

I.C.E.P.**June 3, 1997****The Independent Committee of Eminent Persons****PRESS RELEASE**

The Independent Committee of Eminent Persons, chaired by Paul A. Volcker, held its fifth meeting in Jerusalem, Israel, on June 2-3, 1997. This provided the Members with the opportunity to call on Prime Minister Benjamin Netanyahu, to meet at the Knesset with members of the Restitution Committee, and to exchange views on speeding up the search for unclaimed bank accounts of victims of the Holocaust. The Committee formally noted the establishment of an Association as the legal entity for implementing the Investigative Audit. That audit is designed to identify whether such accounts and other assets and financial instruments of the victims of Nazi persecution were still deposited with Swiss banks.

The Committee heard a report from the three audit firms that are mandated to undertake this investigation -- Arthur Andersen, KPMG, and Price Waterhouse. The Preparatory Phase is almost complete, and the first stage of on-site investigations of banks can now begin, with completion of this phase scheduled for early fall.

Five banks have been selected for the pilot audits providing a necessary test for the full scale audits of all banks to be started when the pilot stage is done. These banks are: Credit Suisse, Swiss Bank Corporation, Spar und Leihkasse Berne, Banque Cantonale Vaudoise, and Pictet & Cie. In addition, five banks have been selected for document retention audits: Banque Baumann, Banque Cantonale de Geneve, Bank Julius Baer, St. Gallische Kantonalbank, and UBS. The Committee stressed that these banks are intended to be representative of the Swiss banking system as a whole in order to test the audit program against a variety of different types of institutions, and that the pilot bank selections are in no way intended to suggest that any conclusions had been reached about these banks.

The Committee also agreed on the importance of a claims settlement procedure. At its meeting in January it had come to the conclusion that as the Investigative Audit developed the names of the account holders, a claims adjudication procedure is necessary to match assets with heirs and successors. After 50 years, an expeditious judicial process working under liberal rules of evidence should fairly and objectively determine without delay the legitimate owners or heirs.

The Committee decided to recommend a set of procedures for such a process tailored to the special circumstances of long dormant accounts, and needy, potential beneficiaries.

A Committee meeting in early September, 1997, was scheduled to receive and review the results of the pilot audits as the basis for implementing the full scale investigative audit program.

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