beamten Versicherung, which placed a ban on the purchase of policies to Jewish persons. Therefore, after August 5, 1938 no Jewish persons could have bought an insurance policy from Deutsche Beamten Versicherung.

After defining the relevant period Winterthur Life draw samples from the four different sources of information and extrapolated the number of names contained.

The numbers of names in the different sources of information in the relevant period 1923 to August 5, 1938 are estimated as follows:

- | | |
|---|-----------------|
| <input type="checkbox"/> client files: | 523'199 names |
| <input type="checkbox"/> register books: | 1'147'235 names |
| <input type="checkbox"/> films of register books: | 1'127'513 names |
| <input type="checkbox"/> films of name cards: | 734'835 names |

The results of this initial testing of the different sources of information showed that Winterthur Life had not captured the largest source of information with regard to the number of names in the relevant period. As a consequence Winterthur Life worked out a process to add those names to the database, which were not recorded in the course of the initial recording.

3. Preparatory Works for the Additional Recording

All three sources of information, which had not been registered so far, were looked at and dealt with separately.

In order to single out those names from the register books and the films of register books, which were not recorded onto the database via the films of name cards a three-step-procedure was conducted:

- All policy numbers contained in the register books concerning life insurance contracts issued prior to August 5, 1938 were extracted.

- All full and valid policy numbers contained in the database concerning Deutsche Beamten Versicherung, which were issued prior to August 5, 1938, were extracted.
- The two sets of policy numbers were matched against each other. All policy numbers from the register books, which did not show a match with a policy number from the database, were earmarked for registration.

The total number of names, which resulted from this three-step-procedure, was approximately 490'000.

The same procedure was conducted for the policy numbers from the films of register books. In addition, all policy numbers from the films of register books were checked against those policy numbers from the register books, which were already earmarked for registration. Thus, double registration of the same policy number could be avoided. The total number of policy number to be registered from the films was approximately 32'000.

The policy files, which contain the fewest names of all sources of information were tested against the database, the register books and the films of register books by sample testing. The result was that 100 percent of the names contained in the policy files were already captured onto the database. Therefore, no further action was taken regarding the policy files except as referred to in paragraph 4, page 7.

4. Additional Data Capturing

In October 2002 Winterthur started to capture the above mentioned 490'000/32'000 policy numbers, which had been earmarked during the preparatory works.

Winterthur compiled a detailed manual, which outlined the principles of the data capturing process for the staff in Offenbach. Additionally, a thorough and extensive quality management system was established and a strict security system was implemented.

The scope of the registration process was not to capture all 490'000/32'000 policy numbers, which resulted from the initial matching process but to capture all relevant names from the total universe of 490'000/32'000 policy numbers.

Deutsche Beamten Versicherung set its client focus on members of Wehrmacht and Beamte (civil servants) After the implementation of the "Law for Reestablishment of the German Professional Civil Service" in April 1933 Jewish citizens were excluded from civil service and the army. Therefore, it is highly unlikely that Jewish persons have purchased life insurance policies from Deutsche Beamten Versicherung after April 1933.

In the register books those policies, which were sold to a person either being member of Wehrmacht or civil service, were marked with specific stamps. Entries starting from 1934 on marked with such a stamp, therefore, were excluded from registration. The same restrictions applied for policies, which were either paid out, repurchased or lapsed due to non-payment of premiums before the start of the Holocaust.

At the beginning Winterthur had expected to record all relevant names within one year. This schedule had proven to be too optimistic. Due to the fact that the register books were filled out with old-fashioned handwriting the recording process was more time consuming than expected. Since capturing all names from the period 1923 to 1938 would lead to significant delays, Winterthur tried to bypass the problem by working out a more sophisticated approach. The focus of this approach was to further reduce the number of policy numbers by limiting the registration process to relevant names.

Therefore, Winterthur took a sample (taken by KPMG) out of Deutsche Beamten Versicherung's policies purchased between 1934 and 1939 and matched it against the list of Jewish residents in Germany. This matching process was conducted by Ossenber & Schneider using exactly the same methods, which were used for the matching process of the List of Policy Polders from Germany and the list of Jewish residents in Germany for the purpose of publication on the ICHEIC website. No exact match – even with minor deviations – occurred.

In order to strengthen its argument, that capturing policies issued after 31 December 1934 would not add relevant information to its database, Winterthur researched the ICHEIC Claims Statistics. So far Deutsche Beamten Versicherung had only once been

named as the company who issued a policy to a Holocaust victim. However, some matches on unnamed claims had occurred. But no Deutsche Beamten Versicherung match was found relating to an insurance policy sold after 1933. As per July 2003 Winterthur Life had received only eleven inquiries/claims, which showed a connection with Deutsche Beamten Versicherung; seven claims/inquiries concerned policies issued prior to 1934. Neither of the four remaining claims/inquiries are connected to the Holocaust.

After Winterthur brought these findings to attention of the ICHEIC AMSG, it was agreed that the capturing of Deutsche Beamten Versicherung's policy register books and the films of register books could be limited to the period from 1923 to January 1, 1935. The reduction of the period led to a reduction of the policy numbers to be captured. Whilst in the period 1923 to 1938 we had approx. 490'000/32'000 policy numbers, the number of policies in the period 1923 to 1934 was 287'320/27'467. There was a further reduction of this number due to the exclusion of policies issued originally prior to 1934 but retroactively converted into Wehrmacht policies (when the policy holder joined Wehrmacht during the time the policy was in force) and policies paid out before the start of the Holocaust. The total amount of names captured onto database therefore is: 222'957/14'577

Due to the loss and destruction of records during World War II, not all of the policy register books relating to the relevant period are available. In order to make good this deficiency, Winterthur researched the policy files stored in Offenbach. 2894 policy numbers were found, which were not already captured from the register books or the films of register books. Out of these 2894 policies 2819 policies were policies issued to members of Wehrmacht and therefore not of interest for our project. Out of the remaining 75 policies 70 policies were compensated after the war – we found a stamp "Altsparerentschädigung gezahlt". One policy was marked "Kirchenversicherung" and four policies were marked "Altsparerentschädigung entfällt" These four policies were captured onto database.

5. Conclusion

All policies, i.e. the 222'957 from the registers and the 14'577 from the films of registers and the four policies from the policy dossiers, that had been captured during the project were stored on Winterthur's database and used for the process of claims handling.

The additional recording process in the archives of Deutsche Beamten Versicherung is finished.

Winterthur complies with all ICHEIC Audit standards.

Winterthur Life Insurance

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