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November 21, 2001

Mr. Herbert Hansmeyer
Member of the Board of Management
Allianz
c/o California Fireman's Fund
777 San Marin Drive
Novato, CA 94998

Dear Mr. Hansmeyer:

Thank you for your response to our letter of October 12. We also appreciate the testimony of Allianz representative Peter Lefkin at our November 8, 2001, hearing on the status of insurance restitution for Holocaust victims and their heirs.

As Mr. Waxman mentioned during the hearing, there are a number of areas about which we have additional questions for the hearing record. These include questions relating to your October 22, 2001, letter that our staff posed to Mr. Lefkin before the hearing and to which Allianz has failed to respond to date. This letter sets forth those questions as well as other questions for the hearing record. We request that you respond in writing by December 5, 2001.

Questions Regarding Your Letter of October 22, 2001

1. Your response to item 2 of our October 12 letter states that Allianz provided a list of all policies and policyholders to ICHEIC in 1999. It also says that Allianz has given Yad Vashem a policyholder list.
 - a. Are these two lists the same or are they separate lists?
 - b. When did Allianz give Yad Vashem the policyholder list, and how many names were on this list?
 - c. How many of the policies on this list were issued by Allianz subsidiaries and how many were issued by Allianz?

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2. Your response to item 2 of our October 12 letter also states that there were internal software authorization problems at Yad Vashem, and that the results of the Yad Vashem matching process on the list Allianz provided Yad Vashem were "still outstanding."
 - a. Has Allianz received the results since your October 22, 2001, letter?
 - b. If not, when does Allianz expect Yad Vashem to provide the results?
3. Your response to items 3 and 5 of our October 12 letter states that Allianz has received a total of 3126 search requests naming Allianz companies as possible issuers of a policy, that 1725 cases found no policy taken out, and that 1401 cases are under study, were paid, or had offers made on them. The response then says that "all other requests received" were not eligible.
 - a. Are those "other requests" your response references different from the "total of 3126 search requests" Allianz received, and, if so, how are they different?
 - b. If these are different requests, please provide the number of "other requests" Allianz received.
 - c. Of the claims filed through ICHEIC, how many has Allianz determined were already compensated through restitution programs of the German government or otherwise settled through such programs?
4. Your response to items 3 and 5 of our October 12 letter also states that "Allianz has received roughly 31,000 inquiries that do not name any particular company." Of those 31,000 inquiries, the response says, research is pending in about 13,000 cases. Please describe the status of the other 18,000 inquiries that did not name any particular company, including the number of these inquiries for which Allianz has identified a match in its files and the number for which Allianz has approved compensation.
5. Your response to item 4 of our October 12 letter did not state the total amount of compensation that Allianz has awarded to victims. Please provide that information.
6. Your response to item 9 of the October 12 letter says that the media report stating that a complete review of Allianz's files would take 1,529 person-years "did not come from Allianz nor our auditors, and we cannot comment on it." To clarify any confusion about this media report, the report was by Henry Weinstein in the July 9, 2001, edition of the *Los Angeles Times*. Following is the relevant portion:

Officials at Allianz say they had launched an internal audit of their prewar policies even before the international commission was formed. The audit of a sample of

policies revealed very few that were unpaid and showed that offers had been made on those, said Allaeuer, the company spokesman.

He added that Arthur Andersen, the large public accounting firm that did the audit in 1998, concluded that completely reviewing the company's files would have taken 1,529 person-years.

At the November 8, 2001, hearing, Mr. Lefkin committed to providing a copy of the above-referenced audit to the Committee (see attached copy of transcript). Please provide a copy of this audit.

Questions Relating to Mr. Lefkin's Testimony

7. During the November 8, 2001, hearing, Mr. Lefkin was asked whether Allianz believes that ICHEIC decisions are binding on Allianz. He refused to answer yes or no, but rather said that Allianz has complied with Mr. Eagleburger's decisions. However, a September 18, 2001, letter from you to Mr. Eagleburger stated, "I hope you understand that under these circumstances we can't abide by these decisions." Please state whether Allianz believes that the decisions of the ICHEIC chairman are binding.
8. At the November 8, 2001, hearing, Mr. Waxman described the case of Judith Steiner, whose application had been rejected by Allianz subsidiary RAS even though she had a receipt of the last premium payment made by her grandfather before her family was taken to the concentration camps. Mr. Lefkin said that he would make sure this case got appropriate review and that he would get a response back to both Mrs. Steiner and Mr. Waxman. Please describe Allianz's schedule for reviewing this claim and reporting back to Mrs. Steiner and us regarding her case.

Additional Questions for the Hearing Record

9. Your letter of October 22 said that a large number of Holocaust-era insurance policies were settled by restitution proceedings.
 - a. When Allianz examines a claim, how does Allianz determine whether an individual has been previously compensated for the specific type of insurance policy under the German restitution programs?
 - b. If Allianz relies on the German government to make the determination described above in (a), please describe the criteria the German government uses to make this determination.

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- c. Please list the types of Holocaust-era insurance policies covered by the German government's restitution programs. In your response, specify whether each of the following types of insurance were covered: life, education, health, dowry, annuity, and property insurance.
10. In a November 6, 2001, letter, Secretary Eagleburger responded to questions posed by the Committee regarding ICHEIC funding. In that letter, Secretary Eagleburger stated that six companies, including Allianz, agreed to contribute \$90 million to ICHEIC under the MOU. As of November 6, 2001, only \$30 million has been contributed to ICHEIC – \$5 million by each of the six companies. Secretary Eagleburger's letter states that the "remaining \$60 million has been withheld as a 'form of punishment' for some decisions I have made with which the companies disagree."

During the hearing, Mr. Lefkin was asked whether Allianz has cut off payments to ICHEIC. Mr. Lefkin's answer was not responsive, but he pledged to investigate this issue for the Committee (see attached copy of transcript). Please respond to the following questions:

- a. Has Allianz disagreed with any of Secretary Eagleburger's rulings? If so, with which rulings has Allianz disagreed? Why?
- b. Has Allianz stopped providing administrative funds, previously agreed to under the MOU, to ICHEIC?
- c. If so, who made that decision?
- d. What was the reason for that decision?
- e. When did Allianz last provide any funding to ICHEIC?
- f. Does Allianz have specific plans to provide any additional funds to ICHEIC? If so, when will these monies be provided? How much will be provided?
- g. During the hearing, Secretary Eagleburger stated that the MOU companies are "perilously close" to being formally ruled as not being in compliance with ICHEIC because of the companies' refusal to provide sufficient funds. Does Allianz believe that refusal by MOU companies to provide additional funds is a violation of the MOU?

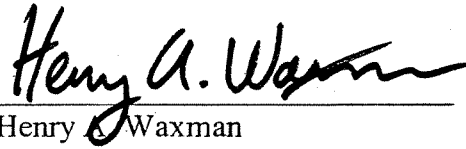
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Thank you for your attention to these questions.

Sincerely,



Dan Burton
Chairman



Henry A. Waxman
Ranking Minority Member