

CLAIMS RESOLUTION TRIBUNAL

In re Holocaust Victim Assets Litigation
Case No. CV96-4849

Certified Award Amendment

to Claimant Norma Geraldine Freedman¹
also acting on behalf of Peter Siegmund Klopfer,
Maria Luise Kaufman and Lisl Zadek

in re Accounts of Max Klopfer

Claim Number: 215271/RS²

Original Award Amount: 242,750.00 Swiss Francs

Award Amendment Amount: 715,062.50 Swiss Francs

This Certified Award Amendment is based upon the claim of Norma Geraldine Freedman, née Klopfer, (the “Claimant”) to the published accounts of Max Klopfer (the “Account Owner”), at the Zurich branch of the [REDACTED] (the “Bank”).

All award amendments are published. Where a claimant has not requested confidentiality, as in this case, only the name of the bank has been redacted.

Procedural History

On 31 August 2004, the Court approved an Award to Peter Siegmund Klopfer, Maria Luise Kaufman and Lisl Zadek (the “Represented Parties”) for one custody account and three demand deposit accounts owned by the Account Owner (the “August 2004 Award”). At the time of that award, the bank records then available to the CRT did not contain information regarding the value of the awarded custody account. However, on April 11, 2008, the Bank made available to the CRT additional information about this account, including detailed documentation on the portfolios held in the account. In this Award Amendment, the CRT adopts and amends its findings set out in the August 2004 Award based upon this additional information recently forwarded to the CRT by the Bank.

¹ On 31 August 2004, the Court approved an award to represented parties Peter Siegmund Klopfer, Maria Luise Kaufman, and Lisl Zadek (the “Represented Parties”) for the accounts of Max Klopfer (the “August 2004 Award”), which is the subject of this Award Amendment.

² The CRT awarded the account of Siegmund Klopfer to the Represented Parties in a separate decision. See *in re Account of Siegmund Klopfer* (approved on 31 December 2003).

The August 2004 Award

In the August 2004 Award, the CRT determined that the Account Owner owned a custody account and three demand deposit accounts. The CRT further determined that the Claimant and the Represented Parties plausibly identified the Account Owner, that they plausibly demonstrated that they are related to the Account Owner, and that they made a plausible showing that the Account Owner was a Victim of Nazi Persecution. Additionally, the CRT determined that it is plausible that the Account Owner did not receive the proceeds of his accounts and that the Represented Parties were each entitled to one-third of the award amount.

Finally, the CRT determined that the Bank's records did not indicate the value of the custody account, and therefore presumed that the value of the custody account was 13,000.00 Swiss Francs ("SF").

Information Available in the Bank's Records

As detailed in the August 2004 Award, the Bank's records indicate the name and cities of residence of the Account Owner. The Bank's records indicate that the Account Owner was a banker, and that he resided in Munich, Germany, and that he then moved to Trieste, Italy. The Bank's records also indicate that the Account Owner held three demand deposit accounts and one custody account, the latter of which was closed on 14 May 1938.

As noted above, the Bank recently provided the CRT with additional documents regarding the custody account, which was numbered 55979. These documents contained a custody account identification card ("*Leitkarte*") and custody account portfolio holding cards ("*Depotvalorenkarten*") for each security held within the custody account.

These documents indicate that at a time when the Account Owner was deemed to have lost control over the account, it contained the following securities:

- 4% *Eidgenössische Bank (A.-G.) Zürich*, due 19 August 1937 short-term paper with a nominal value of 3,800.00 Swiss Francs ("SF"), which was redeemed on 20 August 1937;
- 3.5% *Schweizerische Kreditanstalt, Zürich*, due 27 January 1938 short-term paper with a nominal value of SF 32,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 27 May 1936;
- 4% *Schweizerische Kreditanstalt, Zürich*, due 6 June 1938 short-term paper with a nominal value of SF 1,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 9 June 1936;
- 4% *Schweizerische Kreditanstalt*, due 31 March 1939 short-term paper with a nominal value of SF 13,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 9 June 1936;
- 3.75% *Zürcher Kantonalbank, Zürich*, redeemable as of 21 August 1938 at 3 or 6 months short-term paper with a nominal value of SF 6,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 9 June 1936;

- 7.5% *Türkische Staatsschuldverschreibungen 1933 1. Tranche French-stamped* bonds with a nominal value of 50,000.00 French Francs (“FF”), which were sold on 21 September 1937; and
- 2.25% *Anatolian Railway Company 1912 Serie III* bonds with a nominal value of SF 50,000.00, which were sold on 10 May 1938.

The CRT’s Analysis

Basis for the Award Amendment

The CRT has determined that an Award Amendment may be made in favor of the Represented Parties.³ The CRT previously determined in the August 2004 Award that the claim is admissible in accordance with Article 18 of the Rules, that the Claimant and the Represented Parties have plausibly demonstrated that they are related to the Account Owner, and that it is plausible that neither the Account Owner nor his heirs received the proceeds of his accounts.

Value of the accounts in the August 2004 Award

In the August 2004 Award, the Account Owner held one custody account and three demand deposit accounts. The value of the three demand deposit accounts remains unaffected.

Pursuant to Article 29 of the Rules, when the value of an account is unknown, as was the case for the custody account in the August 2004 Award, the average value of the same or a similar type of account in 1945 is used to calculate the current value of the account being awarded. Based upon the investigation conducted by the Independent Committee of Eminent Persons (“ICEP” or “ICEP Investigation”), in 1945 the average value of a custody account was SF 13,000.00.

Amount of the Award Amendment

According to the Guidelines for the Valuation of Securities, circulated to the CRT by Special Master Helen B. Junz, as a general rule, the nominal value of bonds not in default shall be awarded if the market value was below the nominal value on the date the account owner is deemed to have lost control over the account. The CRT presumes that the account owner, if able to decide freely, could have opted to hold the respective bond to maturity to avoid a capital loss. The market value of bonds shall be awarded if that value was above the nominal value on the date the account owner is deemed to have lost control over the account. Short-term paper, a type of security, is valued at its nominal value.

According to the additional information from the Bank, the Account Owner held a custody account with the following securities:

³ The CRT notes that the distribution of this Award Amendment will be the same as the distribution of the August 2004 Award, namely that each of the Represented Parties is entitled to one-third of the Award Amendment amount. As detailed in the August 2004 Award, the Represented Parties are more entitled to the Award Amendment than the Claimant, and consequently, the Claimant is not entitled to a share of the Award Amendment.

- *4% Eidgenössische Bank (A.-G.) Zürich 19 August 1937* short-term paper with a nominal value of SF 3,800.00 Swiss Francs, which was redeemed on 20 August 1937. This short-term paper shall be valued at its total nominal value of SF 3,800.00;
- *3.5% Schweizerische Kreditanstalt, Zürich due 27 January 1938* short-term paper with a nominal value of SF 32,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 27 May 1936. This short-term paper shall be valued at its total nominal value of SF 32,000.00;
- *4% Schweizerische Kreditanstalt, Zürich due 6 June 1938* short-term paper with a nominal value of SF 1,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 9 June 1936. This short-term paper shall be valued at its total nominal value of SF 1,000.00;
- *4% Schweizerische Kreditanstalt due 31 March 1939* short-term paper with a nominal value of SF 13,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 9 June 1936. This short-term paper shall be valued at its total nominal value of SF 13,000.00;
- *3.75% Zürcher Kantonalbank, Zürich redeemable as of 21 August 1938 at 3 or 6 months* short-term paper with a nominal value of SF 6,000.00, which was transferred to *Dreyfus Söhne & Cie. AG* bank in Basel on 9 June 1936. This short-term paper shall be valued at its total nominal value of SF 6,000.00;
- *7.5% Türkische Staatsschuldverschreibungen 1933 1. Tranche French-stamped* bonds with a nominal value of FF 50,000.00, which were of good quality and trading at 80% when they were sold on 21 September 1937.⁴ Therefore, these bonds shall be valued at their nominal value of FF 50,000.00, which was equivalent to SF 6,280.00;⁵ and
- *2.25% Anatolian Railway Company 1912 Serie III* bonds with a nominal value of SF 50,000.00. These bonds were in default, and were trading at 16.25% when they were sold on 10 May 1938. Therefore, these bonds shall be valued at their market value of SF 8,125.00.⁶

Therefore, the Bank's records indicate that the total value of the custody account in June 1938 was SF 70,205.00. The Article 29 value of SF 13,000.00, which was used in the August 2004 Award, is then subtracted from the actual historic value, resulting in a difference of SF 57,205.00. The current value of this amount is determined by multiplying this difference by a factor of 12.5, in accordance with Article 31(1) of the Rules, to produce a total Award Amendment amount of SF 715,062.50.

⁴ The market value for this security was obtained from documents held in the Austrian State Archive (Archive of the Republic, Finance). Shortly after the March 1938 incorporation of Austria into the Reich (the "Anschluss"), Jewish residents and non-resident nationals of the Reich, including Austria, who had assets worth at least 5,000.00 Reichsmark, were ordered to declare the value of all their assets as of 27 April 1938 (the "1938 Census"). The bulk of the 1938 Census records for Austria still exist (more than 48,000 of an estimated 52,000 for Austria). These records serve as the only source of contemporaneous market values for a number of Austrian securities. In a case such as this, a security's market value may come from a 1938 Census declaration submitted by a person other than the account owner.

⁵ The CRT uses official exchange rates when making currency conversions.

⁶ The market value for this security was obtained from the *Zürcher Kursblatt*, 30 December 1938.

Division of the Award Amendment

As noted above, the distribution of this Award Amendment will be the same as the distribution of the August 2004 Award, namely that each of the Represented Parties is entitled to one-third of the Award Amendment amount. As detailed in the August 2004 Award, the Represented Parties are more entitled to the Award Amendment than the Claimant, and consequently, the Claimant is not entitled to a share of the Award Amendment.

Scope of the Award Amendment

The Claimant should be aware that, pursuant to Article 20 of the Rules, the CRT will carry out further research on her claim to determine whether there are additional Swiss bank accounts to which she might be entitled, including research of the Total Accounts Database (consisting of records of 4.1 million Swiss bank accounts which existed between 1933 and 1945).

Certification of the Award Amendment

The CRT certifies this Award for approval by the Court and payment by the Special Masters.

Claims Resolution Tribunal
11 August 2008