

For Immediate Release  
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## **Historic Settlement Reached in Holocaust Insurance Case First Individual Suit Against an European Company Is Resolved**

An historic settlement has been reached in the lead case over unpaid Holocaust insurance claims.

According to attorney William M. Shernoff of the Claremont firm of Shernoff, Bidart, Darras & Dillon, a confidential agreement has been reached on behalf of Holocaust survivor Adolf Stern and other family members. Their lawsuit contended that Assicurazioni Generali, a large Italian-based insurer, acted in bad faith when it refused to pay off on insurance policies issued to Mor Stern, the family patriarch, who died in the gas chamber at Auschwitz [Stern v. Generali, L.A. Superior Court, BC185376].

The settlement of the Stern case is a major breakthrough for all Holocaust insurance claims, said Shernoff, lead counsel for the plaintiffs.

Shernoff said he expects that other Holocaust insurance claims he has filed will also be settled by the end of the year and that a claims process will be put in place for all

California survivors to collect their insurance proceeds, including the publishing of a list of unpaid policies on the Internet so that California heirs can determine if they have rightful benefits coming. Shernoff estimates there are approximately 14,000 Holocaust survivors in California who may have claims and 40,000 to 60,000 heirs of survivors who may be entitled to restitution.

The Stern family lawsuit has been closely watched by Holocaust experts and survivors worldwide. The private lawsuit was the first suit against an European insurer ever to be filed by an individual family. The lawsuit became a test case for Holocaust victims and their heirs when Generali appealed a ruling granting California courts jurisdiction to resolve Holocaust-era claims. A state appeals court upheld the lower court ruling and the California Supreme Court refused to review the case, giving Californians the green light to pursue their claims, under the Holocaust Victims Insurance Act signed into law last year.

Shernoff said the Stern settlement would not have been possible without the efforts of California Insurance Commissioner Chuck Quackenbush whose office hired outside special counsel to submit friend-of-the-court briefs on behalf of the Sterns. Comm. Quackenbush has also been putting pressure on European insurance companies doing business in this state by threatening to pull their licenses if they fail to pay Holocaust victims' claims.

Shernoff and co-counsel Lisa Stern, a relative of the family that brought the case, have filed seven other cases against Generali which they hope to settle by the end of the year.

The Stern family sued Generali for \$135 million in February 1998, alleging breach of contract and bad faith for refusing to pay off on policies issued to Mor Stern, the family patriarch. Stern's descendents -- living in Los Angeles, New York, Miami, Israel and London -- have made more than a half dozen attempts over five decades to collect on life insurance policies purchased starting in 1929.