

February 18, 2004

Special Master Judah Gribetz
Holocaust Victim Assets Litigation
P.O. Box 8300
San Francisco, CA 94128-8300
U.S.A.

Re: Holocaust Victims Assets Litigation, No. CV-96-4849 (ERK)(MDG)

Dear Special Master Gribetz:

On behalf of Amigour, Management Assets for the Jewish Agency Housing Projects, I am submitting this letter to clarify a few points that have been brought to our attention that may not be apparent from our proposal submitted on January 25, 2004.

1. Please note that as a matter of policy, Amigour will incur the administrative expenses in implementing the three proposed projects presented in our proposal. Thus, overhead expenses associated with these projects, if approved, will come from Amigour's general budget. (See also page 16 of the Proposal.)
2. Amigour provides, and will continue to provide, all relevant services -- including those referred to in our proposal -- to Amigour's residents. As with other sheltered homes, Amigour offers a holistic basket of services to its residents. Requests submitted by other Israeli organizations are to provide services to Nazi survivors living independently, and not to those individuals residing in Amigour housing.
3. As our proposal sets forth, Amigour respectfully requests funds to build three nursing facilities, for a total of 108 new nursing beds. The Ministry of Health is requesting funds that would cover placement for eligible Nazi survivors in nursing homes. Placement could be in Amigour's nursing facilities, or others throughout the country. Thus, these proposals are complimentary, not overlapping.

4. We hereby attach a revised list of our Board of Directors, which provides additional information on each member, as well as an additional chart that lists individuals who endorse Amigour's proposal, for your reference.

We appreciate the difficult task that has been presented to the Court. If there is any additional information that you need, please do not hesitate to contact us.

Sincerely,



Major General (Res.) Moshe Nativ
Chair of the Board

Cc: Mr. Sallai Meridor, Chair of the Executive, JAFI
Mr. Shai Hermesh, Treasurer, JAFI
Mr. Yuval Frankel, Acting CEO, Amigour
Adv. Paul Berger, Arnold & Porter

January 25, 2004

Hon. Howard R. Korman
Chief Judge, United States District Court; and
Special Master Judah Gribetz
Holocaust Victim Assets Litigation
P.O. Box 8300
San Francisco, CA 94128-8300
U.S.A.

Re: Holocaust Victims Assets Litigation, No. CV-96-4849 (ERK)(MDG)

Dear Judge Korman and Special Master Gribetz:

On behalf of Amigour, Management Assets for the Jewish Agency Housing Projects, I am pleased to submit the attached request for support to provide sheltered housing, nursing departments and social welfare assistance to needy Nazi victims living in Israel, pursuant to your October 2, 2003 Interim Report and the court's extension, signed on December 17, 2003.

A subsidiary of the Jewish Agency for Israel, Amigour has been providing public and sheltered housing and assistance for Israel's needy since 1972. Just over eighty percent of our clientele living in sheltered housing are Nazi victims, the majority of whom are recent immigrants from the former Soviet Union. With the constant flow of immigration over the past decade and the natural aging process of this population, the demand for services continues to grow. In addition to providing affordable sheltered housing, Amigour proposes to establish three new nursing facilities for Nazi victims and to provide limited social welfare assistance to improve the quality of life of Amigour residents.

Our request will enable Amigour to directly address fundamental needs of thousands of Nazi victims currently living in Israel, over the next ten years. In addition, with the aid of the Jewish Agency for Israel and the government of Israel, this support will help to ensure that needy Jews living in Israel will not be left without a roof over their heads.

As a survivor of the Holocaust, I cannot stress the importance of providing a safe haven to those who lived under Nazi occupation. Born in 1932 in Romania, I came to Israel as a young boy in 1946. At the age of 17, I was recruited by the Israel Defense Forces (IDF) and served as a combat officer in the Suez War (1956) and the Six Day War (1967). During the Yom Kippor War (1973), I served as a Deputy Commander of the Armored Corps, and during the Lebanon War, I was the Head of the General Head Quarters. I retired from the IDF in 1983 at the rank of Major General.

I continued with my commitment to serve my people and my country upon leaving the armed forces. From 1986 through 1996, I worked for the Jewish Agency for Israel. In my first position, I was the head of the Jewish Agency and World Zionist Organization in North America. As this organization's General Director, I was involved with the aliyah and absorption of the immigrants from FSU, including those elderly who are now in the care of Amigour and those who still need assistance. Since 1996, I have served as the Chair of the Board for Amigour. My commitment to this organization stems from a belief in our collective responsibility to provide for our people, especially those in dire need. There is no question in my mind that the housing solutions and individual assistance Amigour provides, address one of the most basic and immediate issues the State of Israel faces.

We thank you for considering our request and are confident that the Court will agree with the urgency and importance of providing humanitarian assistance, particularly sheltered housing, to needy Jewish Nazi victims living in Israel during these difficult times.

Sincerely,

Major General (Res.) Moshe Nativ
Chair of the Board

Attachments

Cc: Mr. Sallai Meridor, Chair of the Executive, JAFI
Mr. Shai Hermesh, Treasurer, JAFI
Mr. Yuval Frankel, Acting CEO, Amigour
Mr. Bobbi Brown, JAFI

REQUEST FOR FUNDING TO PROVIDE
SHELTERED HOUSING, NURSING DEPARTMENTS
AND SOCIAL WELFARE ASSISTANCE TO NEEDY
NAZI VICTIMS LIVING IN ISRAEL

RESPECTFULLY SUBMITTED TO

JUDGE EDWARD KORMAN
AND
SPECIAL MASTER JUDAH GRIBETZ

JANUARY 25, 2004

REQUEST FOR FUNDING TO PROVIDE
SHELTERED HOUSING, NURSING DEPARTMENTS
AND SOCIAL WELFARE ASSISTANCE TO NEEDY
NAZI VICTIMS LIVING IN ISRAEL

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רח' קפלן 12, תל-אביב 64738, ת.ד. 7071, 61070 טל: 6930496 פקס: 03-6918561
12 KAPLAN ST. TEL-AVIV, 64734, P.O.B. 7071, 61070 PHONE 972.3.6930496 FAX 972.3.6918561
E-mail : vardami@internet-zahav.net E-mail : yuvlfr@amigour.co.il

Introduction

The State of Israel was established in 1948 as a state for all Jews. It was envisioned as a place where Jews could freely exercise their Judaism within a Jewish society – each according to his or her own beliefs and tradition based on shared values, religion and heritage. Coinciding with the conclusion of WWII was no coincidence, as the State of Israel was also founded to guarantee a safe haven for persecuted Jewish communities from around the world. The atrocities witnessed during and after the Holocaust demonstrated the importance and role of an independent Jewish homeland. It is not surprising that the world Jewish community embraced this historic moment and has worked endlessly to ensure that future generations will never have to face the horror of another Holocaust. Historically, the global Jewish community has taken on a collective obligation to help Jews wherever they are persecuted or in distress, bringing them to Israel when appropriate. In addition, Israel is committed to welcoming all Jews to their historic homeland, and, with the assistance of world Jewry, to support new immigrants who make Aliyah (Hebrew term for “immigration to Israel”).

Today, 55 years after the establishment of the State, three million Jews have immigrated to Israel from over 60 different countries. The Jewish Agency for Israel, which was authorized by the State of Israel and supported by the world Jewish community, undertook the responsibility and costs of assisting with the Aliyah and initial absorption of Israel’s immigrants throughout the years. As partners, the State of Israel and JAFI have collectively assumed responsibility for developing and implementing absorption policy, operation and funding.

Many of the Holocaust survivors immigrated to Israel during and shortly after WWII. Nonetheless, in the last decade close to one million Olim (Hebrew term for “immigrants”) have arrived in Israel from the former Soviet Union. The majority of these recent elderly Olim are Nazi victims, now making Israel the largest center in the world for Holocaust survivors.

Summary of Funding Request

Since the conclusion of World War II, restitution and compensation have been pursued by a host of individuals and organizations on behalf of victims of the Nazi regime. Beginning with Germany and Austria, efforts expanded to other countries in Eastern Europe, as well as to dormant accounts in Swiss banks. On March 31, 1999, the US Court appointed Special Master Judah Gribetz with the task of devising a proposed plan of allocation and distribution of the settlement funds from Swiss Bank Claims. This report sets forth Amigour’s request for allocation of a portion of the funds in order to provide sheltered housing, nursing beds and social welfare assistance to the **neediest** Nazi victims living in Israel.

Amigour, a subsidiary of the Jewish Agency for Israel (JAFI), has been providing public housing in Israel since 1972. Entrusted by JAFI and the Government of Israel, Amigour manages housing projects that provide homes for some of Israel's most needy citizens, 90% of whom are immigrants from the Former Soviet Union (FSU). The majority of Israel's elderly immigrants from the FSU -- including those living in Amigour's sheltered housing -- are **Holocaust survivors**. For a host of reasons, including advanced age, poor health, cultural isolation, elementary language skills, and lack of support systems, this population typically experiences great difficulties in the absorption process. It is not uncommon to discover that these elderly immigrants have financial difficulties, making it almost impossible to buy an apartment or even rent adequate housing. Living on minimal social security pensions, some are homeless and have become among Israel's most vulnerable populations, sorely in need of public housing. On behalf of the State of Israel and the world Jewish Diaspora through JAFI, Amigour manages sheltered and public housing for this population.

Amigour currently manages 22,075 housing units. With 16,404 public housing homes for needy families and 5,671 units of sheltered housing for the elderly, Amigour is Israel's largest housing provider for the aged in Israel. In addition, Amigour operates one nursing department for disabled and chronically ill elderly, with 36 beds. At present, Amigour has 6,280 elderly residing in sheltered homes (some are couples) of which 5,130 are Nazi victims. An additional 3,500 elderly live in Amigour's public housing; approximately 50% (1,700) are immigrants from FSU, out of which an estimated 920 are Nazi victims. The total number of Nazi victims residing in Amigour housing units today is 6,050 individuals.

Unfortunately, with 25,000 elderly immigrants currently awaiting public housing, among whom are an estimated 20,250 Nazi victims, Amigour is unable to meet the demand. According to Israel's Ministry of Absorption, these individuals are in dire economic situations and represent the Nazi victims living in Israel with the greatest and most immediate needs. At present, Amigour has 600 sheltered housing units under construction in six locations adjacent to existing sheltered homes. With the completion of these units, Amigour will be able to provide housing to an additional 900 Nazi victims, reaching a total of 6,950 elderly Nazi victims by the end of the year.

Given the great need, Amigour respectfully requests funds from the Swiss Banks Claims in order to provide new housing opportunities and additional services not funded by the existing budget.

Amigour's request for support is three-fold:

1. **\$43,200,000** in order to provide 2,000 units of **sheltered housing**, offering homes for 6,000 Nazi victims living in Israel over the course of ten years; this sum is calculated as rental subsidies at \$180 per month\per unit over a ten year period. This

amount, which represents an investment which will be recouped over time, will be matched by JAFI and the Israeli government and will be used to build sheltered housing centers in locations of demand throughout Israel;

2. **\$5,400,000** for the establishment of three **nursing facilities** for disabled and chronically ill elderly and those who can no longer function independently, among the Nazi victims residing in Amigour's sheltered homes. The departments, which will be constructed next to existing sheltered homes in different parts of the country, will provide 36 beds each, for a total of 108 additional beds.

3. **\$10,166,000** for the provision of **social welfare assistance** to 9,030 Nazi victims living in Amigour's sheltered home for the aged, over a period of ten years. This includes the 5,130 currently residing at Amigour facilities for the first year; an additional 900 upon completion of the 600 units at the end of the second year; and an additional 3,000 people, 12 – 18 months following approval of the additional 2,000 units. In the event that funding for the 2,000 units is not approved, Amigour requests \$7,800,000 to provide assistance to the current 5,130 residents in the first year and a total of 6,030 for the subsequent nine years.

Background: State of Israel

The number and location of Nazi victims¹ around the world is debatable, as are their comparable needs. Studies have been undertaken by a variety of researchers and their estimates range based upon research methods and available data.² While the numbers fluctuate from study to study, they all agree that the **majority** of Jewish Nazi victims throughout the world live in the State of Israel.³ The State of Israel will present the overall data, including the results of a new study recently commissioned

¹ For the purposes of this request, Amigour relies upon the definition used by the Claims Conference in relation to social welfare services and adopted by Ukeles Associates Inc: "Definition of a Nazi Victim: A Jew who lived in a country at the time when it was under a Nazi regime; under Nazi occupation, or under the regime of Nazi collaborators or who fled to a country or region not under Nazi rule or occupation due to Nazi rule or Nazi occupation." Ukeles Associates Inc.'s "Estimate of the Current Distribution of Jewish Victims of Nazi Persecution" prepared for the International Commission on Holocaust Era Insurance Claims (October 2003), page 4.

² E.g. Ukeles Associates Inc.'s "Estimate of the Current Distribution of Jewish Victims of Nazi Persecution" (October 2003); JDC-Brookdale Institute's report on "Holocaust Survivors in Israel: Current and Projected Needs for Home Nursing Care," by Brodsky, Be'er and Shnoor (October 2003); and Prof. Sergio DellaPergola's "Review of Relevant Demographic Information on World Jewry" – Final Report presented to the Hon. Secretary Lawrence S. Eagleburger, Chair of the International Commission on Holocaust Era Insurance Claims (November 2003).

³ According to Ukeles updated report from October 2003, 38.5% of the world population of Nazi Victims lives in Israel, page 2; according to Professor DellaPergola, up to 46.8% of the world's surviving Nazi Victims live in Israel, page 6.

by the State from Prof. Sergio DellaPergola. For the convenience of the Court, attached is a comparative table of the existing studies.⁴

With modest beginnings at the close of WWII, Israel has “emerged as one of the two leading centers of world Jewish population, together with the United States.”⁵ The number of Nazi victims living in Israel, the US and other locations exceeds the number of Nazi victims remaining in the former Soviet Union (FSU).⁶ Moreover, the on-going migration of Jews to Israel from the FSU in the last decade includes a high percentage of needy elderly. Given that these trends will most likely continue in the coming years, Israel is and will remain the country with the largest community of Jewish Nazi victims in the world.

Since the establishment of the State of Israel, the country has absorbed close to three million immigrants from over 60 countries.⁷ While some came with their own means, the vast majority of immigrants arrived with little more than the clothes on their backs and a few personal belongings. The State of Israel, under the 'Law of Return' (which guarantees acceptance of Jews from around the world), saw among its primary responsibilities to welcome Jewish immigrants from around the world. The world Jewish community, united by the umbrella organization of the Jewish Agency for Israel, assumed the role of promoting, managing and financing immigration expense and serves as the immigration authority on behalf of the State of Israel. The responsibility undertaken by JAFI and the world Jewish community was given legal sanction in 1952, with the adoption of the "Status Law"⁸ and the signing of the "covenant"⁹ between the Israeli government and JAFI.

Since the establishment of the State of Israel, JAFI has covered immigration, transportation and initial absorption costs for new immigrant. The Government of Israel, through the Ministry of Absorption, assumed responsibility for long-term absorption. JAFI, together with the Ministry of Absorption, continues to care for the most indigent and venerable olim, whose absorption process often lingers, and in some instances will take place only with the next generation.

With over one million arriving from the FSU alone since 1990, representing a third of the total number of immigrants since the creation of the State,¹⁰ this trend continues. In 2002, Israel welcomed over 34,830 immigrants, among which over 18,500 were

⁴ See attached Table, Exhibit 1.

⁵ DellaPergola, page 38.

⁶ DellaPergola, page 49.

⁷ Central Bureau of Statistics, 2003, table 4.5. www.cbs.gov.il

⁸ World Zionist Organization and Jewish Agency for Israel (Status) Law, 5713-1952. Exhibit 2.

⁹ Covenant entered into pursuant to the Status Law, 5713-1952. Exhibit 3.

¹⁰ Central Bureau of Statistics, 2003, table 4.4. www.cbs.gov.il

from the FSU.¹¹ Similarly, as of October 2003, of the 23,126 immigrants arriving in Israel, over half (12,360) were from the FSU.¹²

Serving as a safe haven for Jews in distress or danger from around the world is one of Israel's primary roles. A young and evolving country, the burden of absorbing millions of immigrants over the years has required serious commitment and unlimited resources. This enormous expenditure has been in addition to the burden of ensuring Israel's defense and security, and the establishment of national and local services. Yet the State of Israel, in the shortest period of time, became a developed and western country, providing a social safety network of services enabling waves of immigrants to benefit from social security and absorption assistance. Addressing this overwhelming endeavor was possible with the steadfast partnership of world Jewry.

In addition to providing basic needs such as housing, food, medical assistance and education for their young, the State of Israel assumed the great task of integrating these newcomers into Israeli society. For most, job retraining and Hebrew language instruction have been critical in order to afford the greatest level of personal independence. For many of the immigrants coming from formerly communist countries, elementary ideas of democracy were foreign concepts, requiring assistance on the most basic of levels. In addition, familiarity with Jewish practices among many of these immigrants is marginal, adding to the difficulties with integration. On-going hardships face new immigrants as they adjust to new cultural norms, confront language barriers and encounter day-to-day demands of living in an unfamiliar environment.

The customary challenges of absorbing large numbers of immigrants have become even more demanding in the past several years, with the exacerbated conditions in Israel. With the onset of the second Intifada in October 2000, Israel has faced economic and security crises that have done little to ease the immigration process, particularly among the elderly. National security expenses, which have always been high in Israel, have increased to meet the growing security needs. In addition to a worldwide economic recession, Israel has experienced a decrease in the tourism industry due to on-going security threats. As the security situation and local economy became less stable, Israel experienced a significant decrease in foreign investments and a decline in GNP per capita of six percent. The Government of Israel also faced a shortage of twelve billion NIS in income tax, which translates into major cuts in government ministries and services provided to the public, including social security allocations and various new immigrant subsidies. In short, the past three years have had a devastating impact on Israeli's national economy and social safety network.

¹¹ The Jewish Agency for Israel Annual Report 2002.

¹² See JAFI website -- <http://www.jazo.org.il/aliyah/english/article.aspx?id=405>.

As with any country, the difficulties facing the national economy hit Israel's weakest segments of the population the hardest. With unemployment in Israel reaching over 11%, the number of Israelis living in poverty is estimated at 1.3 million.¹³ This number translates into 31.9% of the children in Israel who live in poverty. It is not surprising then, that national statistics indicate that "two-thirds of [Israel's elderly] fall into the lowest 30% of income statistics."¹⁴ Those elderly who worked receive employment pensions that supplement a minimal monthly social security old age pension paid by the National Insurance Institute (NII). Unfortunately, there are many elderly, particularly those who immigrated from the FSU in the past decade, who live solely on social security pensions, which provide "a minimal level of existence."¹⁵ According to recent figures, the monthly NII old-age payment represents between 16% to 24% of the net average wage in Israel. Compared with other Western European standards, Israel's elderly are clearly far behind.¹⁶

Many of Israel's elderly have a minimal guaranteed income that does not allow them to meet even their basic needs. This is particularly troublesome as the elderly population typically requires more medications and constitutes approximately 40% of the country's hospital patients.¹⁷ Although Israel guarantees a certain standard of medical care for its residents, budget cuts have also impacted on the "basket of services" available, with a growing list of medications and medical services that are no longer subsidized. Unfortunately, an increasing inability to finance medical needs is only the beginning of the story for many of Israel's elderly and poor.¹⁸

Over the years, the Israeli government has provided housing subsidies for the needy, as well as rental assistance for immigrants in their initial years in Israel. With increased cuts in the national budget over the past several years, 2003 rent subsidies were halved with more cuts in 2004.¹⁹ Moreover, there have been rent increases for public housing tenants who do not qualify for subsidies, including deductions in

¹³ "There Are No Homeless in Israel," Jerusalem Report, December 1, 2003, page 13.

¹⁴ "Pensioner Power," Jerusalem Report, December 15, 2003, page 13.

¹⁵ "Report: NII benefits lower than Western European Standards," Haaretz, December 21, 2003.

¹⁶ In contrast to Israel, other European countries provide a significantly higher percentage of the net average wage, for example: 98% in Spain and Portugal, 97% in Greece, 79% in Italy, 69% in Germany, 67% in Holland, 62% in Ireland, and 45-59% in Great Britain. "Old Age Pension in Israel: The Lowest in the Western World," Yediot Achronot, December 19, 2003.

¹⁷ "Pensioner Power," Jerusalem Report, December 15, 2003, page 13.

¹⁸ In a December 17, 2003 press release by the Knesset Finance Committee, the Minister of Welfare remarked that the poverty rate among Israel's elderly is larger than that of the general population. Criticizing the proposed 6.4M NIS cut from a 26.5M NIS assistance budget for the elderly, he claimed that approximately 4,500 elderly would be directly harmed by the loss of transportation to dialysis treatment, chemotherapy and other medical treatments. In addition, 5,000 hot meals would be cancelled. The press release also noted that an additional 3.6M NIS proposed cut from a 12.6M NIS budget for social centers would force closure of 70 centers servicing 7,000 elderly. In Hebrew: <http://www.knesset.gov.il/spokesman/heb/Result.asp>

¹⁹ "Social implications of budget policy – National budget proposal for 2004," Dr. Shlomo Swirski, November 2003. www.adva.org.

subsidies previously offered to new immigrants. Unfortunately, an unknown phenomenon in the past, Israel now has an estimated 3,000 homeless.²⁰

Despite the State of Israel's on-going commitment to welcome and care for its growing population, the events of the past three years have made it increasingly harder to meet this burden. Unfortunately, the approved budget cuts for 2004 indicate that harder times in Israel are yet to come.²¹

²⁰ "There Are No Homeless in Israel," Jerusalem Report, December 1, 2003, pages 12 – 16.

²¹ See footnote 19. The 2004 National Budget was approved on January 7, 2004.

Elderly in Israel

The number of elderly (aged 65+) has grown at an unparalleled rate. Since 1955, this population increased 7.5 times, while the general population only grew by an estimated 3.6 times. In other words, the rate of increase of the elderly is twice that of the general population. The number of people aged 75+ grew significantly, increasing 11.2 times in the same period. Below are selected characteristics of the elderly population in Israel.²²

- ◆ *The life expectancy* from birth is 76.7 for men and 80.9 for women. For those aged 65, life expectancy averages 16.4 for men and 18.7 for women; thus, a 65 year-old man will live to 81.4 and a 65 year-old woman till 83.7. At 75, life expectancy is 10.2 years for men and 11.3 years for women (85.3 and 86.3, respectively), and at 80 it is 7.6 for men and 8.2 for women (87.6 and 88.2, respectively).
- ◆ *The projected number of elderly* for 2010 is 721,000, with an estimated increase to 1,023,000 in the 2020, reflecting a growth from 2001 of 13% by 2010 and 60% by 2020. By comparison, the projected growth of the total population (all ages) by 2020 is approximately half, at 33%. Clearly, the anticipated growth rate of Israel's elderly will significantly outnumber that of the general population. Elderly will make up 10% of the general population by 2010 and 12% by 2020.
- ◆ Parallel to the percentage of the total population living in urban settings (92%), 94% of Israel's elderly live in *urban localities*.
- ◆ The majority of Israel's elderly receive an *old-age pension* from the National Insurance Institute (NII), which is calculated at 16% or 24% of the average income for individuals and married couples.
- ◆ Israel's National Health Insurance Law went into effect in 1995, guaranteeing health services for all Israeli residents. Israel's elderly are members of one of four national sick funds and use *health services* more than any other segment of the population, with doctor visits double those in the overall population. In addition, the rate of hospitalization is an estimated three times that of the total population.
- ◆ The number of *disabled elderly* who need daily assistance (ADL: washing, dressing, eating and mobility) has grown rapidly. The recent Aliyah from the FSU has contributed to an overall increase in the number of disabled elderly in Israel. At the end of 2001 the estimated number of disabled elderly was 97,490 (72,000 in the community, and 23,100 in institutions), comprising 15% of Israel's elderly. The

²² Sources: Central Bureau of Statistics; National Insurance Institute; Ministry of Health; Ministry of Labor and Social Affairs; ESHEL-Computerized Data Base on Services for the Elderly; and MASHAV - Planning for the Elderly: A National Data Base, JDC-Brookdale and Eshel. www.jointnet.org.il/brookdale/pages/aging/aging_spreports.html.

50,000 by the year 2020.²⁹ Although initial humanitarian support for Nazi victims from the Swiss Bank Claims has been provided through July 2011, statistics indicate that additional support will be necessary for many more years to come, most probably reaching a peak around 2015.

As the population of Nazi victims ages, their needs increase. The Claims Conference has provided an extensive list of social welfare needs of Nazi victims, worldwide. Services include outreach to Nazi victims, home care, dental care and supplementary medical assistance and equipment, food, transportation and subsidized rent for housing.³⁰ Specific needs for Nazi victims in Israel, despite the strong safety net historically provided by the State,³¹ include community-based care, supplemental home care, senior centers and social clubs, nursing homes and sheltered or semi-independent housing.³²

While all of these services are of utmost importance, it is no less critical that steps are taken immediately to ensure adequate subsidized housing for those who are homeless and in urgent need. This is particularly important for those Nazi victims who became immigrants at a late stage in their lives, live on an inadequate minimal fixed income, and in many cases, have no family or support network.

In Israel, those individuals who fall within the definition of homeless are eligible for subsidized housing.³³ With 6,050 Nazi victims currently living in Amigour's public housing throughout Israel, there are an additional 25,000 elderly still on the waiting list. Among these 25,000 senior citizens waiting for subsidized housing solutions, an estimated 81% are Nazi Victims (approximately 20,250).

As previously stated, funds from the Claims Conference, together with support from the State of Israel, the Weinberg Foundation and Amigour\JAFI recently took steps to provide additional housing for homeless Nazi victims living in Israel. Six hundred units for elderly Nazi victims are under construction and will be available by end of

²⁹ JDC-Brookdale Institute Report, October 2003, page 6 (Table 1). Given that JDC-Brookdale's estimates for the number of Nazi victims living in Israel is on the lower end (see Exhibit 1), the number of Nazi victims living longer may be higher than the quoted estimate.

³⁰ Report of Planning Committee, pages 59-62.

³¹ As was indicated in the background section of this request, the State's ability to provide basic services for Israel's dependent citizenship, including the aging Nazi victims living in Israel, has been significantly limited in the past several years.

³² Report of Planning Committee, pages 63 – 67.

³³ Ministry of Immigrant Absorption: <http://www.moia.gov.il/english/housing>: Who is defined as homeless? "Singles or families, in which every person in the family fulfills the following requirements:

1. Does not own and did not own since 1.6.71, alone or with anybody else, an apartment or part thereof in Israel. This includes ownership, tenancy, or rental under the tenants' protection law (key money).
2. Does not, and did not, have any rights in an agricultural farm or communal settlement.
3. Did not receive governmental assistance, such as evacuation fees, loans or purchasing grants, for building, renovating or renting a home.
4. Did not have in his possession an apartment under social renting from a public housing company after 15.12.82."

projected number of disabled elderly is expected to grow to an estimated 120,000 in 2010, an increase of 23% in the years 2000-2010.

Nazi Victims in Israel

While there is no definitive number agreed upon, there is no doubt that there are several hundreds of thousands of Nazi victims currently living in Israel.²³ As noted above, NII provides support to Israel's elderly, which may include income maintenance allowances, disability and old-age pensions. Such payments help to move a large percentage of this population above the poverty line, though not all.²⁴ While a portion of this population is self-sufficient, or at least living above the poverty level after government assistance,²⁵ an estimated 20.3% of Israel's elderly live in poverty.²⁶ **Taking into account these national figures and estimates for the number of Nazi victims living in Israel, anywhere between 50,000 and 100,000 of these elderly survivors are living in poverty.**

With a monthly income of 2,795 NIS (\$620) for a couple, and 1,863 NIS (\$415) for a person living alone, it is almost impossible to provide even the basics of shelter, food and minimum medication. For these individuals, particularly those who have no or little family support, subsidized housing is what keeps them off the streets. Even then, those who pay minimum rent by residing in sheltered housing, have little left over for miscellaneous expenses.²⁷

The projection for Nazi victims worldwide indicates that it is likely that there will remain "substantial numbers of surviving victims for at least another 15 years [till 2015]."²⁸ According to the recent JDC-Brookdale report, there will be an estimated 98,700 Nazi victims living in Israel in 2015, with the numbers reaching just under

²³ As with the number of Nazi victims around the world, estimates vary depending upon research methods and available data, and range from 265,000 to 511,000. See table mentioned in footnote 4, Exhibit 1, for a comparative chart of existing studies.

²⁴ An additional 43% (114,000) Nazi victims live below the poverty line before transfers from government subsidies, "A Plan for Allocating Successor Organization Recourses," a Report of the Planning Committee, Conference on Jewish Material Claims Against Germany, June 2000, page 20 and 45, appendix 1.5 Economic Duress.

²⁵ The definition of poverty in Israel – similar to most European countries – is one-half of the median income. "Because of the relative strength of Israeli safety net, there is a great discrepancy between poverty measured before income transfers and after." Report of the Planning Committee, Conference on Jewish Material Claims Against Germany, page 20

²⁶ NII National Report on Poverty and Inequality in Israel. www.btl.gov.il/pdf/oni2002.pdf

²⁷ There are currently 6,050 Nazi victims in Amigour housing; among the 5,130 in sheltered housing, 92% live solely on their monthly NNI old-age pension. Paying 8% of their monthly income for subsidized rent, Amigour's elderly residents face daily difficulties in making ends meet. See attached Chart, Exhibit 4.

²⁸ Report of Planning Committee, page 48. Exhibit 1 indicates a total of 335,000 Nazi victims worldwide in 2015.

this year, providing homes to an estimated 900 people. However, this is only 900 of the 25,000 on the waiting list.

Something must be done, and time is of the essence.

Organizational Background: Amigour³⁴

Amigour – Management of Assets Jewish Agency Housing Projects – was established in 1972 by JAFI and the United Israel Appeal (UIA) with the aim of providing housing solutions to Israel's neediest populations, including immigrants, young couples and large families. A subsidiary of JAFI, Amigour manages housing owned by JAFI carrying out a variety of functions, including maintenance and operation of over 22,000 housing units throughout the country. Amigour is a leader in public housing, meeting the fluctuating needs of Israel's diverse and growing population.³⁵

Amigour's first target group was 5,000 new immigrants living in tents and sheds. In 1972, Amigour moved these newcomers to public housing, taking hundreds of families off the streets. Over the years, Amigour has provided over 70,000 of Israel's neediest immigrants and veteran citizens with housing solutions. The overall investment of world Jewry via JAFI amounts to \$1.5 billion.

With the wave of immigrants from FSU in the last decade, Amigour again arose to the occasion. Over 90% of Amigour's residents are new immigrants from the FSU, and over 80% of those living in sheltered housing for the elderly are Nazi victims. Each has his or her own story from the past; and each face challenges and difficulties on a daily basis with their new lives in Israel. But, they also share one thing in common – Amigour provides them not only shelter, but also a home and support network of professionals and friends.

In 1990, Najeda Warshavski arrived in Israel from the FSU; she and her husband have been at Amigour's sheltered housing since 1994. Born in Moldavia in 1926, Najeda and her family fled to the Ukraine as the Germans approached. A week later they returned home, and then the saga of her life began. The entire family was sent to Lager camp; 3 months later, she was separated from her family. Najeda escaped from every camp and jail she was incarcerated in, but kept returning to her hometown in hope of finding family. During this time, she was also hospitalized with typhus. Finally, she lived in Odessa with elderly relatives to wait out the end of the war. Again, she returned to her hometown only to discover that both her parents and brother were murdered.

Najeda, was one of the lucky ones, she survived. Eventually, she studied, had a career and built a family, despite all the odds. Today, Najeda lives in Israel and suffers from a host of medical ailments and depression. In addition, she and her husband have to make ends meet with their minimal monthly NII old-age pension. **If it were not for Amigour, Najeda and her husband would not be able to afford housing.**

³⁴ The name "Amigour" is derived from two Hebrew words "Ami" – my people and "Gour" – place to live.

³⁵ Amigour is registered in Israel as a non-profit company. See attached Board of Directors, Exhibit 5 and Financial Reports, Exhibit 6. Amigour is eligible to receive charitable contributions via JAFI's 501(c)(3) status.

Rika Greenberg was also born in Moldavia in 1929, the daughter of a well-established family. At the age of 11, the Russians arrived and gathered all the town's Jews one evening from the synagogue. Together with her family, Rika moved from camp to camp during the following months. In the winter of 1941, they were marched through the cold weather without food or water to a ghetto. On the verge of starvation, they were moved yet again to a death camp. At this point, her family decided to escape; they wandered in the Ukraine, facing harassment and humiliation. Eventually, they found themselves back at the ghetto, where they stayed till the end of the war.

Rika was also one of the fortunate ones. She married, studied veterinary medicine and gave birth to a son. For years, she wanted to immigrate to Israel, but lived as a refusenik. Only in 1989, after retirement and the death of her husband, was Rika allowed to immigrate. With her son in Austria, Rika lives in Israel with no family. She, too, has only her monthly NII old-age pension to support herself. Rika also suffers from mental illness and has been hospitalized on numerous occasions. **Amigour provides Rika a home, and the peace of mind that she has professional staff to monitor her situation and step in, where no one else will.**

Unfortunately, Najeda and Rika are not the only ones relying upon Amigour's shelter and services.

Amigour currently manages 22,075 residential units from the north to the south of Israel providing affordable housing for Israel's most needy populations.³⁶ In addition to 16,404 public housing units, Amigour maintains 5,671 units for senior citizens in over fifty sheltered housing complex centers. Located throughout the country, each complex has its own characteristics. They all include a central building that houses Amigour's professionals and is the place from which services are provided. The central building is surrounded by residential housing units, which range from 35 to 150 per complex. Some centers are self-enclosed campuses; others are located in geographic proximity to the central building.

Sheltered housing for the elderly is a popular and familiar concept throughout the world. Those who can afford to, use private housing available on the market, securing a holistic basket of services provided in a convenient location, offered by highly trained professionals, and typically with luxurious facilities. Such options are available in Israel, for those individuals with the financial means to pay the high costs. In other cases, it is not uncommon to find elderly Israelis living with family members, as the extended family unit remains paramount in Israel.

The sheltered homes managed by Amigour are Israel's way of providing for those elderly who cannot afford private solutions, with a dignified and professionally

³⁶ See Map, Exhibit 7.

maintained option that will ease their remaining years. This solution is particularly critical for many of the Nazi victims living on minimal NII income, and in many cases, without family in Israel or other support networks. For many of these individuals, Amigour's sheltered housing is their ONLY option.

In addition to existing units, Amigour is currently constructing 600 residential units with funds from the Claims Conference, the State of Israel and the Weinberg Foundation. Although this will result in a total of 6,271 sheltered housing units, this is not enough to meet immediate needs. Therefore, Amigour is committed to providing an additional 2,000 residential units to be populated 12 – 18 months following approval of this request, designated for the most needy of Nazi victims among those elderly waiting for public housing.

In addition to offering residents with a highly subsidized rent,³⁷ Amigour provides services that would not otherwise be available if these elderly were living on their own. Amigour's services become increasingly important in later years, as this aging population becomes more dependent on individual daily assistance and a support system for community needs. Every center has a building staff that is responsible for on-going management and supervision of the elderly residents' needs. This staff includes: a building manager, housemother, social club coordinator, temporary caregivers, and a social worker. In all of its Senior citizens housing centers, Amigour operates 3,258 hours of welfare workers per month. In addition to professional services, Amigour's sheltered housing units provide residents with a supportive community atmosphere, helping to lessen the feelings of isolation and alienation. This is particularly important for the elderly immigrant population who face daily absorption difficulties.

It is unfortunate but true that some elderly reach a stage of disability where they need to be placed in a nursing home or hospital for the chronically ill. Ideally, sheltered housing centers would offer a nursing department, so that the elderly can move to an intensive care in the same facility. While this is not feasible for each center, Amigour does operate one nursing facility in the north of the country based at the sheltered housing center in Kiyrat Yam. Operating since 2003, this facility has 36 beds and allows Amigour residents to receive the care they need without the added stress of moving far away.

Ultimately, Amigour aims to provide over 10,000 housing units for Israel's elderly population nationwide. Amigour is committed to providing an additional 2,000 residential units to be populated in 12 – 18 months after approval of this request, designated for the neediest of Nazi victims among those waiting for public housing. In addition, Amigour intends to open three new nursing departments for those who can no longer take care of themselves in sheltered housing. Finally, Amigour aspires

³⁷ For comparable housing in the open market, Amigour residents could pay up to \$400 - \$500 a month.

to provide additional services, to improve the quality of life of those Nazi victims spending their final years in sheltered housing.

Proposal

Since the 1990s, with the big wave of immigration from the FSU, the Jewish Agency for Israel has assisted the State of Israel meet the emerging challenges of integrating over one million new immigrants. Amigour is authorized by the government and JAFI to provide housing for needy elderly immigrants. There are currently 6,030 Nazi victims living in Amigour units throughout the country. There are an additional 20,025 elderly Nazi victims on the Ministry of Absorption's waiting list. The need is great, time is short.

The immigration process is always difficult and **culture shock** is a known phenomenon among immigrants in all age groups. Immigrants must reestablish their social network and adjust to a different society with new norms and rules that define the citizen's rights and duties. While it is hard for the young to integrate, it is almost impossible for those who arrive in their later years. As we age, it becomes more difficult to acquire new skills, and **language barriers** can serve as a major obstacle. It is also more difficult to **integrate**, as older people do not make friends with the ease customary with younger generations. As difficult as absorption can be, **family** members can help make the daily struggle easier. A close, first degree relative to share daily dilemmas, either a veteran with prior experience or a new immigrant facing the same issues, helps ease the process. **Financial stability** is also critical; the inability to provide for oneself can cause great insecurities.

With no work or school environment to serve as an integrating force, the elderly typically feel left out. Generally poor, lacking basic Hebrew language skills and unfamiliar with cultural norms, elderly immigrants often have little motivation to meet the challenge of such a major change at this stage in their lives. Similar to other populations, approximately 60% of these elderly are widowed adding to the feeling of isolation. The lucky ones who have family in Israel frequently live with relatives and enjoy support and companionship. Unfortunately, in many cases, elderly immigrants from the FSU have little or no family.

In some cases these elderly immigrants may have been better off staying in a place where they were familiar, and in fact, some immigrants do indeed return to their country of origin. But for others, circumstances brought them in their old age to travel to a new land. For many Holocaust survivors who started their life under the Nazi occupation, spending their final years living in Israel is a dream come true. Unfortunately, it is not an easy dream to live.

The elderly residing in Amigour housing are among the poorest and most vulnerable of Israel's immigrant populations. Amigour, on behalf of the State of Israel and the

Jewish Agency for Israel, is committed to help as many as possible spend their final years in comfort, with dignity and good care. This is a challenge to meet the humanitarian needs of this population in a timely fashion. Without the support of funds from the Swiss Bank Claims, Amigour will not be able to provide these essential services. If funding is approved, Amigour will embark upon the following projects:

1. Provision of 2,000 new sheltered housing units in key locations throughout Israel for an additional 6,000 Nazi victims over a ten-year period;
2. Establishment of three new nursing care departments, adding 108 new beds in Jerusalem and the north of the country; and
3. Additional provision of holistic basket of services offered to meet personal, social and welfare needs of Amigour's elderly Nazi victim residents.

It is important to note that Amigour undertakes to cover all administrative costs of implementing these projects. In addition, JAFI and the government of Israel have made a commitment to provide the necessary additional funding in order to complete the 2,000 new sheltered housing units. Every dollar received will go directly to improve life of this most needy elderly group of Nazi victims.

1. Sheltered home for the aged

a. Project description:

In the last decade, Amigour has absorbed thousands of elderly immigrants, the majority of who are from countries that were under the Nazi occupation during WWII. This group was integrated in over fifty sheltered home centers that were constructed throughout Israel. Built on land owned by JAFI significantly reduced housing costs. In other cases, old absorption centers were renovated and converted to sheltered homes for the aged.

With the assistance of the government and JAFI, Amigour proposes to expand its sheltered housing project to meet the immediate needs of the most needy Nazi victims living in Israel. Of the 25,000 elderly on the Ministry of Absorption's waiting list, 20,025 are Nazi victims. These elderly are all homeless according to Israeli policy and they represent the poorest among the immigrants. Among them, Amigour will target the most destitute, who will have first priority for the new units.³⁸

³⁸ Selection will be made in cooperation with the Ministry of Absorption. Preference will be made for those who meet the following criteria: survivors of concentration camps and ghettos, age (the most elderly of those on the waiting list), sole income is NII old-age pension, couples (in order to provide maximum capacity), those with medical or physical disabilities, those without family in Israel.

While it may be the most direct to offer matching rental subsidies, Amigour and Ministry of Absorption professionals, based on years of expertise and daily interaction with this population, are convinced that it is preferable to provide sheltered homes and offer a protective environment with personal, social and welfare care. The requested support for 'rent subsidies' will be supplemented with additional funds from other sources, including JAFI and the State of Israel, in order to best utilize scarce resources. The State of Israel's policy on public housing, which is implemented by Amigour, is to invest available resources for public housing subsidies in the construction of housing that will provide shelter for Israel's needy elderly in the years to come. This policy will enable Israel to ensure the best use of every shekel invested, with the overall investment per capita reduced by enabling future generations of elderly to benefit, as well. Based upon past experience, natural turnover will allow for the use of sheltered housing units for at least two families over the course of ten years. The comparative investment of construction versus rent shows that in sheltered homes, the investment on construction is returned in as little as 12 years.³⁹

Amigour has investigated the housing market. One avenue explored was long-term rental of empty hotels, given the drastic decline in tourism. Surprisingly, this option proved to be more expensive per capita, and hotel owners are unwilling to enter long-term leases. With the Israeli economy in a recession for over three years, there are also many contractors with unfinished building projects. Amigour has a list of buildings at various stages of construction that are well-located and suitable for sheltered homes for the elderly. These buildings can be purchased and ready for occupancy within 12 – 18 months following approval of funding, with minimal alterations. Amigour also has ready plans for construction on JAFI owned property, which can also be completed in the same timeframe. These options are all in areas of high demand and include Ashdod, Beer Sheva, Sderot, Kiryat Yam and Netanya.

b. Estimated number of participants:

Amigour aspires to address the needs of this entire population. Unfortunately, guaranteed housing within a 12-18 month period, following approval of funding, is feasible for only 2,000 units. It is estimated that these 2,000 units will be able to house approximately 3,000 elderly Nazi victims in the first instance.⁴⁰ Based upon past experience and natural turnover, Amigour estimates that over the course of ten years these apartments can provide housing for an additional 3,000, reaching a total of 6,000 needy elderly over the next ten years.

c. Length of the program

³⁹ See Cost Analysis, Exhibit 8.

⁴⁰ See footnote 39, proposed criteria for priority among those on the housing waiting list.

Amigour anticipates that within 12-18 months following approval of this request, all 2,000 units will be completed and ready for occupancy. Since the youngest Nazi victims were born prior to 1946 and today are 59 years old, the projection for this project is to provide housing for a minimum of ten years, and perhaps longer given longevity estimates mentioned above.

d. Estimated costs

The request from the Swiss Bank Claims for sheltered housing is in the amount of \$43,200,000. This sum is calculated at \$180 per month\per unit over a ten-year period and reflects \$2,160 annually per unit, with a total of \$21,600 per unit for the entire ten years. Rather than expend these funds in monthly rent, with nothing remaining for those who survived the Holocaust as children and may need these services in 15-20 years, Amigour will undertake the building of 2,000 units, at a total estimated cost of \$110,000,000; this is based upon an average cost of \$55,000 per unit. In addition to the requested funds, the balance of the total cost for construction, an additional \$66,800,000, is guaranteed by JAFI, on behalf of itself and the government of Israel.

2. Nursing Care for the Chronically Ill

a. Project description:

Some of the elderly become disabled at some stage in their lives. The State of Israel is short in hospital and nursing beds for the chronically ill and geriatric hospitals. The current waiting list for public nursing home placements for the elderly is 2800, of which 50% are Holocaust survivors.⁴¹ Nursing departments are geriatric hospitals licensed by the Ministry of Health as hospital units and are required to meet specific standards regarding design and structure of facilities, manpower, equipment, quality of care, etc.⁴²

Approximately 4% of the elderly population in Israel is in need of geriatric nursing units, at a given time. Given similar statistics, an estimated 240 of Amigour's Nazi victims will be in need of nursing departments in the coming year. Taking into account the 600 units now being built and an additional 2,000 units pending approval of this request, Amigour estimates that the need will grow to 400 beds (based on 10,000 Nazi victims living in public housing).

In general, a large percentage of this elderly population will either stay in the care of their families or pay for private services. In the case of Amigour's elderly clientele, neither of these options is possible.

⁴¹Ministry of Health, Request for Restitution of Jewish Property, submitted by the Office of the Legal Advisor, by Talia Agmon, December 23, 2003.

⁴²Public Health Ordinance, 1950 article 25.

Amigour currently operates one very successful and highly demanded nursing department with 36 beds in Kiriat Yam (north of Haifa). Amigour proposes to construct three additional nursing departments, linked to existing centers, to help meet the needs across the country and provide 108 additional beds. Construction can be completed within a year from funding approval, since the departments will be added to existing facilities on land owned by JAFI, and will be located in Jerusalem and north of Haifa.

b. Estimated number of participants:

With the addition of 108 new beds, Amigour will be able to provide a total of 144 spaces for needy residents. Similar to sheltered housing, this will not meet the total need, but will significantly improve available options. Based upon Amigour's prior experience, a bed may be used by up to three different elderly over the course of a year. Thus, the additional 108 nursing beds can provide solutions for up to 324 elderly each year.

c. Length of the program

Once funding is approved, Amigour can complete construction within twelve months. Nazi victim will have first priority for Amigour's nursing beds for as long as there are survivors living in Israel, whether they reside in Amigour housing or not.⁴³ Given projected longevity of this population, these beds could provide needed services for up to twenty more years.

d. Estimated costs

The cost of construction for each nursing department is \$1.8M, with a total of \$5.4M for the three proposed units. Operating costs are covered by monthly fees, which range in Israel from 8,500 NIS to 11,000 NIS monthly (\$1,900 to \$2,400).⁴⁴

3. Individual Social Welfare Assistance

a. Project description:

There are many reasons why people would choose to live in Amigour's sheltered housing. In addition to the subsidized rent, an added value includes the daily care provided for the elderly residents. The feeling of belonging to a community, the basket of services offered the various activities and the knowledge that there is

⁴³ **Note: these individuals must have sufficient funding ("codes") from the Ministry of Health.**

⁴⁴ Ministry of Health, Request for Restitution of Jewish Property, December 23, 2003.

someone to turn to for one's daily needs with sensitivity and love, is not to be underestimated. Amigour's sheltered housing centers provide professional staff that manage the units and serve as an address for the elderly residents' needs. In addition to the basics, there are social clubs and limited nursing hours provided by government funding.

Nonetheless, given minimal resources, Amigour housing lacks some elements which would significantly improve the quality life of the residents, including:

- ◆ Supplementary social activities;
- ◆ Sport programs and physiotherapy to maintain basic physical health;
- ◆ Distress alarms that enable the elderly to call for help when needed and enjoy the confidence of knowing assistance is near by;
- ◆ Air-conditioners to cool units located in Israel's hot climates -- the southern areas that are dry, arid deserts -- and to heat units situated in the northern part of the country -- particularly in Jerusalem and the Galilee;

It goes without saying that many of Amigour's elderly population are in great need of supplemental nursing hours not provided for by the State. Nonetheless, Amigour is not submitting a request for additional home nursing hours, since other organizations are submitting similar requests, such as the Ministry of Welfare and the Organization for the Holocaust Survivors. Amigour notes that the need for additional hours does exist and assumes that once funds are approved, Amigour's residents will also benefit from such funds.

b. Estimated number of participants:

Nazi victims residing in Amigour's sheltered homes, as follows:

Year one (2004): 5,130

Year two (2005): 6,030 (including 900 new residents)

Year three – ten (2006 – 2013): 9,030 (If the additional 2,000 units are approved.)

Note: It is Amigour's experience that over time, the population residing in sheltered housing will turnover at least once in a ten-year period. Thus, it is highly likely that over the course of ten years, the actual number of people who will enjoy these services will be double the total stated above. *Given that approximately 1,150 of Amigour's sheltered housing residents are not Nazi victims, Amigour will undertake to provide the same added services to these residents from its own budget.*

c. Length of the program

The request for provision of additional services is for ten years. The first year, services will be provided for the existing 5,130 elderly Nazi victims residing in Amigour's sheltered housing centers. During the second year, and there after, there will be a total of 6,030 to 9,030, pending approval of the additional 2,000 units.

d. Estimated costs

Given that the size of each home differs, as do the needs from one location to the other, and since the elderly themselves have different needs and abilities, the estimated cost is presented per capita. The total cost of this basket of services, which does not include a one-time investment in equipment, is \$115 annually per person with a population of 5,130; \$105 annually, per person when the population grows to 6,030 by the end of 2004; and \$98 per person with a population of 9,030 residents. The reason for this is that in many cases, the new buildings are designed on existing properties as an additional branch, allowing for a more efficient use of the funds. There is an additional one-time investment in equipment (air-conditioners\heaters, distress alarms, treadmills and computers). The total request is divided to 3 groups of populations, as noted above, based upon the following calculations:

	2004	2005	2006 - 2013
Total Number of Residents	5,130	6,030	9,030
Annual Cost per capita	\$115*5,130 =\$590,000 Per Year	\$105*6,030=\$633,000 Per Year	\$98*9,030=\$885,000 Per year
Equipment (one time expenditure)	\$1,513,000	0	\$350,000
Total Cost	\$2,103,000 (for 1 year)	\$633,000 (for 1 year)	\$7,430,000 (for 8 years)
Total Cost for 10 Years		For 6,030 residents \$7,800,000	For 9,030 residents \$10,166,000

Conclusion

Amigour was established to assist Israel's weakest populations with the most basic of needs, shelter. There is no doubt that many of the Nazi victims living in Israel, in particular those who arrived in the last decade from the FSU, are among Israel's poorest. Without the support of the funds requested above, Amigour will not be able to provide these essential services. If this request is granted, together with JAFI and

the government of Israel, Amigour will be able to provide essential housing for up to 6,000 homeless elderly Nazi survivors, an additional 108 nursing beds, and individual social welfare services to thousands of Nazi survivors living in sheltered housing.

We can't take away the memories of the past, but we can do something now to ease the experiences of the present.

Endorsements

Address	Position	Affiliation	Name
10\15 Hanita, Kfar Saba	Chair of the Board	Amigour	Moshe Nativ
King George 48, Jerusalem	Chair of the Executive	JAFI	Sallai Meridor
Kaplan Street 2, Jerusalem	Minister of Absorption	Ministry of Absorption	Zippora Livni, Adv.
	See separate list	Amigour	Board of Directors

Note: Please note that both the Jewish Agency for Israel and the Ministry of Absorption fully endorse the proposal submitted by Amigour. Moreover, as is mentioned in the text of the proposal, both JAFI and the government of Israel have made a commitment to provide funding to support the proposed projects.

Exhibit 1: Comparative Table of Demographic Estimates of "Nazi Victims" around the world

Spinks Report ¹		Ukeles Association Report ²		Central Bureau of Statistics ³	JDC Brookdale ⁴	Prof. Serioigo DellaPergola ⁵		
Estimate	In Per%	Estimate	In Per%	Estimate	Estimate	Estimate	In Per%	
834,000-	100	831,900-	99.9-	-	-	1,092,000	100	Total worldwide
960,000		935,600	101.8					
360,000-	39.6-43.2	325,600-	39.1-39.1	348,300	279,000	511,000	46.8	Israel
380,000		354,700						
140,000-	16.7-16.8	127,400-	15.3-15.6	-	-	174,000	15.9	USA
160,000		145,600						
130,000-	15.6-18.8	141,900-	17.1-18.1	-	-	197,000	18.1	Western Europe
180,000		169,260		-	-	32,000	2.9	Eastern Europe
184,000-	22.1-22.9	193,000-	23.2-23.8	-	-	146,000	13.4	Former Soviet Union
220,000		223,000						
20,000	2.1-2.4	43,000	4.5-5.2	-	-	32,000	2.9	Rest of the World

¹ Spinks, Factor, Stromisky: Holocaust Victims and Current Numbers 1997 – taken from a special report submitted to the Special Magistrate (2000).

² Ukeles Association Inc. Report: Estimate of the Current Distribution of Jewish Victims of Nazi Persecution (October 2003)

³ Central Bureau of Statistics: Statistics on Holocaust Survivors in Israel, '2003 by request of JAFI.

⁴ JDC-Brookdale Institute: Holocaust Survivors in Israel: Current and Projected Needs for Home Nursing Care, by Brodsky, Beer and Shnoor (Oct. 2003)

⁵ Professor Sergio DellaPergola: Review of Relevant Demographic Information on World Jewry, Final Report to Hon. Secretary Lawrence S. Eagleburger (Nov 2003)

Exhibit 2

THE WORLD ZIONIST ORGANIZATION AND JEWISH AGENCY FOR ISRAEL (STATUS) LAW 5713-1952

1. The State of Israel regards itself as the creation of the entire Jewish people, and its gates are open, in accordance with its laws, to every Jew wishing to immigrate to it.
2. The World Zionist Organization, from its foundation five decades ago, headed the movement and efforts of the Jewish people to realize the age-old vision of the return to the homeland and with the assistance of other Jewish circles and bodies, carried the main responsibility for establishing the State of Israel.
- 2A. The Jewish Agency for Israel is an independent voluntary association consisting of the World Zionist Organization and other organizations and bodies. It operates in the State of Israel in fields chosen by it with the consent of the Government.
3. The World Zionist Organization and the Jewish Agency for Israel take care of immigration as before and direct absorption and settlement projects in the State.
4. The State of Israel recognizes the World Zionist Organization and the Jewish Agency for Israel as the authorized agencies which will continue to operate in the State of Israel for the development and settlement of the country, the absorption of immigrants from the Diaspora and the coordination of the activities in Israel of Jewish institutions and organizations active in those fields.
5. The mission of gathering in the exiles, which is the central task of the State of Israel and the Zionist Movement in our days, requires constant efforts by the Jewish people in the

Diaspora; the State of Israel, therefore, expects the cooperation of all Jews, as individuals and groups, in building up the State and assisting the immigration to it of the masses of the people, and regards the unity of all sections of Jewry as necessary for this purpose.

6. The State of Israel expects efforts on the part of the World Zionist Organization for achieving this unity; if, to this end, the Zionist Organization, with the consent of the Government and the approval of the Knesset, should decide to broaden its basis, the enlarged body will enjoy the status conferred upon the World Zionist Organization in the State of Israel.
- 6 a. The provisions of Sections 5 and 6 apply mutatis mutandis to the Jewish Agency for Israel.
7. Details of the status of the World Zionist Organization and the Jewish Agency for Israel and the form of their cooperation with the Government shall be determined by Covenants to be made in Israel between the Government and each of these two bodies.
- 8 a. The Covenant with the World Zionist Organization shall be based on the declaration of the 23rd Zionist Congress in Jerusalem that the practical work of the World Zionist Organization and its various bodies for the fulfillment of their historic tasks in Eretz-Israel requires full cooperation and coordination on its part with the State of Israel and its Government, in accordance with the laws of the State.
- b. The Covenant with the Jewish Agency for Israel shall provide for full cooperation and coordination on its part with the State of Israel and its Government, in accordance with the laws of the State.

9. Two committees shall be set up for the coordination of activities between the Government and the World Zionist Organization and the Jewish Agency for Israel in the spheres in which each of them is to operate according to the Covenant made with it. The tasks of the committees shall be determined by the Covenants.
10. The Covenants and any variation or amendment thereof made with the consent of the two parties shall be published in Reshumot and shall come into force on the day of publication, unless they provide for an earlier or later day for this purpose.
11. The World Zionist Organization and the Jewish Agency for Israel are juristic persons and may enter into contracts, acquire, hold and relinquish property and be parties to any legal negotiations.
12. The World Zionist Organization and the Jewish Agency for Israel, each of them, and their respective funds and other institutions shall be exempt from taxes and other compulsory Government charges, subject to such restrictions and conditions as may be laid down by the Covenant; the exemption shall come into force on the coming into force of the Covenant.

DAVID BEN-GURION
Prime Minister

YOSEF SPRINZAK
Chairman of the Knesset
Interim President of the State

COVENANT

Entered into pursuant to the World Zionist Organization and Jewish Agency for Israel (Status) Law, 5713-1952 (hereinafter referred to as "the Law of Status")

BETWEEN

The Government of Israel (hereinafter referred to as "the Government")

AND

The Jewish Agency for Israel (hereinafter referred to as "the Jewish Agency")

WHEREAS

The Government is desirous to enhance the activities of the Jewish Agency and the Jewish Agency desires to cooperate and to act in full coordination with the State of Israel and its Government, in accordance with the laws of the State

NOW THEREFORE this Covenant is hereby entered into:

- Functions of the Jewish Agency
1. The functions of the Jewish Agency are as follows:
 - a. The organization of immigration abroad and the transferring of immigrants and their property to Israel.
 - b. Participation in immigrants' housing and in their absorption in agriculture, industry, trades and professions.
 - c. Health services in connection with immigration and absorption and to the underprivileged.

- d. Youth Aliya and youth care and training.
- e. Maintenance and support of cultural, educational, scientific, religious, sports and social service institutions and activities therein.
- f. Maintenance and support of institutions of higher education and research institutes.
- g. The care of aged, disabled, handicapped and other persons in need of assistance and social services.
- h. Generally to engage, by itself or in cooperation with other institutions, in any activities designed to help immigrants and needy persons to become integrated in the life of the community in Israel.

Activities according to law

- 2. Any activity carried out in Israel by or on behalf of the Jewish Agency for the purpose of performing all or any of the aforementioned functions shall be carried out in accordance with the laws of the State of Israel applicable from time to time, including administrative directions in force from time to time with regard to the governmental authorities whose jurisdiction includes or is relevant to the activity in question.

Immigration

- 3. In the organization of immigration and the handling of immigrants, the Jewish Agency shall act on the basis of plans agreed upon in advance with the Government or recommended by the Coordinating Committee defined hereinafter.

- Coordination between institutions 4. The Jewish Agency shall, in agreement with the Government, coordinate the activities in Israel of Jewish institutions and organizations operating with public funds within the sphere of the functions of the Jewish Agency.
- Transfer of functions 5. The Jewish Agency may carry out any of its functions through its own departments and institutions under its control, and it may enlist in its activities the cooperation of other institutions, provided that it shall not delegate any of its functions or rights hereunder and shall not authorize any body or institution to carry out its functions, wholly or partly, without the prior written consent of the Government.
- Mobilization of Resources 6. The Jewish Agency shall be responsible for the mobilization of financial and material resources required for the execution of its functions and mainly derived from contributions, donations, grants and bequests from communities all over the world, from the income of investments and from loans.
- Legislation 7. The Government shall consult with the Jewish Agency in regard to legislation specifically affecting the functions of the Jewish Agency before such legislation is submitted to the Knesset.
- Coordinating Committee 8. There is hereby established a Coordinating Committee (hereinafter referred to as "the Committee") for the purpose of coordinating activities between the Government and the Jewish Agency in all the fields covered by this Covenant.

The Committee shall consist of an even number of members, not less than four (4), half of whom shall be members of and appointed by the Government and half of whom shall be members of and appointed by the Executive of the Jewish Agency. The Government and the Jewish Agency shall be entitled from time to time to replace members of the Committee appointed by them respectively and to appoint others in their stead, provided that the new members shall be members of the Government or of the Executive of the Jewish Agency, as the case may be.

- Committee's 9. The Committee shall meet at least once a month Rules of and shall have power to appoint sub-committees Procedure consisting of its own members and/or of other persons. The Committee shall from time to time submit to the Government and to the Jewish Agency reports of its deliberations and recommendations. Subject to the foregoing provisions, the Committee shall determine its own rules of procedure.
- Permits and 10. The Government undertakes to see to it that its Facilities ministries and competent authorities provide the Jewish Agency and its Funds and other Institutions defined in the Annex hereto with all permits and facilities required by law for the carrying out of the activities specified herein.
- Tax- 11. All contributions, gifts, donations and bequests to exemption the Jewish Agency or to any of its Funds and other Institutions defined in the Annex hereto shall be exempt from all taxes and compulsory charges.

Furthermore, the Jewish Agency and its aforementioned Funds and other Institutions shall be exempt from all taxes and other compulsory government charges specified in the Annex hereto, subject to the limitations and conditions stated in the said Annex.

- Alterations 12. Any proposed change or amendment to this Covenant or its Annex, or any addition thereto, shall be made in writing and shall require the consent of the Government and the Jewish Agency.
- Repeal 13. The Covenant between the Government of Israel and The Zionist Executive called also the Executive of The Jewish Agency for Israel, entered into in 1954, is hereby repealed.
- Date of coming into force 14. This Covenant shall be deemed to be in force and effect as of the 28th of Sivan 5731 (June 21, 1971).

Done and signed in Jerusalem
on the 3rd day of Tamouz 5739
(the 28th day of June 1979)

The Government of Israel

The Jewish Agency for Israel

by

Menachem Begin
Prime Minister

by

Chairman of the
Executive
Arye (Leon) Dulzin

by

Chairman of the
Board of Governors
Max M. Fisher

ANNEX

TO THE COVENANT

Between the Government of Israel and the Jewish Agency for Israel

1. In this Annex:

"the Jewish Agency" includes its Funds and other Institutions.

"the Funds and other Institutions of the Jewish Agency" means -

- a. The United Jewish Appeal, Inc.;
- b. the United Jewish Appeal of Greater New York, Inc.;
- c. the United Israel Appeal, Inc.;
- d. the United Israel Appeal of Canada - Hamagbit Hameuchedet Le Israel D'Canada Inc.;
- e. the Joint Israel Appeal of Great Britain;
- f. companies for the benefit of the public under the Charitable Trusts Ordinance exclusively controlled by the Jewish Agency;
- g. any corporation wholly owned and controlled by the Jewish Agency, and/or by any of the Funds and other Institutions mentioned above, which is non-profit-making or whose activities and/or properties are exclusively devoted to the achievement of the purposes of the Jewish Agency and/or of the said Funds and Institutions; provided that in the event of the winding up of any such corporation all its residual assets shall be transferred to the Jewish Agency or to any such Fund or Institution as aforesaid;

in this sub-clause --

"corporation" means any company, association or other legal entity exclusively controlled by the Jewish Agency or by all or any of the aforementioned Funds and Institutions.

2. Subject to the undermentioned limitations and conditions, the Jewish Agency shall be exempt from the following taxes and compulsory government charges imposed by or in accordance with the undermentioned enactments:
 - a. property tax and compensations fund, under the Property Tax and Compensation Fund Law, 1961, on those of its properties serving its purposes which bear no income or which bear income wholly devoted to the achievement of its purposes;
 - b. fees under the Land (Fees) Regulations, 1975;
 - c. land appreciation tax and additional tax under the Land Appreciation Tax Law, 1963;
 - d. compulsory loans imposed by Law;
 - e. income tax and capital gains tax under the Income Tax Ordinance and any other tax imposed on income; provided that the exemption shall not apply to dividend or interest on debentures paid to the Jewish Agency by a company engaged in any commerce, trade or business, unless such company is so engaged for the purpose of the settlement of Israel or the absorption of immigrants;
 - f. fees under the Companies (Fees and Forms) Regulations, 1976, clauses 1, 2(a), 2(b), 2(d), 3, 5, 6, 8 and 9 of the First Schedule, provided that the exemption shall only apply -

- (1) in the case of a company with a share capital - in the proportion of the part of the Jewish Agency and its Funds and other Institutions in such share capital;
 - (2) in the case of a company without a share capital - in the proportion of the part of the Jewish Agency and its Funds and other Institutions in the membership of the company;
- g. stamp duty under the Stamp Duty On Documents Law, 1961, on the following:
- (1) debentures issued by the Jewish Agency, the redemption of which is guaranteed by the State of Israel;
 - (2) the transfer or assignment to the Jewish Agency of shares in a company controlled by not more than 5 persons and mainly concerned with the acquisition and holding of land;
 - (3) guarantees of debts of the Jewish Agency and guarantees by the Jewish Agency of debts of bodies in whose budgets the Jewish Agency participates;
- h. licence fees under the Traffic Ordinance for vehicles other than private motor vehicles, of the Jewish Agency and its Funds and other Institutions.
3. The exemptions specified in this Annex are in addition to and not in derogation of exemptions under the law.

Exhibit 4

**Breakdown of Regular and On-Going Expenses
of Nazi Victims Residing in Amigour Sheltered Housing
for Couples and Single Residents**

New Israeli Shekels (NIS) and US Dollars* (\$)

	Total Income Per Month	Expenses											Total Exp. per month.	Free income	
		Rent	Water	Electric	Gas	Phone	Medicine	Cable/TV/tax	Clothes	Travel	Food	Health		Per month	Per day
Individual	NIS 1,863 US\$ \$415	150	28	80	40	70	90	200	50	45	800	84	1,637	226 NIS	7.5 NIS
 Couple	NIS 2,795 US\$ \$621	224	32	100	75	120	130	200	100	90	1,400	95	2,566	\$ 50	\$ 1.66
		50	7	22	17	27	29	45	22	20	310	21	570	\$ 51	\$ 1.7

* Based upon a 4.5 Exchange Rate

03-6918561 : טל 6930496 : מל 61070 , 7071 , 7071 , 64738 תל-ה 12 , 12 1797 ת"ר
12 KAPLAN ST. TEL-AVIV, 64734, P.O.B. 7071, 61070 PHONE 972.3.6930496 FAX 972.3.6918561
E-mail : yardami@internet-zahav.net E-mail : yuvalfi@amigour.co.il

AMIGOUR: Board of Directors

Address	Affiliation\Position	Name
10\5 Hanita Street, Kfar Saba	Amgiour, Chair of the Board	Moshe Nativ
1 Mishol HaShaked, Karmeil	Mayor, Karmiel	Adi Eldar
11\7 Lasal St, Tel Aviv		Assaf Yigal
Tekoa, North Yehuda	JAFI, Director, Companies Bureau	Bobby Brown
14 Shechterman, Ramat Efal	Yuval Group, Director General	Yoav Blum
14 Rupin St, Kfar Saba		Neri Gat
4 Mevo Yoram St, Jerusalem		Yehudah Dominitz
3B Gordon St, Givatayim		Dan Hadani
5 Gilad, Ramat HaSharon	Bank Hapoalim, Discipline Officer	Moshe Weinstein
44 Shearit Hapleta, Haifa	Human Resources, Director	Zahava Weinberger
40\6 HaShisha Asar, Pishgat Zeev, Jerusalem	UIA Representative	Barbara Promislaw
17 Halmogim St, Ashdod	Mayor, Ashdod	Zvi Zilker
29\8 Givat Canada, Jerusalem	JAFI, Director of Resources Development & Public Affairs Unit	Jeff Kaye
3 Nachal Arugot, Ashdod		Aryeh Kleng
60 Halya St, Nahariyah		Danny Rubin
5 Shoshana, Neve Sharet, Jerusalem	Deputy Director, Population Dept, Ministry of Housing	Israel Schwartz
35 David Remez, Givatayim		Yossi Arbel
2A Hazanchanim, Mazkeret Batia	JAFI, Director of Budgeting, Israel Department	Amira Aronovitch
9 Elcharizi, Jerusalem	World Labor Zionist Movement, Secretary General	Bridget Bitan
10 Brezner, Tel Aviv	JAFI, Director of Israel Region	Efraim Lapid
Yavneh	Accountant	Rafi Litman
19 Havered, Kohav Yair	Lawyer	Ya'akov Lerer

Exhibit 6 AMIGOUR ASSET MANAGEMENT LTD.

Statement of Revenue and Expenses

Average exchange rate NIS/\$ 4.0769 4.2056 4.738 4.7159
Audited
2000 2001 2002 5/2003
US dollars in thousands

Revenue

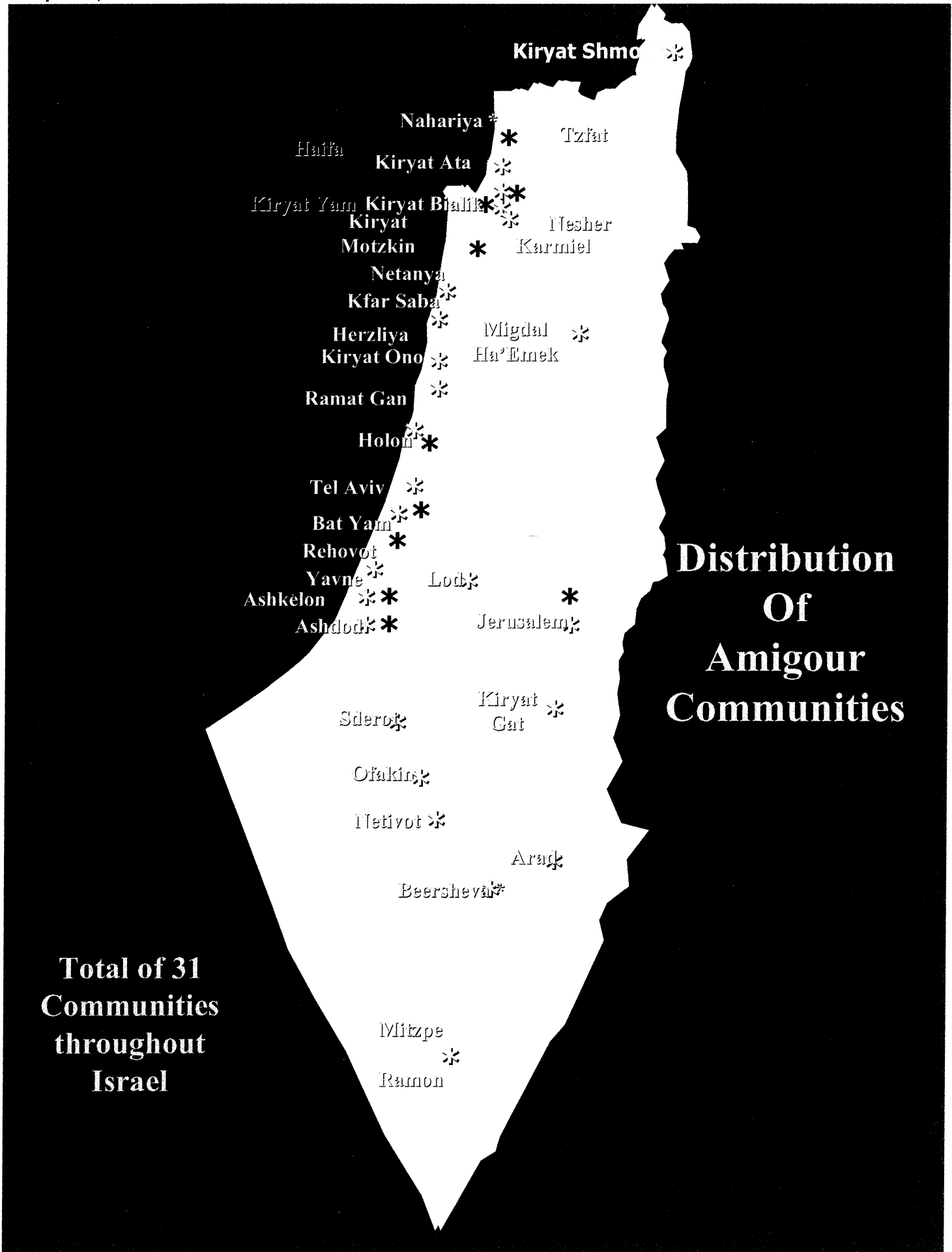
Collection of rental income	11,836	10,361	8,574	3,706
Collection of old age home rent	1,568	1,934	2,029	872
Transferred to the owners	13,404	12,296	10,603	4,578
	-	-	-	-
Tenant participation in operating expenses	5,003	3,890	2,828	1,038
Sales commissions	3,256	1,675	1,066	169
Project management	507	394	333	45
Total Revenue	8,766	5,959	4,227	1,252

Expenses

Operating Expenses:

Salary and benefits of field staff	5,185	5,450	4,710	1,964
Maintenance	4,338	3,826	3,667	1,109
Old age home operating expense	1,846	1,886	1,636	699
Organizational expense	-	-	-	-
Office maintenance	561	729	730	318
Transportation	656	641	558	166
Telephone	73	97	67	63
Collection expense	1,079	1,017	820	334
Communal services and facilities	561	525	499	182

Insurance	914	866	757	337
Land leasing fees and expense	367	326	246	102
Municipal tax and charges	440	822	456	252
Communication and other	320	289	273	94
	<u>16,340</u>	<u>16,474</u>	<u>14,421</u>	<u>5,619</u>
General and Administrative:				
Main office - salaries and benefits	1,540	1,452	810	397
Officers - salaries and benefits	504	490	601	181
Directors fees	19	24	115	50
Office maintenance	433	380	390	60
Transportation	393	360	301	85
Telephone	157	154	114	32
Data processing	467	463	423	187
Rent	432	454	402	158
Sales expenses	62	40	43	11
Depreciation	288	352	357	103
Public relations and other	356	379	272	146
	<u>4,652</u>	<u>4,548</u>	<u>3,829</u>	<u>1,413</u>
	<u>20,993</u>	<u>21,022</u>	<u>18,251</u>	<u>7,032</u>
Funding from the Jewish Agency for Israel for the year	-	-	-	-
	<u>12,226</u>	<u>15,063</u>	<u>14,024</u>	<u>5,780</u>
NET INCOME FOR THE YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>



**Distribution
Of
Amigour
Communities**

**Total of 31
Communities
throughout
Israel**

Kiryat Shmona *

Nahariya *

Tzfat

Haifa

Kiryat Ata *

Kiryat Yam

Kiryat Bialik *

Nesher

Kiryat

Motzkin *

Karmiel

Netanya

Kfar Saba *

Migdal *

Herzliya

Kiryat Ono *

Ha'Emek

Ramat Gan *

Holon *

Tel Aviv *

Bat Yam *

Rehovot *

Yavne *

Lod *

Ashkelon *

Jerusalem *

Ashdod *

Kiryat Gat *

Sderot *

Ofakim *

Netivot *

Arad *

Beersheva *

Mitzpe *

Ramon

Exhibit 8

RENTAL VERSUS BUILDING

Total expenditure --on a yearly basis-- for renting housing equivalent to Amigour's sheltered housing at an estimated \$400 a month \ \$4,800, annually.

Year	Number of Months	Total Expense (in US\$)
1	12	4,800
2	24	9,600
3	36	14,400
4	48	19,200
5	60	24,000
6	72	28,800
7	84	33,600
8	96	38,400
9	108	43,200
10	120	48,000
11	132	52,800
12	144	57,600*
13	156	62,400
14	168	67,200
15	180	72,000
16	192	76,800
17	204	81,600
18	216	86,400
19	228	91,200
20	240	96,000
21	252	100,800
22	264	105,600
23	276	110,400
24	288	115,200
25	300	120,000

*Amigour's cost for building a sheltered housing unit is estimated at \$55,000, per unit.

Thus, between the 11th and 12th year, the rent will cover the entire cost of construction.