

For Immediate Release
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Holocaust Survivors File \$135 Million Lawsuit Over Insurer's Refusal to Pay Life Insurance Claims

- Suit is California's -

Half a century after members of the Stern family were brutally killed in a Nazi concentration camp, surviving relatives filed a \$135 million lawsuit today to recover life insurance benefits that were wrongfully withheld from them (Stern v. Generali, BC185376).

The Stern family held a press conference this morning at the Simon Weisenthal Center in West Los Angeles to announce the filing of their insurance bad faith lawsuit that includes a demand for \$125 million in punitive damages. The suit, filed in Los Angeles Superior Court, is the first Holocaust-era lawsuit filed by an individual family. It caps a decades-long struggle by the Stern family to recover life insurance proceeds from Assicurazioni Generali of Italy, one of Europe's largest insurers. Generali sold Moshe Stern, the family patriarch, several life insurance policies prior to WWII that the Stern family now estimates are worth \$10 million.

Represented by renowned insurance consumer rights lawyer William M. Shernoff of Claremont's Shernoff, Bidart, Darras & Arkin, the Sterns are alleging, among other things, breach of contract, unfair business practices, false and misleading advertising, spoliation of evidence, and allegations of bad faith.

If any case cries out for punitive damages, this case is the one, said Shernoff, a pioneer in the field of insurance bad faith law. For an insurance company to refuse to pay a claim on behalf of a Nazi concentration victim because he couldn't provide a death certificate is unconscionable.

A wealthy wine producer from the town of Uzshghorod, Hungary, Moshe Stern purchase several life insurance, annuity and dowry policies beginning in 1929 to protect his large family in the event of his death. For more than 10 years, Moshe faithfully paid his premiums until his family was deported in 1944. Moshe, his wife Regina, and three of their sons died in the gas chambers. Adolf Stern, the eldest son, witnessed his family being marched off to their death, but survived the Holocaust along with two brothers and a sister. Liberated but destitute, Adolf made his way back to Generali's office in Prague to collect on the policies, but found himself thrown out on the street instead when he could not produce a death certificate.

Adolf and other family members would seek legal redress for more than four decades. Today, only Adolf who lives in Miami and Edith who resides in Israel are surviving children. Alan Stern, the elder Stern's grandson and his brother Martin Stern of Israel, have taken over the helm to keep the pressure on Generali.

The Stern family is confident that Lady Justice will slay this corporate giant for its economic crimes against humanity, said Alan Stern, a resident of Los Angeles. Let this be a lesson for any insurance company that thinks it can sell policies and then refuse to honor valid claims.

The claim by the Stern family is typical of thousands surfacing in the U.S., Israel, and Europe. But the Sterns, unlike many surviving relatives, have written proof to back up their assertions. By a stroke of good fortune in 1996, they were able to obtain a copy of a 1929 policy that Generali insisted was non-existent. Alan Stern says his grandfather paid a fortune in premiums from 1929 to 1944. The 1929 policy is but one of several policies the Sterns believe was purchased costing 400,000 Krona, or \$12,000 U.S. dollars.

Meanwhile, Generali is one of 16 defendants in a national class action suit filed in New York last year. It recently acquired Migdal Insurance Company from Bank Leumi in Israel with assets Holocaust victims and their heirs believe belong to them.