

New York State
BANKING
DEPARTMENT



NEWS RELEASE

Richard H. Neiman, Superintendent of Banks

One State Street, New York 10004

Press Office
212-709-1691
<http://www.banking.state.ny.us>

FOR IMMEDIATE RELEASE:
June 1, 2009

PAINTING SOLD UNDER NAZI DURESS RESTORED TO HEIRS OF RIGHTFUL OWNER

New York N.Y.: The New York State Banking Department's Holocaust Claims Processing Office (HCPO) today announced the restitution of a painting, attributed to Karl Blechen, to the heirs of the original owner, Alfred Sommerguth. The oil on wood painting, "Woodland Scene with a Castle by the Water," was sold by Sommerguth under duress in the February 7, 1939 Hans W. Lange auction.

"I am pleased to see that the cooperation of a private collector with the HCPO has again resulted in the return of property lost due to Nazi persecution," said Richard H. Neiman, Superintendent of Banks for New York State. "I thank all those involved in the negotiation process for their diligence in this matter."

Alfred Sommerguth, director and co-owner of the tobacco company Loeser & Wolff, was an official of the Ministry of Interior in Berlin in charge of city planning, when the Nazis came to power. In the late 1930s, Sommerguth was forced to register all of his assets with Nazi authorities, including his art collection of 106 assorted Renaissance masterpieces and Impressionist works. Evading internment at a concentration camp, Sommerguth fled Germany to Cuba in 1941. He eventually moved New York, where he passed away in 1950.

The HCPO discovered the painting in the Sotheby's London May 30, 2008 auction catalogue and immediately notified the auction house of the painting's origins at which time the item was withdrawn from the sale. The HCPO worked in close conjunction with Cornelia Muggenthaler and Joel Levi, representatives of the Sommerguth heirs, as well as with Sotheby's and the consignor of the painting to amicably secure a settlement agreement satisfactory to all the parties involved.

The painting will be included in the Sotheby's London June 3, 2009 auction.

The HCPO is a division of the New York State Banking Department. It was created in 1997 to help Holocaust victims and their heirs recover: assets deposited in banks; unpaid proceeds of insurance policies issued by European insurers; and artworks that were lost, looted or sold under duress. The HCPO does not charge claimants for its services. To date, the HCPO has helped return over \$138 million in bank claims, insurance claims, and other assets, and has assisted in securing the return of 37 works of art.

The New York State Banking Department is the regulator for all state-chartered banking institutions, virtually all of the United States offices of international banking institutions, all of the State's mortgage brokers, mortgage bankers, check cashers, money transmitters and budget planners. The aggregate assets of the depository institutions supervised by the Banking Department are more than \$2.4 trillion.

In addition to regulating banking institutions, the Banking Department is active in informing and educating all New Yorkers on banking matters. To contact the Banking Department, please call 1-877-BANK-NYS or visit our Web site at www.banking.state.ny.us.

###