MS-630: Rabbi Alexander M. Schindler Digital Collection, 1961-1996. Series A: Union of American Hebrew Congregations, 1961-1996.

Box Folder 12a

Memorial Foundation for Jewish Culture, 1994-1999.

For more information on this collection, please see the finding aid on the American Jewish Archives website.

Please return to:

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture 15 East 26th St. (Room 1903) New York, NY 10010

NAME OF ORGANIZATION: Union of American Hebrew Congregations

The name of your delegate who last received reimbursement for transportation and per diem costs for attendance at the Foundation's Board of Trustees meeting:

	Rabbi Al	exander M. Schindler	
	AMER	ICAN JEWISH	
A. Please	retain the same name	SHIIVES	
B. We wis	sh to change		
	New Designee:	(please print)	
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RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT • UNION OF AMERICAN HEBREW CONGREGATIONS
838 FIFTH AVENUE NEW YORK, NY 10021-7064 (212)249-0100

January 18, 1994 6 Shevat 5754

Dr. Jerry Hochbaum
Executive Vice-President
Memorial Foundation for Jewish Culture
15 East 26th Street
New York, NY 10010

Dear Jerry:

AMERICAN JEWISH

Thank you for sending me the two letters received in response to my letter dealing with Holocause revisionism.

I have read them and I am returning them to you for your files.

Cordially,

Alexander M. Schindler

MEMORIAL FOUNDATION FOR JEWISH CULTURE

15 East 26th Street New York, NY 10010 (212) 679-4074

January 12, 1994

Rabbi Alexander M. Schindler Union of American Hebrew Congs. 838 Fifth Avenue New York, N.Y. 10021

Dear Alex:

Enclosed are another two letters we received in response to your letter dealing with Holocaust revisionism.

Warm regards.

Sincerely yours,

Dr. Jerry Hochbaum Executive Vice-President

JH:sim

Enclosures





The Director

January 4, 1994

Rabbi Alexander Schindler Chairman, Commission on the Holocaust Memorial Foundation for Jewish Culture 15 East 26th Street New York, N.Y. 10010

Dear Rabbi Schindler,

Thank you very much for your letter of December 6.

Let me assure you that here, at the United States Holocaust Memorial Museum, we are very much aware of the activities of Holocaust deniers as well as revisionists.

Not only is the Museum itself, and in particular its highly documentary Permanent Exhibition, a very strong statement against denial and revision, but in our educational and public activity, too, we are definitely attempting to counteract these tendencies.

With kindest regards,

Jeshajahu Weinkerg

US Holocaust Memorial Museum



730 Broadway • New York, NY 10003 • 212 475-5000 • Cable: Councilfed, New York • Fax: 212 529-5842

Office of the Executive Vice President Martin S. Kraar

> <u>Direct Line</u>: 212-598-3501 <u>Fax Number</u>: 212-533-4347

January 4, 1994

Rabbi Alexander Schindler Chairman, Commission on the Holocaust Memorial Foundation for Jewish Culture 15 East 26th Street New York, NY 10010

Dear Alex:

Thank you so much for your letter of December 6, which was received in my office on December 20.

I appreciate the good things that you are doing and that the Commission is dealing with something that is so substantive, material and crucial. You certainly have our support, and we will do everything we can do to be helpful to you.

You might be interested to know that we had a session on the subject at the 1993 General Assembly in Montreal, and if you want further information on how that went, you might be in touch with Dr. Carl Sheingold of our staff.

Thanks again, and please let me know if I can do anything to be helpful.

Sincerely,

MARTIN S. KRAAR

Executive Vice President

MSK:fpb

July 8, 1993 29 Tammuz 5753

Dr. Jerry Hochbaum, Director
Memorial Foundation for Jewish Culture
15 East 26th Street
New York, NY 10010

Dear Jerry:

It was good being with you in Israel. I thought our meetings went very well and I thank you for the wonderful manner in which you move our critical work forward!

In regard to reimbursement for my journey, please have a check cut, payable to the UAHC, for the amount due. The Union had paid out my travel expenses and therefore reimbursement is to the UAHC. I would ask that you have the check sent to me so I have a correct record in my office.

With thanks and warm regards, I am

Sincerely,

Alexander M. Schindler

Check of 3/93 to find

Mr. Kister

Please return to:

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture 15 East 26th Street (Room 1903) New York, NY 10010

Name of Organization: UNION OF AMERICAN HEBREW CONGREGATIONS The names of your designees to the Foundation's Board of Trustees were: (1) Mr. Melvin Merians (2) Rabbi Alexander M. Schindler (3) Rabbi Eric H. Yoffie Please retain the same names A. We wish to change our delegates В. Check: Delete (1) Add: Address: (please print) Delete (2) Add: Address: (please print) Delete (3) Add: Address: (please print) Name (please print) A.M. SchraptER Title

06/03/91

Jd.

ACTIVITY REPORT

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Union of American Hebrew Congregations

PATRON OF HEBREW UNION COLLEGE—JEWISH INSTITUTE OF RELIGION 838 FIFTH AVENUE, NEW YORK, N.Y. 10021 (212) 249-0100 CABLES: UNIONUAHC

June 3, 1991

VIA FAX (2 Pages)

To: Rabbi Alexander M. Schindler

AMERICAN IEWISH

Please call Rabbi Schindler as soon as this fax is received.

Thank you.



MEMORIAL FOUNDATION FOR JEWISH CULTURE fall to Srife 15 East 26th Street New York, NY 10010 (212) 679-4074 () in alix, I am Listing below salary adjustments for Im FOUNDATION staff which we discussed: A 4500 a) support Stoff \$ 1500 N/ RABBIZEr Segal \$ 4500. () Dr. Moshe Sokal He requisted title which we agreed would be DIRECTOR of PROGRAMS 2) DAJED GOLDMAN 1 5000 (come Troller) This was suggested raise. However, in light of comes confermed raise of \$20,000 Is him, it was recommended that meeting be held with Jum To discuss This matter 120,000- in defend e) Jerry Hourson compusalin. (Hove a good trip and a pleasant & Harrist holiday! Sir wely, Jun

March 30, 1993 8 Nisan 5753

Dr. Jerry Hochbaum, Executive Director
Memorial Foundation for Jewish Culture
15 East 26th Street
New York, NY 10010

Dear Jerry:

The enclosed letter is self-explanatory, indeed we have spoken about this request. As you know, Evelyn is a long time friend, the wife of my dear friend and colleague, Rabbi Albert Friedlander. The work she is doing is exceptional and I hope a way can be found to aid her in continuing this worthy project.

Please do let me know how Evelyn should proceed and what time frame is involved. I will be most grateful.

With warm regards to you and the family for a zissen and freilach Pesach, I am

Sincerely,

Alexander M. Schindler



Kent House. Rutland Gardens. London SW7 1BX

Tel: 071 584 2754 Fax: 071 581 8012

Registered Charity No. 326032

Rabbi Dr. Alexander Schindler Union of American Hebrew Congregations 838 Fifth Avenue, New York City, N.Y. 16621 FAX 0101 212 570 0895

April 23, 1993

Dear Rabbi Schindler:

Please permit me to follow up our conversation regarding the Jewish Memorial Foundation and the possibility of becoming a 'Memorial Council Scholar' for one or two years. Could you convey the contents of this letter to the Foundation and ask them to con-

sider me as a potential candidate for such a Fellowship?

Much of the research I do is independent, although I am, of course, deeply involved in the work of my 'Hidden Legacy Foundation'. I understand that the Jewish Memorial Foundation does not fund organizations, even a small foundation like the Hidden Legacy Foundation. I mention it at this point because you have received the catalogue of my ongoing GENIZAH exhibition which was made possible by my 'team' of scholars working through the HLF; and this exhibition is having a remarkable success as it moves from museum to museum. It will move from the Sainsbury Centre in Norwhich to Wuerzburg next month, and will be opened by Mr. Ignaz Bubis and high officials of the Bavarian state government (in London, it was opened by Dr. Rita Suessmuth, the president of the Bundestag and by the German ambassador to Great Britain, Baron von Richthofen.) After Wuerzburg, the exhibition moves to Hohenems in Austria, then to Berlin, Munich, and probably Washington and New York in 1994.

The heart of this exhibition is the lost history of the Village Jew in Central Europe. Over the years, and in the future, I are worked and will continue to work in these villages, pinpointing the mer synagogue buildings where genizot have either remained undiscovered menain menalored (I already know several places where that is the case.) Jewish life; and where not a single Jew lives today. I will be graphing buildings and cemeteries, and hope to make much of the al (including copies of genizah findings) available to scholars want to explore this field which is now being developed.

A major publisher (Herder, in Freiburg) has asked me outline a book for them which would be one result of my research over the next two years--but I do need funding! I hope that the Memorial Foundation Fellowship will enable me to continue this work; and I look forward to receiving a speedy reply.

With sincere appreciation to you and to the foundation, and the hope that we will be working together on the exploration of a period of European Jewish history which has been greatly neglected,

Sincerely yours,

Evelyn Friedlander

Evelyn Friedlander

Executive Director: Evelyn Friedhader Consultants: Fritz Armbruster
Patrons: Elic Wiesel
Lord Lever Dr. Josephin Hahr
Dr. Falk Wiesens

Dr. Joachim Hahn Dr. Falk Wiesemann Trustees: Rabbi Dr. A. H. Friedlander Martin D. Paisner Dr. David Patterson

1996 on Dece



RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, N.Y. 10021 (212) 249-0100

July 18, 1990 25 Tammuz 5750

Mr. Jack J. Spitzer 9725 S.E. 36th Street Suite 304 Mercer Island, WA 98040

Dear Jack:

Jerry Hochbaum and I just had a meeting concerning the possibility of finding an alternate space for the offices the

Memorial Foundation is currently occupying. As we were authorized, we are pursuing two possibilities - - the acquisition of a condominium or a long term lease.

Insofar as the present lease is concerned, the facts are the following:

The term is a seven year term extending from 9/1/86 to 8/31/93. The base rent is \$60,000 per annum. However, over the years, there have been add ons (tax escalation, porter/liege charges, administration expenses) which currently add \$25,300 to the base rent. It is assumed that these increases which average \$5000 per year will continue.

The present space is 3,500 to 4000 square feet. Jerry thinks that we could well make use of anything up to 5000.

Accordingly, I have instructed the Helmsley Spear people to find a suitable space for our purchase and to provide us with all the figures, including cost of renovation, maintenance charges, minus real estate tax, etc., so that we can compare this with what we are presently paying.

If that avenue should prove to be not sufficiently advantageous from an economic point of view, we will pursue the long term leasing deal, but we have lots of time for that - not so much time for the purchase of a condo because extensive renovation might be involved.

Mr. Jack J. Spitzer -2- July 18, 1990

We are also pursuing two other avenues. One is the Olympia and York avenue. Jules Berman is their New York counsel. They own a lot of property in New York. The Reichmans are presumably generous people and we might be able to get a better deal from them.

A second avenue which is being pursued is the American Jewish Committee. As you may have heard, they have experienced serious financial reversals of late, have fired 50 staff members, divested themselves of two magazines, and they are envisaging the possibility of leasing several floors of the building they presently own on East 56th Street, an ideal location. Of course, they are a tax free institution to begin with, so that this might be a very good deal for us.

Needless to say, no decisions whatsoever will be made by us. We are going to prepare all of the options. Once we have them in line, I may ask you, Jack, to come in to look at the property. Perhaps we ought to add some other New York area real estate expert to our committee, and then we can make a collective judgement.

If there is anything at all that I can do for you and anything, of course, that you want to add to this particular matter, please let me know.

All the very best.

Sincerely,

Alexander M. Schindler

CC: Dr. Jerry Hochbaum

bee. J. S. Okman

MEMORIAL FOUNDATION FOR JEWISH CULTURE

15 East 26th Street • New York, N.Y. 10010 • (212) 679-4074

MEMO

To Jerry Hochbaum From: David Goldman Date: January 9, 1990 Re: Current Lease

AMERICAN JEWISH

Please be advised of the following items concerning our current lease at 15 East 26th Street Room 1901:

Term: 7 years from 9/1/86-8/31/93

Base Rent:\$60,000 per annum

Add-Ons: Tax escallation, Porter/Wage

Charges, Administration Exenses approximate

\$25,300 per annum

Space: 3500 sq. ft.

3500

STANDARD FORM OF OFFICE LEASE The Real Estate Board of New York, Inc.

(ah)21386

2-8-84

Agreement of Lease, made as of this

14th

day of February 19 86

, between

26 ASSOCIATES, INC., a New York Corporation, having its principal place of business at Suite 900, 111 Broadway, New York, N.Y.

party of the first part, hereinafter referred to as OWNER, and

MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC., a New York Corporation, having a place of business at 15 East 26th Street, New York, N.Y.

Mitneggeth:

party of the second part, hereinafter referred to as TENANT, Owner hereby leases to Tenant and Tenant hereby hires from Owner

ROOM 1901

in the building known as 15 East 26th Street in the Borough of Manhattan

, City of New York, for the term of

seven (7) years

(or until such term shall sooner cease and expire as hereinafter provided) to commence on the , and to end on the day of nineteen hundred and eighty six nineteen hundred and ninety three day of August

31st both dates inclusive, at an annual rental rate of

FIFTY NINE THOUSAND NINE HUNDRED FIFTY EIGHT (\$59,958.00).........DOLLARS N

which Tenant agrees to pay in lawful money of the United States which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, in equal monthly installments in advance on the first day of each month during said term, at the office of Owner or such other place as Owner may designate, without any set off or deduction whatsoever, except monthly installment(s) on the execution hereof (unless this lease be a renewal). that Tenant shall pay the first

In the event that, at the commencement of the term of this lease, or thereafter, Tenant shall be in default in the payment of rent to Owner pursuant to the terms of another lease with Owner or with Owner's predecessor in interest, Owner may at Owner's option and without notice to Tenant add the amount of such arrears to any monthly installment of rent payable hereunder and the same shall be payable to Owner as additional rent.

The parties hereto, for themselves, their heirs, distributees, executors, administrators, legal representatives, successors and assigns, hereby convenant as follows:

Rent Оссирансу

Tenant shall pay the rent as above and as hereinafter provided.

Tenant shall use and occupy demised premises for executive offices for the conduct of Tenant's

business

3. Tenant shall make no changes in or to the demised Tenant Alterations: premises of any nature without Owner's prior written consent. Subject to the prior written consent of Owner, and to the provisions of this article, Tenant at Tenant's expense, may make alterations, installations, additions or improvements which are non-structural and which do not affect utility services or plumbing and electrical lines, in or to the interior of the demised premises by using contractors or mechanics first approved by Owner. Tenant shall, before making any alterations, additions, installations or improvements, at its expense, obtained the state of the prior to the desired contractors. tain all permits, approvals and certificates required by any governmental or quasi-governmental bodies and (upon completion) certificates of final approval thereof and shall deliver promptly duplicates of all such permits, approvals and certificates to Owner and Tenant agrees to carry and will cause Tenant's contractors and sub-contractors to carry such workman's cause Tenant's contractors and sub-contractors to carry such workman's compensation, general liability, personal and property damage insurance as Owner may require. If any mechanic's lien is filed against the demised premises, or the building of which the same forms a part, for work claimed to have been done for, or materials furnished to, Tenant, whether or not done pursuant to this article, the same shall be discharged by Tenant within thirty days thereafter, at Tenant's expense, by filing the bond required by law. All fixtures and all paneling, partitions, railings and like installations, installed in the premises at any time, either by Tenant or by Owner in Tenant's behalf, shall, upon installation, become the property of Owner and shall remain upon and be surrendered with the demised premises unless Owner, by notice to Tenant no later than twenty days premises unless Owner, by notice to Tenant no later than twenty days prior to the date fixed as the termination of this lease, elects to relinquish Owner's right thereto and to have them removed by Tenant, in which event the same shall be removed from the premises by Tenant prior to the expiration of the lease, at Tenant's expense. Nothing in this Article shall be construed to give Owner title to or to prevent Tenant's removal of trade fixtures, moveable office furniture and equipment, but upon removal of any such from the premises or upon removal of other installa-tions as may be required by Owner, Tenant shall immediately and at its expense, repair and restore the premises to the condition existing prior to installation and repair any damage to the demised premises or the building due to such removal. All property permitted or required to be removed, by Tenant at the end of the term remaining in the premises after Tenant's removal shall be deemed abandoned and may, at the election of Owner, either be retained as Owner's property or may be removed from the premises by Owner, at Tenant's expense.

Repairs

4. Tenant shall, throughout the term of this lease, take good care of the demised premises and the fixtures and appurtenances therein. Tenant shall be responsible for all damage or injury to the demised premises or any

other part of the building and the systems and equipment thereof, whether requiring structural or nonstructural repairs caused by or resulting from carelessness, omission, neglect or improper conduct of Tenant, Tenant's subtenants, agents, em

which arise out of any work, labor, service or equipment done for or supplied to Tenant or any subtenant or arising out of the installation, use or operation of the property or equipment of Tenant or any subtenant. Tenant shall also repair all damage to the building and the demised premises caused by the moving of Tenant's fixtures, furniture and equipment. Tenant is a substant of the substant in the substant in the substant is a substant in the substant in the substant in the substant is the substant in nant shall promptly make, at Tenant's expense, all repairs in and to the demised premises for which Tenant is responsible, using only the contracdemised premises for which Tenant is responsible, using only the contractor for the trade or trades in question, selected from a list of at least two contractors per trade submitted by Owner. Any other repairs in or to the building or the facilities and systems thereof for which Tenant is responsible shall be performed by Owner at the Tenant's expense. Owner shall maintain in good working order and repair the exterior and the structural portions of the building, including the structural portions of its demised premises, and the public portions of the building interior and the building alumbing alectrical, beating and vanishing systems (to the extent such plumbing, electrical, heating and ventilating systems (to the extent such systems presently exist) serving the demised premises. Tenant agrees to give prompt notice of any defective condition in the premises for which Owner may be responsible hereunder. There shall be no allowance to Tenant for diminution of rental value and no liability on the part of Owner by reason of inconvenience, annovance or injury to business arising from Owner or others making repairs, alterations, additions or improvements in or to any portion of the building or the demised premises or in and to the fixtures, appurtenances or equipment thereof. It is specifically agreed that Tenant shall not be entitled to any setoff or reduction of rent by reason of any failure of Owner to comply with the covenants of this or any other article of this Lease. Tenant agrees that Tenant's sole remedy at law in such instance will be by way of an action for damages for breach of contract. The provisions of this Article 4 shall not apply in the case of fire or other casualty which are dealt with in Article 9 hereof.

Tenant will not clean nor require, permit, suffer or Window allow any window in the demised premises to be cleaned from the outside in violation of Section 202 of the Cleaning: Labor Law or any other applicable law or of the Rules of the Board of Standards and Appeals, or of any other Board or body having or asserting jurisdiction.

Requirements of Law.

Fire Insurance.
Floor Loads:

Tenant is then in possession, and at all times thereafter,
Floor Loads:

Tenant at Tenant's sole cost and expense, shall promptly comply with all present and future laws, orders and governments, departments, commissions and boards and any direction of any public officer pursuant to law, and all orders, rules and regulations of the New York Board of Fire Underwriters, Insurance Services Office, or any similar body which shall impose any violation, order or duty upon Owner or Tenant with respect to the demised premises, whether or not

owner or Tenant with respect to the demised premises, whether or not arising out of Tenant's use or manner of use thereof, (including Tenant's

February 14, 1986 26 ASSOCIATES, INC., Landlord MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC. Room 1901, 15 East 26th Street

use or manner of use of the premises or the building (including the use permitted under the lease). Nothing herein shall require Tenant to make structural repairs or alterations unless Tenant has, by its manner of use of the demised premises or method of operation therein, violated any such laws, ordinances, orders, rules, regulations or requirements with respect thereto. Tenant may, after securing Owner to Owner's satisfaction against all damages, interest, penalties and expenses, including, but not limited to, reasonable attorney's fees, by cash deposit or by surety bond in an amount and in a company satisfactory to Owner, contest and appeal any such laws, ordinances, orders, rules, regulations or requirements provided same is done with all reasonable promptness and provided such ap-peal shall not subject Owner to prosecution for a criminal offense or constitute a default under any lease or mortgage under which Owner may be obligated, or cause the demised premises or any part thereof to be condemned or vacated. Tenant shall not do or permit any act or thing to be done in or to the demised premises which is contrary to law, or which will done in or to the demised premises which is contrary to law, or which will invalidate or be in conflict with public liability, fire or other policies of insurance at any time carried by or for the benefit of Owner with respect to the demised premises or the building of which the demised premises form a part, or which shall or might subject Owner to any liability or responsibility to any person or for property damage. Tenant shall not keep anything in the demised premises except as now or hereafter permitted by the Fire Department, Board of Fire Underwriters, Fire Insurance Rating Organization or other authority having jurisdiction, and then only in such manner and such quantity so as not to increase the rate for fire insurance applicable to the building, nor use the premises in a manner which will increase the insurance rate for the building or any property located therein over that in effect prior to the commencement of Tenant's occupancy. Tenant shall pay all costs, expenses, fines, penalties, or damages, which may be imposed upon Owner by reason of Tenant's failure to comply with the provisions of this article and if by reason of such failure the fire insurance rate shall, at the beginning of this lease or at any time thereafter, be rate shall, at the beginning of this lease or at any time thereafter, be higher than it otherwise would be, then Tenant shall reimburse Owner, as higher than it otherwise would be, then Tenant shall reimburse Owner, as additional rent hereunder, for that portion of all fire insurance premiums thereafter paid by Owner which shall have been charged because of such failure by Tenant. In any action or proceeding wherein Owner and Tenant are parties, a schedule or "make-up" of rate for the building or demised premises issued by the New York Fire Insurance Exchange, or other body making fire insurance rates applicable to said premises shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rates then applicable to said premises. Tenant shall not place a load upon any floor of the demised premises exceeding the floor load per square food area which it was designed to carry and which is load per square foot area which it was designed to carry and which is allowed by law. Owner reserves the right to prescribe the weight and position of all safes, business machines and mechanical equipment. Such installations shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient, in Owner's judgement, to absorb and prevent vibration, noise and annoyance.

Subordination: 7. This lease is subject and subordinate to all ground or underlying leases and to all mortgages which may now or hereafter affect such leases or the real property of which demised premises are a part and to all renewals, modifications, consolidations, replacements and extensions of any such underlying leases and mortgages. This clause shall be self-operative and no further instrument of subordination shall be required by any ground or underlying lessor or by any mortgagee, affecting any lease or the real property of which the demised premises are a part. In confirmation of such subordination, Tenant shall execute promptly any certificate that Owner may request.

Property— Loss, Damage,

 Owner or its agents shall not be liable for any damage to property of Tenant or of others entrusted to em-Loss, Damage,
Reimbursement, Indemnity: property of Tenant or of others entrusted to employees of the building, nor for loss of or damage to any
property of Tenant by theft or otherwise, nor for any injury or damage to persons or property resulting from
any cause of whatsoever nature, unless caused by or due
to the negligence of Owner, its agents, servants or employees. Owner or
its agents will not be liable for any such damage caused by other tenants
or persons in, upon or about said building or caused by operations in construction of any private, public or quait public work.

or persons in, upon or about said outlang or cased by operations in construction of any private, public or quasi public work.

If at any time any windows of the demised premises are temporarily closed, darkened or bricked up (or permanently closed, darkened or bricked up, if required by law) for any reason whatsoever including, but not limited to Owner's own acts, Owner shall not be liable for any damage. Tenant may sustain thereby and Tenant shall not be entitled to any com-pensation therefor nor abatement or diminution of rent nor shall the same release Tenant from its obligations hereunder nor constitute an eviction. Tenant shall indemnify and save harmless Owner against and from all liabilities, obligations, damages, penalties, claims, costs and expenses for which Owner shall not be reimbursed by insurance, including reasonable which Owner shall not be reimoursed by insurance, including reasonable attorneys fees, paid, suffered or incurred as a result of any breach by Tenant, Tenant's agents, contractors, employees, invitees, or licensees, of any covenant or condition of this lease, or the carelessness, negligence or improper conduct of the Tenant. Tenant's agents, contractors, employees, invitees or licensees. Tenant's liability under this lease extends to the acts and omissions of any sub-tenant, and any agent, contractor, employee, invitee or licensee of any sub-tenant. In case any action or proceeding is brought against Owner by reason of any such claim, Tenant, upon written notice from Owner, will, at Tenant's expense, resist or defend such action or proceeding by counsel approved by Owner in writing. such approval not to be unreasonably withheld.

Destruction, Fire and Other 9. (a) If the demised premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give immediate notice thereof to Owner and this lease shall

Casualty: immediate notice thereof 10 Owner and this lease shall continue in full force and effect except as hereinafter set forth. (b) If the demissed premises are nortially demonst or rendered partially unusable by fire 3. other casualty, and compages thereto shall be repaired by and at the expense of Owner and the rent, until such repair shall be substantially completed, shall be apportioned from the day following the casualty according to the part of the premises which is usable. (c) If the demised premises are totally damaged or rendered wholespecially the fire or other casualty, then the rent shall be proportionated. ly unusable by fire or other casualty, then the rent shall be proportionate-

date when the premises shall have been repaired and restored by Owner, subject to Owner's right to elect not to restore the same as hereinafter provided. (d) If the demised premises are rendered wholly unusable or whether or not the demised premises are rendered whonly unusable or (whether or not the demised premises are damaged in whole or in part) if the building shall be so damaged that Owner shall decide to demolish it or to rebuild it, then, in any of such events, Owner may elect to terminate this lease by written notice to Tenant, given within 90 days after such fire or casualty, specifying a date fir the expiration of the lease, which date shall not be more than 60 days after the giving of such notice, and upon the date specified in such notice the term of this lease shall expire as fully and completely as if such date were the date set forth above for the terminate of this lease shall expire as fully and completely as if such date were the date set forth above for the terminate of the state of the such as the suc mination of this lease and Tenant shall forthwith quit, surrender and vacate the premises without prejudice however, to Landlord's rights and remedies against Tenant under the lease provisions in effect prior to such termination, and any rent owing shall be paid up to such date and any payments of rent made by Tenant which were on account of any period subsequent to such date shall be returned to Tenant. Unless Owner shall serve a termination notice as provided for herein, Owner shall make the repairs and restorations under the conditions of (b) and (c) hereof, with repairs and restorations under the conditions of (b) and (c) hereof, with all reasonable expedition, subject to delays due to adjustment of insurance claims, labor troubles and causes beyond Owner's control. After any such casualty, Tenant shall cooperate with Owner's restoration by removing from the premises as promptly as reasonably possible, all of Tenant's salvageable inventory and movable equipment, furniture, and other property. Tenant's liability for rent shall resume five (5) days after written notice from Owner that the premises are substantially ready for Tenant's occupancy. (e) Nothing contained hereinabove shall relieve Tenant from liability that may exist as a result of damage from fire or other casualty. Not withstanding the foregoing, each party shall look first to any insurance in its favor before making any claim against the other party for recovery for loss or damage resulting from fire or other casualty, and to the extent that such insurance is in force and collectible and to the extent permitted by law. Owner and Tenant each hereby releases and waives all right of recovery against the other or any one claiming through or under each of them by way of subrogation or otherwise. The foregoing release and waiver shall be in force only if both releasors' insurance policies contain a clause providing that such a release or waiver shall not invalidate the insurance. If, and to the extent, that such waiver can be obtained only by the payment of additional premiums, then the party benefitting from by the payment of additional premiums, then the party benefitting from the waiver shall pay such premium within ten days after written demand or shall be deemed to have agreed that the party obtaining insurance coverage shall be free of any further obligation under the provisions herof with respect to waiver of subrogation. Tenant acknowledges that Owner will not carry invarance on Tenant's furniture and/or furnishings or any will not carry insurance on Tenant's furniture and/or furnishings or any fixtures or equipment, improvements, or appurtenances removable by Tenant and agrees that Owner will not be obligated to repair any damage thereto or replace the same. (f) Tenant hereby waives the provisions of Section 227 of the Real Property Law and agrees that the provisions of this article shall govern and control in lieu thereof.

Eminent 10. If the whole or any part of the demised premises shall be acquired or condemned by Eminent Domain for any public or quasi public use or purpose, then and in that event, the term of this lease shall cease and terminate from the date

of title vesting in such proceeding and Tenant shall have no claim for the value of any unexpired term of said lease and assigns to Owner, Tenant's entire interest in any such award.

Assignment, Mortgage, administrators, legal representatives, successors and assigns, expressly covenants that it shall not assign, mortgage or encumber this agreement, nor underlet, or suffer or permit the demised premises or any part thereof to be used by others, without the prior written consent of Owner in each instance. Transfer of the majority of the stock of a corporate Tenant shall be deemed an assignment. If this lease be assigned, or if the demised premises or any part thereof be underlet or occupied by anybody other than Tenant. ed an assignment. If this lease be assigned, or if the demised premises or any part thereof be underlet or occupied by anybody other than Tenant, Owner may, after default by Tenant, collect rent from the assignee, under-tenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, underletting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, under-tenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. The consent by Owner to an assignment or underletting shall not in any wise be construed to relieve Tenant from obtaining the express consent in writing of Owner to any further assignment or underletting. consent in writing of Owner to any further assignment or underletting.

Electric Current: 12. Rates and conditions in respect to submetering rent inclusion, as the case may be, to be added in RIDER attached hereto. Tenant covenants and agrees

RIDER attached hereto. Tenant covenants and agrees that at all times its use of electric current shall not exceed the capacity of existing feeders to the building or the risers or wiring installation and Tenant may not use any electrical equipment which, in Owner's opinion, reasonably exercised, will overload such installations or interfere with the use thereof by o'her tenants of the building. The change at any time of the character of electric service shall in no wise make Owner liable or responsible to Tenant, for any loss, damages or expenses

which Tenant may sustain.

which Tenant may sustain.

Access to

13. Owner or Owner's agents shall have the right (but shall not be obligated) to enter the demised premises in any emergency at any time, and, at other reasonable times, to examine the same and to make such repairs, replacements and improvements as Owner may deem necessary and reasonably desirable to the demised premises or to any other portion of the building or which Owner may elect to perform. Tenant shall permit Owner to use and maintain and replace pipes and conduits in and through the demised premises and to erect new pipes and conduits therein provided they are concealed when the demised premises, take all necessary materials and equipment into said premises without the same constituting an eviction nor shall the work in the demised premises, take all necessary materials and equipment into said premises without the same constituting an eviction nor shall the Tenant be entitled to any abatement of rent while such work is in progress nor to any damages by reason of loss or interruption of business or otherwise. Throughout the term hereof Owner shall have the right to enter the demised premises at reasonable hours for the purpose of showing the

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same to prospective purchasers or mortgagees of the building, and during the last six months of the term for the purpose of showing the same to prospective tenants. If Tenant is not present to open and permit an entry into the premises, Owner or Owner's agents may enter the same whenever such entry may be necessary or permissible by master key or forcibly and provided reasonable care is exercised to safeguard Tenant's property, such entry shall not render Owner or its agents liable therefor, nor in any event shall the obligations of Tenant hereunder be affected. If during the last month of the term Tenant shall have removed all or substantially all of Tenant's property therefrom. Owner may immediately enter, alter, renovate or redecorate the demised premises without limitation or abate-ment of rent, or incurring liability to Tenant for any compensation and such act shall have no effect on this lease or Tenant's obligations

Vault, Space, Closed or covered, not within the property line of the building is leased hereunder, anything contained in or indicated on any sketch, blue print or plan, or anything contained elsewhere in this lease to the contrary notwithstanding. Owner makes no representation as to the location of the property line of the building. All vaults and vault space and all such areas not within the property line of the building, which Tenant may be permitted to use and/or occupy, is to be used and/or occupied under a revocable license, and if any such license be revoked, or if the amount of such space or area be diminished or required by any federal, state or municipal authority or diminished or required by any federal, state or municipal authority or public utility, Owner shall not be subject to any liability nor shall Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such revocation, diminution or requisition be deemed constructive or actual eviction. Any tax, fee or charge of municipal authorities for such vault or area shall be paid by Tenant.

Occupancy:

15. Tenant will not at any time use or occupy the demised premises in violation of the certificate of occupancy issued for the building of which the demised premises are a part. Tenant has inspected the premises and accepts them as is, subject to the riders annexed hereto with respect to Owner's work, if any. In any event, Owner makes no representation as to the condition of the premises and Tenant agrees to accept the same subject to violations, whether or not of record.

Bankruptcy: 16. (a) Anything elsewhere in this lease to the contrary Bankruptcy:

16. (a) Anything elsewhere in this lease to the contrary notwithstanding, this lease may be cancelled by Owner by the sending of a written notice to Tenant within a reasonable time after the happening of any one or more of the following events: (1) the commencement of a case in bankruptcy or under the laws of any state naming Tenant as the debtor; or (2) the making by Tenant of an assignment or any other arrangement for the benefit of creditors under any state statute. Neither Tenant nor any person claiming through or under Tenant, or by reason of any statute or order of court, shall thereafter be entitled to possession of the premises demised but shall forthwith quit and surrender the premises. If this lease shall be assigned in accordance with its terms, the provisions of this Article 16 shall be applicable only to the party then owning Tenant's interest in this lease.

(b) it is stipulated and agreed that in the event of (b) it is stipulated and agreed that in the event of the termination of this lease pursuant to (a) hereof. Owner shall forth-with, notwithstanding any other provisions of this lease to the contrary, be entitled to recover from Tenant as and for liquidated damages an amount equal to the difference between the rent reserved hereunder for the unexpired portion of the term demised and the fair and reasonable rental value of the demised premises for the same period. In the computa-tion of such damages the difference between any installment of rent becoming due hereunder after the date of termination and the fair and reasonable rental value of the demised sequiper for the period for which reasonable rental value of the demised premises for the period for which such installment was payable shall be discounted to the date of termination at the rate of four percent (4%) per annum. If such premises or any part thereof be relet by the Owner for the unexpired term of said lease, or part thereof be relet by the Owner for the unexpired term of said lease, or any part thereof, before presentation of proof of such liquidated damages to any court, commission or tribunal, the amount of rent reserved upon such reletting shall be deemed to be the fair and reasonable rental value for the part or the whole of the premises so re-let during the term of the re-letting. Nothing herein contained shall limit or prejudice the right of the Owner to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, such damages age to be proved, whether or not such amount be greater, equal to, or less than the amount of the difference referred to above. referred to above.

17. (1) If Tenant defaults in fulfilling any of the covenants of this lease other than the covenants for the payment of rent or additional rent; or if the demised premises becomes va-cant or deserted; or if any execution or attachment shall be issued against Tenant or deserted; of it any execution or attachment shall be issued against Tenant or any of Tenant's property whereupon the demised premises shall be taken or occupied by someone other than Tenant; or if this lease be rejected under § 235 of Title 11 of the U.S. Code (bankruptcy code); or if Tenant shall (ail to move into or take possession of the premises within fifteen (15) days after the commencement of the term of this lease, then, fifteen (15) days after the commencement of the term of this lease, then, in any one or more of such events, upon O'mer serving a written five (5) days notice upon Tenant specifying the nature of said default and upon the expiration of said five (5) days, if Tenant shall have failed to comply with or remedy such default, or if the said default or omission complained of shall be of a nature that the same cannot be completely cured or remedied within said five (5) day period, and if Tenant shall not have diligently commenced during such default within such five (5) day period, and shall not thereafter with reasonable diligence and in good faith, proceed to remedie or remedy or commenced.

and shall not thereafter with reasonable diligence and in good talth, proceed to remedy or cure which the company of the expiration of said three (3) days this lease upon Tenant, and upon the expiration of said three (3) days this lease and the term thereunder shall end and expire as fully and completely as if the expiration of such three (3) day period were the day herein definitely fixed for the end and expiration of this lease and the term thereof and Tenant shall then quit and surrender the demised premises to Owner but Tenant shall remain liable as hereinafter provided.

(2) If the notice provided for in (1) hereof shall have been given, and the term shall expire as aforesaid: or if Tenant shall make default in the payment of the rent reserved herein or any item of additional rent herein mentioned or any part of either or in making any other payment herein required: then and in any of such events Owner may without expires the defaulted are in the first of the payment has a support of the payment of without notice, re-enter the demised premises either by force or other-wise, and disj ossess ¹ enant by summary proceedings or otherwise, and the legal representative of Tenant or other occupant of demised premises and remove their effects and hold the premises as if this lease had not been made, and Tenant hereby waives the service of notice of intention to re-enter or to institute legal proceedings to that end. If Tenant shall make default hereunder prior to the date fixed as the commencement of any renewal or extension of this lease, Owner may cancel and terminate such renewal or extension agreement by written notice.

Remedies of Owner and Waiver of Redemption: 18. In case of any such default, re-entry, expiration and/ or dispossess by summary proceedings or other-wise, (a) the rent shall become due thereupon and be paid up to the time of such re-entry, dispossess and/or expiration, (b) Owner may re-let the premises or any

part or parts thereof, either in the name of Owner or otherwise, for a term or terms, which may at Owner's option be less than or exceed the period or terms, which may at Owner's option be less than or exceed the period which would otherwise have constituted the balance of the term of this lease and may grant concessions or free rent or charge a higher rental than that in this lease, and/or (c) Tenant or the legal representatives of Tenant shall also pay Owner as liquidated damages for the failure of Tenant to observe and perform said Tenant's convenants herein contained, any deficiency between the rent hereby reserved and/or covenanted to be paid and the net amount, if any, of the rents collected on account of the lease or leases of the demised premises for each month of the period which would otherwise have constituted the balance of the term of this lease. would otherwise have constituted the balance of the term of this lease.

The failure of Owner to re-let the premises or any part or parts thereof shall not release or affect Tenant's liability for damages. In computing such liquidated damages there shall be added to the said deficiency such such figurated damages there shall be added to the said deficiency such expenses as Owner may incur in connection with re-letting, such as legal expenses, attorneys' fees, brokerage, advertising and for keeping the demised premises in good order or for preparing the same for re-letting. Any such liquidated damages shall be paid in monthly installments by Tenant on the rent day specified in this lease and any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Owner to collect the deficiency of any way the rights of Owner to collect the deficiency of any subsequent month by a similar proceeding. Owner, in putting the demised premises in good order or preparing the same for re-rental may, at Owner's option, make such alterations, repairs, replacements, and/or decorations in the demised premises as Owner, in Owner's sole judgment, considers advisable and necessary for the purpose of re-letting the demised premises, and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Tenant from liability hereunder as aforesaid. Owner shall in no event be liable in any way whatsoever for failure to re-let the demised premises, or in the event that the demised premises are re-let, for failure to collect the rent event that the demised premises are re-let, for failure to collect the rent thereof under such re-letting, and in no event shall Tenant be entitled to receive any excess, if any, of such net rents collected over the sums payable by Tenant to Owner hereunder. In the event of a breach or threatened breach by Tenant of any of the covenants or provisions hereof, Owner shall have the right of injunction and the right to invoke any remedy allowed at law or in equity as if re-entry, summary proceedings and other remedies were not herein provided for. Mention in this lease of any particular remedy, shall not preclude Owner from any other remedy, in law or in equity. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Owner obtaining possession of demised premises, by reason of the violation by Tenant of any of the covenants and conditions of this lease, or otherwise.

Fees and 19. If Tenant shall default in the observance or performance of any term or covenant on Tenant's part to be observed or performed under or by virtue of any of the terms or provisions in any article of this lease, then, unless otherwise provided elsewhere in this lease, Owner may immediately or at any time thereafter and without notice perform the obligation of Tenant thereunder. If Owner, in connection with the foregoing or in connection with any default by Tenant in the covenant to pay rent hereunder, makes any expenditures or incurs any obligations for the payment of money, in-cluding but not limited to attorney's fees, in instituting, prosecuting or defending any action or proceeding, then Tenant will reimburse Owner for such sums so paid or obligations incurred with interest and costs. The for such sums so paid of obligations incurred with interest and costs. The foregoing expenses incurred by reason of Tenant's default shall be deemed to be additional rent hereunder and shall be paid by Tenant to Owner within five (5) days of rendition of any bill or statement to Tenant therefor. If Tenrant's lease term shall have expired at the time of making of such expendit ares or incurring of such obligations, such sums shall be recoverable by Owner as damages.

Bailding Alterations

Owner:

20. Owner shall have the right at any time without the same constituting an eviction and without incurring liability to Tenant therefor to change the arrangement and/or location of public entrances, passageways, doors, doorways, corridors, elevators, stairs, toilets or

doors, doorways, corridors, elevators, stairs, toilets or other public parts of the building and to change the name, number or designation by which the building may be known. There shall be no allowance to Tenant for diminution of rental value and no liability on the part of Owner by reason of inconvenience, annoyance or injury to business arising from Owner or other Tenants making any repairs in the more, Tenant shall not have any claim against Owner by reason of Owner's imposition of such controls of the manner of access to the building by Tenant's social or business visitors as the Owner may deem necessary for the security of the building and its occupants.

21. Neither Cwner nor Owners's agents have made any representations or promises with respect to the physical condition of the building, the land upon which No Representations by

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it is erected or the demised premises, the rents, leases, expenses of operation or any other matter or thing affecting or related to the premises except as herein expressly set forth and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in the provisions of this lease. Tenant has inspected the building and the demised premises and is thoroughly acquainted with their condition and agrees to take the same "as is" and acknowledges that the taking of possesion of the demised premises by Tenant shall be conclusive evidence that the said premises and the building of which the same form a part were in good and satisfactory condition at the time such possession was so taken, except as to latent defects. All understandings and agreements heretofore made between the parties hereto are merged in this contract, which alone fully and completely expresses the agreement between Owner and Tenant and any executory agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of it in whole or in part, unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.

End of 22. Upon the expiration or other termination of the

End of
Term:

Compare the demised premises, broom clean, in good order and condition, ordinary wear and damages which Tenant is not required to repair as provided elsewhere in this lease excepted, and Tenant shall remove all its property. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of this lease. If the last day of the term of this Lease or any renewal thereof, falls on Sunday, this lease shall expire at noon on the preceding Saturday unless it be a legal holiday in which case it shall expire at noon on the preceding business day.

Quiet
Enjoyment:
Owner covenants and agrees with Tenant that
upon Tenant paying the rent and additional rent and
observing and performing all the terms, covenants and
conditions, on Tenant's part to be observed and performed, Tenant may
peaceably and quietly enjoy the premises hereby demised, subject, nevertheless, to the terms and conditions of this lease including, but not limited
to, Article 30 hereof and to the ground leases, underlying leases and mortgages hereinbefore mentioned.

Failure

24. If Owner is unable to give possession of the demised premises on the date of the commencement of the term hereof, because of the holding-over or retention of possession of any tenant, undertenant or occupants or if the demised premises are located in a building being constructed, because such building has not been sufficiently completed to make the premises ready for occupancy or because of the fact that a certificate of occupancy has not been procured or for any other reason, Owner shall not be subject to any liability for failure to give possession on said date and the validity of the lease shall not be impaired under such circumstances, nor shall the same be construed in any wise to extend the term of this lease, but the rent payable hereunder shall be abated (provided Tenant is not responsible for Owner's inability to obtain possession) until after Owner shall have given Tenant written notice that the premises are substantially ready for Tenant's occupancy. If permission is given to Tenant to enter into the possession of the demised premises or to occupy premises other than the demised premises prior to the date specified as the commencement of the term of this lease, Tenant covenants and agrees that such occupancy shall be deemed to be under all the terms, covenants, conditions and provisions of this lease, except as to the covenant to pay rent. The provisions of this article are intended to constitute "an express provision to the contrary" within the meaning of Section 223-a of the New York Real Property Law.

No Walver:

Of, or to insist upon the strict performance of any covenant or condition of this lease or of any of the Rules or Regulations, set forth or hereafter adopted by Owner, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation. The receipt by Owner of rent with knowledge of the breach of any covenant of this lease shall not be deemed a waiver of such breach and no provision of this lease shall be deemed a waiver of such breach and no provision of this lease shall be deemed to have been waived by Owner unless such waiver be in writing signed by Owner. No payment by Tenant or receipt by Owner of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement of any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Owner may accept such check or payment without prejudice to Owner's right to recover the balance of such rent or pursue any other remedy in this lease provided. No act or thing done by Owner or Owner's agents during the term hereby demised shall be deemed an acceptance of a surrender of said premises, and no agreement to accept such surrender shall be valid unless in writing signed by Owner. No employee of Owner or Owner's agent shall have any power to accept the keys of said premises prior to the termination of the lease and the delivery of keys to any such agent or employee shall not operate as a termination of the lease or a surrender of the premises.

Walver of
Trial by Jury:

Tenant that the respective parties hereto shall and they hereby do walve trial by jury in any action, proceeding or counter-

claim brought by either of the parties hereto against the other (except for personal injury or property damage) on any matters whatsoever arising out of or in any way connected with this lease, the relationship of Owner and Tenant, Tenant's use of or occupancy of said premises, and any emergency statutory or any other statutory remedy. It is further mutually agreed that in the event Owner commences any summary proceeding for possession of the premises, Tenant will not interpose any counterclaim of whatever nature or description in any such proceeding including a COURING TENANT AND TENEDRAL TENEDRAL

Inability to
Perform:

This Lease and the obligation of Tenant to pay rent hereunder and perform all of the other covenants and agreements hereunder on part of Tenant to be performed shall in no wise be affected, impaired or excused because Owner is

unable to fulfill any of its obligations under this lease or to supply or is delayed in supplying any service expressly or impliedly to be supplied or is unable to make, or is delayed in making any repair, additions, alterations or decorations or is unable to supply or is delayed in supplying any equipment or fixtures if Owner is prevented or delayed from so doing by reason of strike or labor troubles or any cause whatsoever including, but not limited to, government preemption in connection with a National Emergency or by reason of any rule, order or regulation of any department or subdivision thereof of any government agency or by reason of the conditions of supply and demand which have been or are affected by war or other emergency.

Bills and
Notices:

28. Except as otherwise in this lease provided, a bill, statement, notice or communication which Owner may desire or be required to give to Tenant, shall be deemed sufficiently given or rendered if, in writing, delivered to Tenant personally or sent by registered or certified mail addressed to Tenant at the building of which the demised premises form a part or at the last known residence address or business address of Tenant or left at any of the aforesaid premises addressed to Tenant, and the time of the rendition of such bill or statement and of the giving of such notice or communication shall be deemed to be the time when the same is delivered to Tenant, mailed, or left at the premises as herein provided. Any notice by Tenant to Owner must be served by registered or certified mail addressed to Owner at the address first hereinabove given or at such other address as Owner shall designate by written notice.

29. As long as Tenant is not in default under any of the

29. As long as Tenant is not in default under any of the covenants of this lease, Owners shall provide: (a) Owners necessary elevator facilities on business days from 8 a.m. to 6 p.m. and on Saturdays from 8 a.m. to 1 p.m. and have one elevator subject to call at all other times; (b) heat to the demised premises when and as required by law, on business days from 8 a.m. to 6 p.m. and on Saturdays from 8 a.m. to 1 p.m. and on Saturdays from 8 a.m. to 1 p.m. and on Saturdays from 8 a.m. to 1 p.m.; (c) water for on-x dinery business when and as required by law, on business days from 8 a.m. to 1 p.m.; (c) water for any other purposes or in unusual quantities (of which fact Owner shall be the sole judge). Owner may install a water meter at Tenant's expense which Tenant shall thereafter maintain at Tenant's expense in good working order and repair to register such water consumption and Tenant shall pay for water consumed as shown on said meter as additional rent as and when bills are rendered; (d) cleaning service for the demised premises on business days at Owner's expense provided that the same are kept in order by Tenant. If, however, said premises are to be kept clean by Tenant, it shall be done at Tenant's ole expense, in a manner satisfactory to Owner and no one other than persons approved by Owner shall be permitted to enter said premises or the building; (e) If the demised premises is serviced by Owner's air conditioning/cooling and ventilation will be furnished to tenant from May 15th through September 30th on business days (Mondays through Fridays, holidays excepted) from 8:00 a.m. to 6:00 p.m., and ventilation will be furnished on business days during the aforesaid hours except when air conditioning/cooling or ventilation for more extended hours or on Saturdays, Sundays or on holidays, as defined under Owner's contract with Operating Engineers Local 94-94A, Owner will furnish the same at Tenant's expense. RIDER to be added in respect to rates and conditions for such additional service;

spect to rates and conditions for such additional service;

(f) Owner reserves the right to stop services of the heating, elevators, plumbing, air-conditioning, power systems or cleaning or other services, if any, when necessary by reason of accident or for repairs, alterations, teplacements or improvements necessary or desirable in the judgment of Owner for as long as may be reasonably required by reason thereof. If the building of which the demised premises are a part supplies manually-operated elevator service, Owner at any time may substitute automatic-control elevator service and upon ten days' written notice to Tenant, proceed with alterations necessary thesefor without in any wise affecting this lease or the obligation of Tenant hereunder. The same shall be done with a minimum of inconvenience to Tenant and Owner shall pursue the alteration with due diligence.

Captions: 30. The Captions are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this lease nor the intent of any provisions thereof.

Definitions:

31. The term "office", or "offices", wherever used in this lease, shall not be construed to mean premises used as astore or stores, for the sale or display, at any time, of goods, wares or merchandise, of any kind, or as a restaurant, shop, booth, bootblack or other stand, barber shop, or for other similar purposes or for manufacturing. The term "Owner" means a landlord or lessor, and as used in this lease means only the owner, or the mortgagee in possession, for the time being of the land and building (or the owner of a lease of the building or of the land and building) of which the demised premises form a part, so hat in the event of any sale or sales of said land and building or of said lease, or in the event of a lease of said building, or of the land and building, the said Owner shall be and hereby is entirely freed and relieved of all covenants and obligations of Owner hereunder, and it shall be deemed and construed without fusther agreement between the parties or their successors in interest, or between the parties and the purchaser, at any such sale, or the said lessee of the building, or of the land and building, that the purchaser or the lessee of the building has assumed and agreed to carry out any and all covenants and obligations of Owner, hereunder. The words "re-enter" and "re-entry" as used in this lease shall exclude Saturdays (except such portion thereof as is covered by specific hours in Article 29 hereof), Sundays and all day observed by the State or Federal Covernment as legal holidays and those designated as holidays by the applicable Operating Engineers contract with respect to HVAC service.

** FREIGHT: BUS days 9-12 & 1-4:30 (No Sat. Freight)

Rider to be added if necessary.

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32. If an excavation shall be made upon land adjacent to the demised premises, or shall be authorized to be made, Tenant shall afford to the person causing or au-Adjacent Shoring: thorized to cause such excavation, license to enter upon

the demised premises for the purpose of doing such work as said person shall deem necessary to preserve the wall or the building of which demised premises form a part from injury or damage and to support the same by proper foundations without any claim for damages or indemnity against Owner, or diminution or abatement of rent.

33. Tenant and Tenant's servants, employees, agents,

Regulations visitors, and licensees shall observe faithfully, and comply strictly with, the Rules and Regulations and such other and further reasonable Rules and Regulations as Owner or Owner's agents may from time to time adopt. Notice of any additional rules or regulations shall be given in such manner as Owner may elect. In case Te-nant disputes the reasonableness of any additional Rule or Regulation hereafter made or adopted by Owner or Owner's agents, the parties hereto agree to submit the question of the reasonableness of such Rule or Regulation for decision to the New York office of the American Arbitra-tion Association, whose determination shall be final and conclusive upon the parties hereto. The right to dispute the reasonableness of any additional Rule or Regulation upon Tenant's part shall be deemed waived unless the same shall be asserted by service of a notice, in writing upon Owner within ten (10) days after the giving of notice thereof. Nothing in this lease contained shall be construed to impose upon Owner any duty or obligation to enforce the Rules and Regulations or terms, covenants or conditions in any other lease, a pariety was other tenant and Course shall conditions in any other lease, as against any other tenant and Owner shall not be liable to Tenant for violation of the same by any other tenant, its INITIAL TICKE
Security:

34. Tenant has described and

34. Tenant has deposited with Owner the sum of \$4,996.50 as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this lease, it is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this lease, including, but not limited to, the payment of rent and additional rent. Owner may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any rent and additional rent or any other sum

as to which Tenant is in default or for any sum which Owner may expend or may be required to expend by reason of Tenant's default in respect of any of the terms, covenants and conditions of this lease, including but not limited to, any damages or deficiency in the re-letting of the premises, whether such damages or deficiency accrued before or after summary proceedings or other re-entry by Owner. In the event that Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this lease, the security shall be returned to Tenant after the date fixed as the end of the Lease and after delivery of entire posses-sion of the demised premises to Owner. In the event of a sale of the land sion of the demised premises to Owner. In the event of a sale of the land and building or leasing of the building, of which the demised premises form a part, Owner shall have the right to transfer the security to the vendee or lessee and Owner shall thereupon be released by Tenant from all liability for the return of such security; and Tenant agrees to look to the new Owner solely for the return of said security, and it is agreed that the provisions hereof shall apply to every transfer or assignment made of the security to a new Owner. Tenant further convenants that it will not assign or encumber or attempt to assign or encumber the monies deposited therein as requirity and that neither Owner are its recovery. deposited herein as security and that neither Owner nor its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance. SEE ARTICLE 39

Estoppel 35. Tenant, at any time, and from time to time, upon at least 10 days' prior notice by Owner, shall execute, acknowledge and deliver to Owner, and/or to any other person, firm or corporation specified by Owner, a statement certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications), stating the dates to which the rent and additional rent have been paid, and stating whether or not there exists any default by Owner under this Lease, and, if so, specifying each such default.

36. The covenants, conditions and agreements con-tained in this lease shall bind and inure to the benefit of Owner and Tenant and their respective heirs, distriband Assigns: utees, executors, administrators, successors, and except as otherwise provided in this lease, their assigns.

Space to be filled in or deleted.

personally came

to me known and known to me to be the individual

described in and who, as OWNER, executed the foregoing instrument and acknowledged to me that

ADDITIONAL ARTICLES 37 through 68 ATTACHED HERETO AND MADE A PART HEREOF

In Witness Whereuf. Owner and Tenant have respectively signed and sealed this lease as of the day and year first

bove written.	tivity signed and scaled this least as of the day and year hist
Vitness for Owner:	26 ASSOCIATES, INC.
	By flaw an Millo, Pres. [L.S.]
Vitness for Tenant:	MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC. SEAL
Tilin 3 Steke	BY: Multill [L.S.]
ACKNOWLE	DGMENTS
CORPORATE OWNER STATE OF NEW YORK, 56.: County of	CORPORATE TENANT STATE OF NEW YORK COUNTY OF LIZE / CV. 18.:
On this day of , 19 , before me	On this Va day of Warch , 1986, before me
personally came to me known, who being by me duly sworn, did depose and say that he resides	personally came Tay of Mothers work to me known, who being by me duly sworn, did depose and say that he resides
n :	in 76W York CITY :
that he is the of	that he is the Exec. Director of the meworth to bound Two
the corporation described in and which executed the foregoing inst ument, as OWNER: that he knows the seal of said corporation; that the seal affixed to said in- strument is such corporate seal; that it was so affixed by order of the Board of Direc- tors of said corporation, and that he signed his name thereto by like order.	the corporation described in and which executed the foregoing instrument, as TEN-ANT; that he knows the seal of said cooporation, that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.
	Darie Goldman
INDIVIDUAL OWNER STATE OF NEW YORK, se.: County of	INDIVIDUAL TENANT STATE OF NEW YORK. County of DAVID GOLDMAN Notary Public, State of New York No. 60.4757340 Qualified in Westchester Cty. Certificate Filed in NY. Cty. Comm. Expires 11\30\30\30

On this

personally came

acknowledged to me that

day of

to me known and known to me to be the individual

described in and who, as TENANT, executed the foregoing instrument and

he executed the same.

GUARANTY any of the rights or remedies reserved to Owner pursuant to the provisions of the

FOR VALUE RECEIVED, and in consideration for, and as an induce Owner making the within lease with Tenant, the undersigned guarantees to Owner, Owner's successors and assigns, the full performance and observance of all the covenants, conditions and agreements, therein provided to be performed and observed by Tenant, including the "Rules and Regulations" as therein provided, without requiring any notice of non-payment, non-performance, or non-observance, or proof, or notice, or demand, whereby to charge the undersigned therefor, all of which the undersigned hereby expressly waives and expressly agrees that the validity of this agreement and the obligations of the guarantor hereunder shall in no wise be ternated, affected or impaired by reason of the assertion by Owner against Tenant of

Dated New York City	19	the foregoing Guaranty and acknowledged to me that he executed the same.
WITNESS:		Notary
STATE OF NEW YORK,) ss.:		[L. S.
On this day of	, 19 , before me	Business Address
personally came to me known and known to me to be	the individual described in, and who executed	Firm Name

IMPORTANT - PLEASE READ

RULES AND REGULATIONS ATTACHED TO AND MADE A PART OF THIS LEASE IN ACCORDANCE WITH ARTICLE 33.

- 1. The sidewalks, entrances, driveways, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or encumbered by any Tenant or used for any purpose other than for ingress or egress from the demised premises and for delivery of merchandise and equipment in a prompt and efficient manner using for delivery of merchandise and equipment in a prompt and efficient manner using elevators and passageways designated for such delivery by Owner. There shall not be used in any space, or in the public hall of the building, either by any Tenant or by jobbers or others in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and sideguards. If said premises are situated on the ground floor of the building, Tenant thereof shall further, at Tenant's expense, keep the sidewalk and curb in front of said premises clean and free from ice, snow, dirt and grubbish. and rubbish.
- 2. The water and wash closets and plumbing fixtures shall not be used for a purposes other than those for which they were designed or constructed and no sweepings, rubbish, rags, acids or other substances shall be deposited therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by the Tenant who, or whose clerks, agents, employees or visitors, shall have caused it.
- No carpet, rug or other article shall be hung or shaken out of any win the building; and no Tenant shall sweep or throw or permit to be swept or thrown from the demised premises any dirt or other substances into any of the corridors or halls, elevators, or out of the doors or windows or stairways of the building and Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the demised premises, or permit or suffer the demised premises to be oc-cupied or used in a manner offensive or objectionable to Owner or other occupants cupied or used in a manner offensive or objectionable to Owner or other occupants of the buildings by reason of noise, odors, and/or vibrations, or interfere in any way with other Tenants or those having business therein, nor shall any animals or birds be then in about the building. Smoking or carrying lighted cigars or cigarettes in the elevators of the building is prohibited.
- No awnings or other projections shall be attached to the outside walls of the building without the prior written consent of Owner.
- 5. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Tenant on any part of the outside of the demised premises or the building or on the inside of the demised premises if the same is visible from the outside of the premises without the prior written consent of Owner, except that the name of Tenant may appear on the entrance door of the premises. In the event of the violation of the foregoing by any Tenant, Owner may remove same without any liability, and may charge the expense incurred by such removal to Tenant or Tenants violating this rule. Interior signs on doors and directory tablet shall be inscribed, painted or affixed for each Tenant by Owner at the expense of such Tenant, and
- shall be of a size, color and style acceptable to Owner.

 6. No Tenant shall mark, paint, drill into, or in any way deface any part of the demised premises or the building of which they form a part. No boring, cutting or

stringing of wires shall be permitted, except with the prior written consent of Owner, stringing of wires shall be permitted, except with the prior written consent of Owner, and as Owner may direct. No Tenant shall lay linoleum, or other similar floor covering, so that the same shall come in direct contact with the floor of the demised premises, and, if linoleum or other similar floor covering is desired to be used an interlining of builder's deadening felt shall be first affixed to the floor, by a paste or other material, soluble in water, the use of cement or other similar adhesive material being expressly prohibited.

within lease. The undersigned further covenants and agrees that this guaranty shall remain and continue in full force and effect as to any renewal, modification or exten-

sion of this lease and during any period when Tenant is occupying the premises as a "statutory tenant." As a further inducament to Owner to make this lease and in con-

"statutory tenant." As a further inducement to Owner to make this lease and in consideration thereof, Owner and the undersigned covenant and agree that in any action or proceeding brought by either Owner or the undersigned against the other on any matters whatsoever arising out of, under, or by virtue of the terms of this lease or of this guaranty that Owner and the undersigned shall and do hereby waive trial by

- No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any Tenant, nor shall any changes be made in existing locks or mechanism thereof. Each Tenant must, upon the termination of his Tenancy, restore to Owner all keys of stores, offices and toilet rooms, either furnished to, or otherwise procured by, such Tenant, and in the event of the loss of any keys, so furnished, such Tenant shall pay to Owner the cost thereof.
- Freight, furniture, business equipment, merchandise and bulky matter of any description shall be delivered to and removed from the premises only on the freight elevators and through the service entrances and corridors, and only during hours and in a manner approved by Owner. Owner reserves the right to inspect all freight to be brought into the building and to exclude from the building all freight which violates any of these Rules and Regulations of the lease or which these Rules and Regulations
- are a part.

 9. Canvassing, soliciting and peddling in the building is prohibited and each Tenant shall cooperate to prevent the same.

 10. Owner reserves the right to exclude from the building between the hours of 6 P.M. and 8 A.M. and at all hours on Sundays, and legal holidays all persons who do not present a pass to the building signed by Owner. Owner will furnish passes to persons for whom any Tenant requests same in writing. Each Tenant shall be responsible for all persons for whom he requests such pass and shall be liable to Owner for all acts of such persons.
- ble for all persons for whom he requests such pass and shall be made to Osther besons.

 11. Owner shall have the right to prohibit any advertising by any Tenant which in Owner's opinion, tends to impair the reputation of the building or its desirability as a as a building for offices, and upon written notice from Owner, Tenant shall refrain from or discontinue such advertising.

 12. Tenant shall not bring or permit to be brought or kept in or on the demised premises, any inflammable, combustable or explosive fluid, material, chemical or substance, or cause or permit any odors of cooking or other processes, or any unusual or other objectionable odors to permeate in or emanate from the demised
- unusual or other objectionable odors to permeate in or emanate troth the observable premises.

 13. If the building contains central air conditioning and ventilation, Tenant agrees to keep all windows closed at all times and to abide by all rules and regulations issued by the Owner with respect to such services. If Tenant requires air conditioning or ventilation after the usual hours, Tenant shall give notice in writing to the building or ventilation after the usual hours. Tenant shall give notice in writing to the building ror to 3:00 P.M. on the day prior in the case of after hours service required on week days, and prior to 3:00 P.M. on the day prior in the case of after hours service required on weekends or on holidays.

 14. Tenant shall not move any safe, heavy machinery, heavy equipment, bulky matter or fixtures ror fixtures into or out of the building, without Landord's prior written consent. If such safe, machinery, equipment, bulky matter or fixtures requires special handling, all work in connection therewith shall comply with the Administrative Code of the City of New York and all other laws and regulations applicable thereto and shall be done during such hours as Owner may designate.



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37. Submetered Electric Current

If the landlord elects to supply electric current to the demised premises, the tenant agrees that electric current will be supplied by the landlord and the tenant will pay the landlord or the landlord's designated agent, as additional rent for the supplying of electric current, an amount or amounts set by the landlord computed at a schedule of rates not exceeding those in the Service Classification No. 4 of Consolidated Edison Company of New York, Inc. in effect during August 1970. The landlord at its option may, however, increase the additional rent charged for supplying electricity to the demised premises based upon changes, occurring subsequent to the aforementioned date, in the method, rates or manner by which the landlord thereafter purchases electricity for the building of which the demised premises are a part. Such increases in the additional rent charges for electricity shall be determined by a comparison to the nearest full percentage of the average cost per kilowatt hour to the landlord at the rate in effect at which landlord will purchase electricity after such change. The periods to be used for the aforesaid computation shall be the bill periods ended in February and August immediately preceding such change. Average cost per kilowatt hour is defined as including energy charges, demand charges, fuel adjustment charges, rate adjustment charges, sales taxes where applicable, and/or any other factors used by the public utility in computing its charges to the landlord, applied to the kilowatt hours purchased by landlord during a given bill period. Where more than one meter measures the service of tenant, the service rendered through each meter may be computed and billed separately in accordance with the rates herein. Bills therefor shall be rendered at such times as landlord may elect and the amount shall be deemed to be, and be paid as, additional rent. In the event that such bills are not paid within five (5) days after the same are rendered, landlord may, without further notice, discontinue the service of electric current to demised premises without releasing tenant from any liability under this lease and without landlord or landlord's agent incurring any liability for any damage or loss sustained by tenant by such discontinuance of service. Tenant further agrees, on demand of the Landlord, to deposit with the Landlord a cash deposit, to be determined by the Landlord as sufficient to secure the payment of the current consumed by the Tenant in the demised premises. At the option of landlord, tenant is to purchase from landlord all lamps, bulbs, starters and ballasts used in the demised premises and to pay for cost of installation thereof.

Landlord shall not in any wise be liable or responsible to tenant for any loss or damage or expense which tenant may sustain or incur if either the quantity or character of electric service is changed or is no longer available or suitable for tenant's requirements. In no event shall landlord be required to supply any more electrical service than tenant's requirements at the inception of this tenant's occupancy. If at anytime the Tenant's maximum demand or consumption is reduced, and said reduction continues for a period of six (6) successive months, the reduced demand and consumption will constitute the entire amount of electricity service the Landlord will be required to furnish under this lease.

Tenant shall make no electrical installations, alterations, additions or changes to electrical equipment or appliances, or introduce any new machines or other equipment without the prior written consent of the Landlord in each instance. In the event the Landlord consents in writing to any of the aforesaid installations, alterations, additions or changes, the Tenant shall pay amperage charges, and if in the Landlord's sole judgment the Tenant's electrical requirements necessitate the installation of an additional riser, risers or other proper and necessary equipment in connection with the Tenant's electrical requirements, the same shall be installed by the Landlord at Tenant's sole expense. All such charges shall be additional rent, and paid for within then (10) days after the same are rendered.

Landlord may discontinue any of the aforesaid services upon thirty (30) days notice to tenant without being liable to tenant therefore or without in any way affecting this lease or the liability of tenant hereunder or causing a diminution of rent and the same shall not be deemed to be a lessening or diminution of services within the meaning of any law, rule or regulation now or hereafter enacted, promulgated or issued. In the event landlord gives such notice of discontinuance landlord shall permit tenant to receive such service direct from the public utility corporation upon condition that the tenant shall at its sole expense entirely segregate the tenant's electrical system so that the same is in no way dependent upon or connected to the circuits or distribution facilities of the landlord or any other tenant and that upon vacating the demised premises, tenant will restore at its sole expense same to the condition existing prior to such segregation.

Full floor tenants to include within their electric service all of the consumption for public halls and toilet facilities on each floor. All of the electrical work required is to be by the tenant at its cost and expense.

Tenant will comply with the General Rules, Regulations, Terms and Conditions applicable to Service, Equipment, Wiring and Changes in Requirements in accordance with the requirements of the public utility supplying electricity to the building in the same manner as if the tenant was serviced directly by such utility. If any tax is imposed upon landlord's receipt from the sale or resale of electrical energy to tenant by any Federal, State or Municipal Authority, tenant agrees that, where permitted by law, tenant's pro-rata share of such taxes shall be passed onto, and included in the bill of, and paid by, tenant to landlord.

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38. RENT ESCALATION RIDER

Section A.

Definitions: As used in this escalation rider:

- "Taxes" shall mean the aggregate amount of real estate taxes and assessments (exclusive of penalties, interest and discount thereon or with respect to a refund thereof) imposed upon the land and Building (including without limitation, (i) real estate taxes upon any "air rights" or payable by the Landlord to a ground lessor with respect thereto and (ii) any special assessments levied after the date of this lease for public benefits to land and/or Building (excluding an amount equal to the assessments payable in whole or in part during or for a Base Tax Year), which assessments, if payable in installments, shall be deemed payable in the maximum number of permissible installments in the manner in which such taxes and assessments are imposed as of the date hereof; provided, that if because of any change in the taxation of real estate, any other tax or assessment (including, without limitation, any occupancy, gross receipts or rental tax) is imposed upon Landlord or the owner of the land and/or Building, or upon or with respect to the land and/or Building or the occupancy, rents or income therefrom, in substitution for, or in addition to any of the foregoing Taxes, such other tax or assessment shall be deemed part of the Taxes.
- 2. "Base Annual Rental Rate" shall mean the rate of annual rent originally provided or formulated in this lease on the date of execution thereof, as such rate may be subsequently fixed, modified or supplemented in any way other than under the provisions of this escalation rider.
- 3. "Term of this lease" or "lease term" shall for the purpose of this rider, be deemed to mean the period beginning with the commencement date of this lease, or the date that Tenant takes possession, whichever is earlier, and ending with the date of the expiration or termination of this lease, or date that tenant vacates the premises, whichever is later.
- 4. "Tax Year" shall mean the period July 1 to June 30 (or such other period as hereafter may be duly adopted by the City of New York as its fiscal year for real estate tax purposes).
- 5. "Comparison Year" shall mean: (x) with respect to Taxes, any Tax Year subsequent to the Base Tax Year and (y) with respect to Wage Rates and other costs, any calendar year for any part or all of which there is an increase in Base Annual Rental Rate under Section B below.
- 6. "Base Tax Year" shall mean the calendar year 1986
- 7. "Base Taxes" shall mean the Taxes payable for the Base Tax Year.
- 8. "Tenant's Proportionate Percentage" shall be (1.33% and shall represent the agreed percentage of any increase or decrease in Taxes or other costs allocatable to Tenant under Sections B (1), (4) and (5);
- "The multiplier for the demised premises" shall for the purpose of this Article only, be ceemed to be 3331

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- 10. "Wage Rate" shall mean the Hourly Wage Rate for porters and cleaners. As used herein, "Hourly Wage Rate" shall mean as to porters and cleaners the minimum hourly wage rate prescribed to be paid in Class A office buildings pursuant to the collective bargaining agreement between the Realty Advisory Board on Labor relations, Incorporated (or any successors thereto) and Local 32B/J of the Building Service Employees International Union AFL-CIO (or any successor thereto in which agreement porters & cleaners fall within the classification termed "others"). The minimum hourly wage rate shall be computed on the basis of the total weekly amounts payable to porters and cleaners for a standard work week, and which weekly amounts shall be inclusive of all payments and benefits of any kind (including but not limited to, those payable directly to taxing authorities or others on account of the employment and all welfare, pension and fringe employee benefits and payments of any kind); and if there be no such agreement with respect to either porters or cleaners, the minimum hourly wage rate for said employees paid with respect to the Building, computed as aforesaid.
- 11. "Base Wage Rate" shall mean the Wage Rate in effect as of 1986
- Heating Cost is the cost of heating the building, either by New York Steam or other methods including all incidental oil, fuel and cost attached thereto.

Section B.

Increase in Rent.

- If the Taxes payable for any Tax Year (any part or all of which falls within the lease term) subsequent to Base Tax Year shall represent an increase above the Base Taxes, then the Base Annual Rental Rate for such Tax Year (i.e., Comparison Year) and continuing thereafter until a new comparative statement is sent to Tenant, shall be increased by the Tenant's Proportionate Percentage of the increase. The real estate taxes involved in this paragraph (1) shall be initially computed on the basis of the assessed valuations in effect at the time the comparative statement is sent (as such assessed valuations may have been settled or finally adjudicated prior to such time), regardless of any pending application proceeding or appeal respecting the reduction of any such assessed valuations. If, in or for any Comparison Year, there shall be an exemption or abatement of taxes on account of changes or additions to the Building at Landlord's expense and made pursuant to requirement of any law or government regulation, the Taxes for such year shall be calculated as though there were no such exemption or abatement.
- 2. Only the Landlord shall be eligible to institute tax reduction or other proceedings to reduce the assessed valuation of the premises. In the event such action is successful, Landlord shall not adjust the tax for base year but shall continue to use the higher tax originally paid for purposes of measuring the increase in taxes over the base year contemplated by this clause. Conversely, the Tenant shall have no right, title or interest in any tax refunds resulting from these proceedings nor shall it be charged with any expenses in connection therewith.
- 3. If, at any time or times in any calendar year (any part or all of which falls within the lease term), the Wage Rate shall exceed the Base Wage Rate, then the Base Annual Rental Rate commencing with the month in which such change(s) of Wage Rate occurs, and for the

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balance of such calendar year (i.e., a Comparison Year) and continuing thereafter until a new comparative statement is sent to Tenant shall, for each one cent or major fraction thereof that such Wage Rate exceeds the Base Wage Rate, be increased by an amount equal to one and one-half cents multiplied by "the multiplier for the demised premises".

- 4. Tenant shall also pay to Landlord, within thirty (30) days after the date, when the same shall be payable by Landlord, and as additional rent for the lease year in which the same shall be so payable, an amount equal to 1.33% of any assessment or installment thereof for public betterments or improvements which may be levied upon the said land and building and which is not deductible from any condemnation award. Landlord shall take the benefit of the provisions of any statute or ordinance permitting any such assessment to be paid over a period of time and Tenant shall be obligated to pay only the said percentage of the installments of any such assessments which shall become due and payable during the term of this lease.
- 15. If, in any calendar year (any part or all of which falls within the lease term), repairs, alterations or changes or outside alarm connections are required by any law, governmental or quasi governmental regulations, (as for example, New York City Local Law #5, #10), then the Base Annual Rental Rate for the next succeeding calendar year (i.e., a Comparison Year) and continuing thereafter for each succeeding year (and any fraction thereof) during the balance of the lease term shall (to the extent that such costs are being amortized or monies expended during the balance of the lease term) be increased by an amount equal to Tenant's Proportionate Percentage of the annual amortization or expenditure of such cost.

Section C.

Payment.



At any time during or after any Comparison Year Landlord shall send Tenant a comparative statement(s) showing, separately or together: (i) a comparison of the Taxes for the Comparison Year with the Base Taxes, (ii) a comparison of the Wage Rate in the Comparison Year with the Base Wage Rate, (iii) a statement showing the cost incurred, if any, mentioned in Section B (4) and (5) above, the amount of annual amortization thereof and the sum equal to Tenant's Proportionate Percentage of such latter amount, and (iv) the amount of the increase in the Base Annual Rate resulting from each of such comparisons.

- 2. On the first day for the payment of a monthly rent installment following the furnishing to Tenant of the said comparison statement, (i) Tenant, in case of an increase, shall pay to Landlord a sum equal to 1/12th of such increase in Base Annual Rental Rate, multiplied by the number of preceding months (and any fraction thereof) for which the increase is applicable, and (ii) thereafter, commencing with the then current monthly rent installment, and continuing monthly thereafter, until a different comparative statement is sent to Tenant, the monthly installments of rent shall be increased by an amount equal to 1/12th of such increase. In the event the last mentioned increased monthly installments of rent shall continue beyond the end of the Comparison Year, any necessary adjustments will be made when the next succeeding comparison statement is sent to Tenant.
- (a) A true copy of the Tax Bill of the City of New York shall be sufficient evidence of the amount of Taxes and for calculation of the amount to be paid by Tenant, any comparative state-

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ment, and every notice given by Landlord pursuant to this Article shall be conclusive and binding upon Tenant unless within ten (10) days after the receipt of such notice Tenant shall notify Landlord that it disputes the correctness of the notice, specifying the particular respects in which the notice is claimed to be incorrect, and pending the determination of such dispute Tenant shall pay additional rent in accordance with Landlord's notice and such payments or acceptance shall be without prejudice to its position. If such notice is sent, the Landlord shall promptly send a detailed analysis which is to be verified by a Certified Public Accountant as conclusive. All amounts payable under this Article shall be collectible as additional rent without set-off or deduction within twenty (20) days after demand by Landlord, and at the discretion of the Landlord the monthly rent thereafter may be adjusted to reflect such increases.

(b) Landlord's failure during the lease term to prepare and deliver any of the foregoing tax bills, statements, or bills, or Landlord's failure to make a demand, shall not in any way cause Landlord to forfeit or surrender its rights to collect any of the foregoing escalator increases which may have become due during the term of this lease, all such obligations are to survive the lease term. In the event of continued occupancy, without any other written rental arrangements, these provisions continue to apply as herein provided.

Section D.

Cost of Living Index.

- "Index" shall mean the "Consumer Price Index for Urban Wage Earners and Clerical Workers" (1967 = 100)" specified for "All Items" relating to New York and issued by the Bureau of Labor Statistics of the United States Department of labor. In the event the Index shall hereafter be converted to a different standard reference base or otherwise revised, the determination of the Percentage Increase (defined below) shall be made with the use of such conversion factor, formula or table for converting the Index as may be published by the Bureau of Labor Statistics or, if said Bureau shall not publish the same, then with the use of such conversion factor, formula or table as may be published by Prentice Hall, Inc., or, failing such publication, by any other nationally recognized publisher of similar statistical information. In the event the Index shall cease to be published, the, for the purposes of this Rider, there shall be substituted for the Index such purposes of this Rider, there shall be substituted for the Index such other index as Landlord and Tenant shall agree upon, and, if they are unable to agree within ninety days after the index ceases to be published, such matter shall be determined in New York City by arbitration in accordance with the Rules of the American Arbitration Association.
- (b) "Base Index" shall mean the Index in effect in the month of June or December whichever first precedes the month in which this lease takes effect.
- (c) "Anniversary Month" shall mean each June and December after the month when this lease takes effect and every June and December thereafter for the term of the lease. In the event

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the lease takes effect in an Anniversary Month, then the Anniversary Month shall be the "Base Index".

- (d) "Percentage Increase" shall mean the percentage equal to the fraction, the numerator of which shall be the Index in the Anniversary Month less the Base Index, and the denominator of which shall be the Base Index.
- If the index in an Anniversary Month shalf exceed the Base Index, then the Base Annual Rental payable for the previous period and thereafter until a new Index Comparative statement is sent to Tenant shall be increased by the "Percentage Increase" as computed in Sub-paragraph (d). On each "Anniversary Month", the Landlord shall send Tenant an Index Comparative Statement setting forth a) the Index in the Anniversary Month preceding the date of the statement, b) the Base Index, c) the Percentage Increase, and d) the increase on the Base Annual Rate for the preceding six months. On the first day of the calendar month ("current month") following the month in which the Index Comparative Statement was sent (i) Tenant shall pay to the Landlord a sum equal to 1/12th of said increase in Base Annual Rental Rate multiplied by the number of calendar months of the lease term since the last Anniversary Month and (ii) thereafter commencing with the current month and continuing monthly thereafter until a different Index Comparative Statement is sent to Tenant, the monthly installments of rent shall be based upon the latest "Percentage increase" until a new Comparative Statement is sent to Tenant.

Section E.

General

- Under no circumstances shall the rental payable under this lease be at a rate less than the Base Annual Rental Rate originally provided under this lease.
- The expiration or termination of this lease during any Tax Year or any calendar year for any part or all of which there is an increase in Base Annual Rental Rate under the rider shall not affect the rights or obligations of the parties hereto respecting such increase and any comparative statement relating to such increase may, on a pro rata basis, be sent to Tenant subsequent to, and all such rights and obligations shall survive, any such expiration or termination. Any payments due under such statement shall be payable within 20 days after such statement is sent to Tenant.
- Failure by the landlord to bill escalation for any period is not a waiver of such charges; and the landlord can rectify and bill as may apply and the tenant is required to pay as herein provided.

Section F.

Heating Cost Adjustment.

- The calendar year prior to the date of the lease shall be the "base year" for the calculation of "Heating Cost".
- 2. If, in any year subsequent to the "base year", the "Heating Cost" is increased as a result of increases in, or additions to, the charges, fuel adjustment, taxes surcharges, energy or other increases of any kind, tenant shall pay as additional rent 1.33% of such increase for each subsequent annual year, or until a new Heating Cost Adjustment is necessary. For any period less than twelve months, such applicable cost shall be prorated.

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- 39. a. The sum of \$ 1,318.52 held by the Landlord as security under lease dated March 17, 1976 pursuant to the provisions of Article " 47" thereof, shall be transferred to the within lease and be held by the Landlord, together with an additional sum of \$ 3,677.98 to be paid by the Tenant to the Landlord on signing, receipt of which is hereby acknowledged by the execution hereof, as security in the sum of \$ 4,996.50 under the within lease, subject to the provisions of Article " 34" hereof.
- b. Supplementing Article "34" hereof, the security and/or additional security amounting to \$4,996.50 is to be deposited initially in Chemical Bank, 55 Water Street, New York, New York or as may be redeposited by the owner in a similar bank subject to the same provisions in an interest-bearing account in accordance with the New York State General Obligations Law, Section 7. 103, less Administrative Fee due the Landlord; to be held to the end of the lease term. Tenant's I.D. Number in connection with Security #: 13-6209691
- 40. It is mutually understood that by the making of this lease, the Landlord does not waive any rights which it previously had under lease dated March 17, 1976 but the rights of the Landlord are in addition to those which it now has.
- 41. The Tenant covenants and represents that the sole broker who negotiated and brought about this transaction was

CROSS & BROWN COMPANY

and the Landlord agrees to pay such broker's commission therefor as per separate agreement.

- 42. Anything herein to the contrary notwithstanding, the premises herein mentioned are demised, for the whole term with the whole amount of the rent herein reserved due and payable at the time of the making of this lease, and the payment of rent in installments as provided is for the convenience of the Tenant only, and in the event of default of any installment of rent, then the whole of the rent reserved for the whole of the period then remaining unpaid, shall, at Landlord's option, at once become due and payable without any notice or demand.
- 43. The rent provided for in the within lease is to be paid at the office of Cross & Brown Company, 522 Fifth Avenue, New York, New York 10036 during regular business hours, either by personal delivery or by mail, or to any other agent and/or other locations which may be directed by the Landlord.
- 44. In the event any employee of the Landlord renders assistance other than in the performance of the Landlord's obligations, at the request of the Tenant or any occupant, or at the request of any servant, employee, guest, or licensee of the Tenant, then that employee shall be deemed the agent of the person making such request and the Landlord is hereby expressly released from any and all loss or liability in connection therewith.
- 45. It is specifically understood and agreed that this lease is offered to the Tenant for signature by the Managing Agent of the building solely in its capacity as such agent and subject to the Landlord's acceptance and approval, and that the signature of the Tenant affixed hereto is with the understanding that the said lease shall not in any way bind the Landlord or its agent until such time as the same has been approved and executed by the Landlord and delivered to the Tenant.

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MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC.
Room 1901, 15 East 26th Street

- 46. The Tenant agrees to furnish the Landlord with paid-up insurance policies in such limits * as may be designated by the Landlord, covering the risks of water damage, liability, and any other exposures and risks that may be involved by reason of the Tenant's use of the premises and by reason of the air-conditioning equipment, if any, whether installed by the Landlord or by the Tenant. Landlord and Tenant, respectively, hereby waives the right of recovering from each other for any damage or loss occasioned by any hazards compensated by insurance (excluding liability insurance), regardless of whether said damage or loss resulted from the negligence of either party, their employees, or otherwise and said parties do hereby waive the right to subrogate any insurance carrier or other party to their respective rights of recovery against each other in any event. All policies are to name the Landlord and managing agent as covered thereunder and are to be in effect throughout the occupancy, copies of paid certificates of coverage are to be furnished to the Landlord.
 - \$100,000. Property Damage Water Damage Legal Liability
 \$1,000,000./3,000,000. Bodily Injury Public Liability
- 47. The Landlord and the Tenant agree to obtain policies with Waivers of Right of Subrogation as provided in Article 9. So long as the Landlord can obtain insurance policies with waivers, the Tenant must have waivers of any subrogation against the Landlord and/or its Agent in its insurance policies.
- 48. If the Tenant hereunder continues in possession after the expiration date of this lease, without a new written lease, lease extension, or renewal, or any other written agreement executed by the Landlord as to continued occupancy, the Tenant agrees; that the tenancy shall be a month to month tenancy, the rental to be 125% of the last lease rental, that all of the obligations of the herein lease and rental arrangement, including, but not limited to the provisions of the escalation clause, are to apply, that such charges under esclation are to be billed on a monthly basis, computed at the rate of 1/12 of the annual charge that would apply for the most recent current year, subject, however, to any adjustment either by additional charge or credit in the event that final figures for the projected interval indicated that the estimated bill charges varies from the actual figures.
- 49. If Tenant fails to pay any installment of rent or additional rent when first due hereunder (irrespective of any grace period as may be applicable thereto), then interest at the maximum legal interest rate that then may be charged shall accrue from and after the date on which any such sum was first due and payable hereunder, and such interest shall be deemed to accrue as additional rent hereunder and shall be paid to Landlord upon demand made from time to time, but in any event no later than the time of payment of the delinquent sum.
- 50. No receipt of monies by Landlord from Tenant, after any re-entry or after the cancellation or termination of this lease in any lawful manner, shall reinstate the lease; and after the service of notice to terminate this lease, or after the commencement of any action, proceeding or other remedy, Landlord may demand, receive and collect any monies due, and apply them on account of Tenant's obligations under this lease but without in any respect affecting such notice, action, proceeding or remedy, except that if a money judgment is being sought in any such action or proceeding, the amount of such judgment shall be reduced by such payment.
- 51. If Tenant is in arrears in the payment of minimum rent or additional rent, Tenant waives its right, if any, to designate the items in arrears against which any payments made by Tenant are to be credited and Landlord may apply any of such payments to any such items in arrears as Landlord, in its sole discretion, shall determine, irrespective of any designation or request by Tenant as to the items against which any such nayments shall be credited, unless provision for the payment of rent is otherwise covered in this lease.
- 52. No payment by Tenant nor receipt by Landlord of a lesser amount than may be required to be paid hereunder shall be deemed to be other than on account of any such payment, nor shall any endorsement or statement on any check or any letter accompanying any check tendered as payment be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such payment due or pursue any other remedy in this lease provided.

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February 14, .1986 . 26 ASSOCIATES, INC., Landlord MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC. Room 1901, 15 East 26th Street

- 53. In the event that the premises herein demised are not used by the Tenant or are vacant even though the term of the lease has not expired and the Tenant continues to be responsible under the lease, the Landlord will be permitted to temporarily discontinue such services that would be required if the Tenant were in occupancy i.e., rubbish removal, window cleaning, char service, or any such items that would be called for on a daily or continuing basis if the premises were in use. The Landlord agrees that upon the effective re-use of the premises all the services will be fully restored. During the interval that such services are not supplied, there is to be no rent reduction, abatement, credit, adjustment or any allowance.
- 54. If in this lease it is provided that Landlord's consent or approval as to any matter will not be unreasonably withheld, and it is established by a court or body having final jurisdiction that Landlord has been unreasonable, the only effect of such findings shall be that Landlord be deemed to have given its consent or approval.
- 55. Delays in making the premises available to the Tenant due to work performed by the Tenant, or for the Tenant's account, are not the responsibility of the Landlord, and may not be used as a basis for rent abatement or adjustment.
- 56. If repairs or changes are required in the premises as part of the Landlord's maintenance and operation of the property, and if installations or fixtures of the Tenant are in any way involved, the Tenant, at its own cost and expense, is to be responsible for its installations or fixtures. The Tenant agrees to cooperate in any way necessary and to help expeditiously complete such repairs or changes as may be required.
- 57. Installations by the Tenant, non-standard painting, or decorations, does not impose any increased painting, repair, or maintenance obligation on the part of the Landlord.
- any costs whatsoever in connection with the hanging, maintenance, or removal of wallpaper, adhesively mounted wall mirrors, panelling, or any other form of wall covering which may be installed in the demised premises by the Tenant. The Tenant agrees that it will secure the written consent of the Landlord prior to the installation of any such items. Tenant's request for such permission shall include the presentation to the Landlord or its agents of samples and specifications of such installations. The Tenant will have all such installations removed prior to the termination of this lease or any renewals or extensions thereof, and all such work shall be done by the Tenant at its sole cost and expense. The Tenant further agrees that such removal shall include the repair of any damage to any portion of the premises affected and the preparation of all surfaces for painting. The Tenant further agrees that in the event it shall fail to perform any of the above requirements, the Landlord may immediately, upon the end of the Tenant's occupancy, have such work done and the Tenant agrees to pay for all such work and this agreement by the Tenant shall survive the end of this lease or any renewals or extensions thereof.
- 59. Whenever Tenant shall submit to the Landlord any plans, agreement, or other documents for Landlord's consent or approval, and Landlord shall require the expert opinion of Landlord's counsel, architect, or other professional guidance as to the form or substance thereof, the Tenant agrees to pay their reasonable fees for reviewing the said plans, agreements, or documents, if agreed in advance.
- 60. The listing of any name other than that of the Tenant on any door of the demised premises, on any directory, in any elevator in the building, or otherwise, shall not operate to vest any right or interest in this lease or in the demised premises, or be deemed to constitute or serve as a substitute for any prior consent of the Landlord required under this lease; and it is understood that any such listing shall constitute a license privilege only extended by Landlord. Directory board listings may be removed by the Landlord, without prior notice, without liability, without rent abatement, without adjustment or any other claim by the Tenant.

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- 61. Any work required to be performed by the Landlord is waived if such work has not been performed for any reason whatsoever prior to the last six (6) months of the term of this lease, unless a new written lease, lease extension renewal lease or any other written agreement executed by the Landlord as to continued occupancy applies.
- 62. Tenant shall look solely to the estate and interest of Landlord, its successors and assigns, in the land and building, for the collection of any judgment recovered against Landlord based upon the breach by Landlord of any of the terms, conditions or covenants of this lease on the part of Landlord to be performed, and no other property or assets of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of Tenant's remedies under or with respect to either this lease, the relationship of Landlord and Tenant hereunder, or Tenant's use and occupancy of the demised premises.
- 63. The Landlord is not responsible for any of the items installed in the premises by the Tenant nor waives its rights to require restoration, compliance, or other obligations as may be set forth in the various provisions of this lease. It assumes no obligations even if the Tenant receives written approval and the Landlord's consent to make any such installations.

64. Sprinkler

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Anything elsewhere in this lease to the contrary notwithstanding, if the New York Board of Fire Underwriters or the New York Fire Insurance Exchange or any bureau, department or official of the federal, state or city government require or recommend the installation of a sprinkler system or that any changes, modifications, alterations, or additional sprinkler heads or other equipment be made or supplied in an existing sprinkler system by reason of Tenant's business, or the location of partitions, trade fixtures, or other contents of the demised premises, or for any other reason, or if any such sprinkler system installations, changes, modifications, alterations, additional sprinkler heads or other such equipment, become necessary to prevent the imposition of a penalty or charge against the full allowance for the sprinkler system in the fire insurance rate set by and said Exchange or by any fire insurance company. Tenant shall, at Tenant's expense, promptly make such sprinkler system installations, changes, modifications, alterations, and supply additional sprinkler heads or other equipment as required whether the work involved shall be structural or non-structural in nature. Tenant shall pay to Landlord as additional rent the sum of \$10.00, on the first day of each month during the term of this lease, as Tenant's portion of the contract price for sprinkler supervisory service and such charge may vary as the service involved may be increased from time to time.

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5. AIR-COOLED AIR-CONDITIONING

There is presently installed in the demised premises

ONE (1) TEN (10) TON AIR COOLED AIRCONDITIONING UNIT

to provide comfort cooling based on normal occupancy, not including the use of machinery or equipment the operation of which generates heat, and for not more than three watts of illumination per square foot. Tenant agrees not to use the demised premises or any part therefor except for normal occupancy as aforesaid without first obtaining Landlord's consent. If Tenant violates any of the provisions of this airconditioning covenant, Landlord, in addition to its other remedies, may enter the demised premises during working hours, and at Tenant's expense, may have any repairs or alterations necessary to assure normal operation of the system. The installation, use and operation of this equipment is to be subject to all the provisions of the lease for the demised premises.

- The air-conditioning installation in the premises is intended for normal operation from May 15th, through October 15th, during the hours of 9 A.M. to 5 P.M., except Saturdays, Sundays and Holidays; however, the Landlord in its sole discretion may discontinue the operation of this equipment for repairs, maintenance, etc., as deemed sufficent to the Landlord.
- 3. Tenant agrees to keep and cause to be kept closed and reasonably tight, to prevent infiltration and/or air leakage and/or heat leakage, all openings in the demised premises. Doors are to be kept closed except for the entrance and exit of the occupants at all times. Tenant agrees at all times to cooperate fully with the Landlord and to abide by all the regulations which Landlord may prescribe for the proper functioning and protection of said air-conditioning system.
- 4. In addition to any and all other rights and remedies which the Landord may invoke for a violation or breach of any of the provisions of this air-conditioning covenant, the Landlord may discontinue said air-conditioning service without diminution or abatement of rent or other compensation to the Tenant whatsoever. The Landlord reserves the right to interrupt, curtail, stop or suspend such air-conditioning when necessary by reason of Tenant's act or of accident, or of repairs, alterations, or improvements, in the judgement of Landlord desirable or necessary to be made, or of difficulty or inability in securing supplies or labor, or of strikes, or for any other cause beyond the reasonable control of the Landlord, whether such other cause be similar or dissimilar to those hereinbefore specifically mentioned and no diminution or abatement of rent or other compensation shall or will be allowed to the Tenant by reason thereof. The Landlord shall not be required to furnish any air-conditioning service during any period when the Tenant shall be in default in the payment of rent or additional rent or in the performance of any of the terms, covenants and/or conditions of this lease on the part of the Tenant to be performed.
- 5. The Tenant agrees to pay for the electricity used for the operation of the equipment, and for such permits and fees as may be assessed or charged by reason of this installation or for other mechanical equipment in the demised premises which may now or hereafter apply.
- 6. The Tenant agrees to pay to the Landlord an annual pumping charge of \$15.00 per "ton" of the air-conditioning equipment. Such charge shall be deemed "additional rent" as described in the within lease. This additional rental charge for the use of the roof water tower in order to serve the air-conditioning equipment within the premises is to apply, whether the air-conditioning le air-cooled or water-cooled, but does not apply to window units without duct work. The charge is to be in addition to the rent set forth in the lease and is to be payable in twelve equal monthly installments.

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- 7. The complete air conditioning installation in these premises is for the sole use and is under the care of the Tenant hereunder. The Tenant is responsible for full service, maintenance, repair, and replacement, including all filters, to assure efficient use, and to preserve the components, in accordance with manufacturer's specifications, copy of paid contract of full service and maintenance to be provided from the inception of occupancy, and continued throughout the Tenant's occupancy.
- 8. If Tenant fails to provide a service contract for the maintenance of the equipment as provided in subdivision (7) hereof, the Landlord, if it so elects, may either perform such services or enter into a contract for such services on behalf of the Tenant. Such charges shall be due from and payable by the Tenant when rendered and the amount thereof shall be deemed to be paid as additional rent. Tenant's failure to provide a service contract may be considered a substantial default and breach of this lease.
- The Tenant at the termination of the lease (by any means provided for said termination in the lease) is to leave the complete air-conditioning installation in good operating condition in the manner and design as originally installed, subject only to reasonable wear due to use as initially planned. No later than 20 days prior to said termination, the Tenant at his own cost and expense, is to arrange for a thorough cleaning of the complete air conditioning installation, including blowing clear the condensers, and to provide, 20 days prior to its vacating, a detailed written inspection report by its maintenance contractor as to all of the components, and their condition.

In the event the Tenant has not effected complete compliance - the Landlord may elect to require the Tenant to make all repairs, or to charge the Tenant for all costs involved, including additional rent if performance is required after termination date.

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February 14, 1986 26 ASSOCIATES, INC.; Landlord MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC. Room 1901, 15 East 26th Street

66, Sublet

- a. The Tenant may not sublet or allow any occupancy in the premises herein demised to any Tenant who presently is or becomes, during the term of the herein lease, a basic Tenant of the Landlord, or a subtenant, or one who is in possession under any other occupancy arrangement with any Tenant in the building of which the demised premises are a part, or for any use other than that specified in Article "2", or which increases the original contemplated density of occupancy.
- b. Provided the lease is not then in default, notwithstanding anything herein set forth to the contrary, the Tenant, if it so elects to sublet, must first offer in writing by way of a notice to surrender the entire premises to the Landlord and leave them broom-clean within a period of 120 days of said offer. In the event the Landlord fails to accept the offer within a period of 30 days, then it is agreed that the Landlord shall not unreasonably withhold its consent, still subject to subdivision (a) above, to subletting of the premises by the Tenant within the said balance of days within the 120 day period. If the Tenant fails to relet within the said 120 day period, the same procedure shall be repeated.
- Provided the lease is not then in default, the Tenant, if it proposes to sublet, subject to subdivision (b) above and the provisions of this lease, all of the space herein demised, must submit such request in writing, showing in detail the prospective Tenant, use of the premises, financial ability, and all other pertinent information to enable the Landlord to review and to consider the application and to pass on its acceptability. If the Landlord approves the application the Tenant shall nevertheless, continue to be and remain liable for the full and faithful performance of all of the terms, covenants and conditions of said lease on Tenant's part to be performed, including but not limited to, the payment of rent and additional rent, and upon the condition that the subtenant shall execute and deliver to the Landlord at least ten (10) days before the effective date of the subletting, a copy of all the subletting agreements and an agreement in writing stating that the subtenant agrees that the Tenancy is subject to all the terms, covenants and conditions of this lease on Tenant's part to be performed; otherwise said consent is to be null and viod and of no force and effect. No further subletting or underletting is allowed by the subtenant.
- d. In the event of approved subletting of all of the space herein demised, any increase in rental in any form, whether by payment, services, offset or other reimbursement, which would constitute payment for use of such sublet space, the difference over the lease rental herein provided which is due by the Tenant or the occupant is to be turned over to the Landlord monthly. Such overage is to be treated as the rental hereunder and is to be paid in the same manner. The rental at which the space may be leased is not to be less than the then market value of the premises or the rates at which the landlord charges for similar space unless otherwise permitted in writing by the landlord.
- e. If the Landlord accepts and receives the surrender of all the premises, the chargeable rent shall abate from the time the Landlord actually receives possession.
- f. In the event that the Tenant is permitted to sublet, the Tenant agrees that if the Managing Agent effects such subletting, it will pay the Managing Agent a commission computed in accordance with the rates then in effect, as posted by the Managing Agent.
- g. Tenant shall not advertise or lease its space at a rental lower than the rental rate at which the Landlord is offering its space in the building.
- h. The Tenant may not sublet the premises to any prespective Tenant with whom the Landlord is negotiating or has negotiated during the prior six months.
- Subletting as hereunder provided applies to the original Tenant herein and further or other subletting or underletting is not permitted.
- No subletting is permitted for the first three years of this lease. Occupancy by anyone other than the basic tenant is not allowed unless permitted under this lease and approved by the landlord in writing.
- k. The respective parties hereto waive trial by jury in any action or proceeding arising out of or in connection with this subletting or its consummation.

LEASE DALED BETWEEN AND PREMISES

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67. Scheduled Work

All provisions of this lease are to apply. The commencement of any work on behalf of the Tenant, either by the Landlord or by the Tenant's own contractors, utilities, etc, is to constitute acceptance of the demised premises by the Tenant. All work herein set forth is to be done initially, at one time, to be standard used in the building, and is to be performed during regular working hours. All expenses, including loss of rent, caused by changes and delays due to the Tenant are to be paid for by the Tenant. Landlord assumes no resposibility to do or to continue to do any of the Tenant's work and is not to be charged with an offset in rent by its failure to do so. The Landlord is not responsible for damages caused by others working in the premises. Electrical consumption for all work to be performed in the premises is also to be for the account of the tenant. No credits or allowances are to be made for the omission, reduction or substitution of any work or installation, if directed by the Tenant. If Tenant changes require non-standard work or installation, no allowance is to be made, but the total cost is to be paid for by the Tenant. Plans submitted by Landlord are not to scale and are for layout design only. The Tenant is to provide Landlord with full detailed final plans, properly filed and approved, to permit prompt and expeditious completion of the work as set forth below to be done by the Landlord at its cost. All Tenant plans are subject to job site requirements and construction convenience of the Landlord. The Tenant assumes full responsibility for maintenance, repair and replacement of all mechanical equipment which is to be in its sole care and operation. The Tenant is to pay for the fees and permits required by governmental agencies for all construction and mechanical equipment in the Tenant's premises. All electric bulbs required in the initial installation are to be paid for by the Tenant. The Landlord is not responsible for any repairs, replacements, changes or refinishing after completion of the various items of its required work. A 15% supervisory charge is to be paid by the Tenant based on the total cost of work performed by the Landlord for the Tenant's account, over and above the work listed below. This charge is to be paid in addition to the reimbursement for the total cost of all work, labor, materials, supplies, fees, filings, etc., as may be performed for the Tenant's account.

The following is the only work to be done by the Landlord at its cost:

Conditions require elect, so as to rearrange the enclosure of the set of the set of the Landlord installation. The Landlord may elect to install an electric heating coil in the wet sprinkler piping and now to be enclosed air-conditioning machinery room. Such coil shall be connected to the Tenant's electrical wiring.

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2) The Landlord will repaint after the first month of the renewal term if the present Tenant is the then occupant and the payment of rent, additional rent and all charges herein provided have been properly made under the provisions of this lease or any other lease for space in this property, upon the written request by the Tenant. The only work is to paint the presently painted surfaces during normal business hours, one coat only - standard of the building, pastel shades. The Tenant is to clear all the areas to permit the mechanics to work freely without interuption.

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February 14, 1986 26 ASSOCIATES, INC., Landlord MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC. Room 1901, 15 East 26th Street

68: Rider To Rules And Regulations In Accordance With Article 33 Continued From Lease Jacket

- 15. It is understood and agreed that the Tenant shall keep the hallway door to the premises closed at all times, except when used for normal ingress and egress.
- 16. Where there is asphalt tile or other hard-type floor covering in the premises, the Tenant agrees that it will obtain the services of a waxing contractor to regularly care for and maintain the floor covering on a monthly basis. Such care and maintenance is to be in accordance with the manufacturer's specifications. In addition, the Tenant agrees to use proper domes, glides and casters as may be directed by the manufacturer of the floor covering in the premises for such items. In the event of the failure of the Tenant to perform either of these obligations, the Landlord may do so and charge the Tenant. Such costs are to be charged to the Tenant and paid by the Tenant.
- 17. The Landlord may replace, at the expense of the Tenant, any and all plate and other glass damaged or broken from any cause whatsoever in and about the demised premises. Wherever glass in doors or partitions exist, Tenant is to maintain and clean such partitions and be responsible for any repairs, maintenance, or glass replacement.
- 18. The Tenant agrees not to place or store any merchandise, supplies or contents directly on floors. The Tenant is to provide a raised base or platform to avoid damage or deterioration.
- 19. Carpeting may only be installed after first having obtained written permission from the Landlord and then only using the tackless method of installation. No self-adhering or other paste down or adhesive method of installation will be permitted.
- 20. Where applicable, names on the entrance door may only be applied by means of lettering on a plaque, secured by four (4) wood screws. Plaque, lettering and entire sign to be first approved in writing by Management upon submission of design and details. The Tenant is to be responsible for the cost of the installation, its maintenance, and door restoration as required under the various provisions of this lease. If such plaque is discontinued for any reason, there is to be no rent adjustment or abatment.
- 21. The Tenant agrees that it will first obtain permission in writing for any wall affixed items. All such items to be secured on wall surfaces must be mounted on panelboard, beaverboard, masonite, or any other similar material which may then be secured by screws to plaster or sheetrock surfaces. The method of securing the panels and location of the screws to facilitate removal are to be fully described in the submission requesting permission. Nothing may be secured to wall surfaces by means of adhesive, glue, or contact materials of any sort. The tenant is to be responsible for removal of all such panels, even if permission is given for installation. No representations are made by Landlord or Managing Agent; no responsibilities are assumed for the care, maintenance, or any painting as to all surfaces so covered or on which panels have been mounted. Restoration of all surfaces after removal from the walls and the premises are the continuing responsibility of the Tenant. No reduction or adjustment in rent is to apply if removal is required for any reason whatsoever.
- 22. In order that Landlord may at all times have all necessary information which it requires in order to maintain and protect its equipment, Tenant agrees that Tenant will not make any material alterations or material addition to the electrical equipment and/or appliances in the demised premises without the prior written consent of Landlord in each instance, and will promptly advise Landlord of any other alteration or addition to such electrical equipment and/or appliances.
- 23. No sign or signs may be displayed in or about the premises, entrance doors, show windows, or any other vantage point offering the premises for rent, sublet or assignment.
- 24. All waste, refuse and disposals the result of data processing or similar operations must be removed promptly by the tenant at its own cost.
- 25. Whenever copies of compliance, filings, permits, certificates of insurance, waivers, service or maintenance contracts are required to be provided, the tenant is to furnish either an original or a certified copy promptly to the owner and to the managing agent without further request or notice.
- 26. The tenant at its own expense to provide all exterminating services that may be required for any condition that exists or occurs within the premises.

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BUSINESS ESTABLISHED 1866

Cost of Blag + knowledged 60 EAST 42ND STREET, NEW YORK, N.Y.

(212) 687-6400

Geled pollutred DIRECT LINE: (212) 880-0180

June 7, 1990

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture 15 East 26th Street New York, NY 10010

Dear Dr. Hochbaum:

Per your request, we have prepared this letter to discuss potential commercial condominiums for the Memorial Foundation for Jewish Culture.

Lower Broadway condominiums are as follows:

- 1) 561 Broadway Located on the southwest corner of Prince Street. There is an 8,200 square foot commercial condominium available with an asking price of \$139,800 (\$139 per square foot). An additional floor of 8,200 square feet can be made available if necessary.
- 623 Broadway North of Houston Street. There are currently two floors (6,300 square feet per floor) available. The owner of the building will discuss any reasonable offer. The asking price now stands at \$180 per square foot (\$1,134,000/floor).
- Located on the southeast corner of 22nd Street; 3) just south of Madison Square Park. There are two contiguous units of 3,533 square feet available and the possibility to acquire an additional 3,080 square feet. The "asking price" is approximately \$225 per square foot).

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture June 7, 1990 Page 2

- 4) 11 Gramercy Park South A magnificently renovated 5-story building of approximately 9,500 square feet. The "asking price" is \$2,350,000. The building is zoned for any not-for-profit use. There is presently no elevator.
- 5) 57 West 38th Street

 Manhattan; just west of Fifth Avenue and is in walking distance from Grand Central. There are two contiguous floors of 5,000 square feet each available for purchase with an asking price of \$1,175,000 per floor. This is a renovated commercial loft-building now catering to the office market.

The locations listed above all have aspects which make them attractive for the Memorial Foundation. I would like to arrange for you to inspect these buildings so that we can begin to focus our search on a more defined requirement.

It is important to be aware of some of the additional expenses involved in purchasing space as opposed to renting. In all sales situations, it is the buyer's responsibility to make any "tenant improvements" to the space. As we begin to look at potential locations, keep in mind existing layouts and the cost involved in preparing space for the Foundation's use.

I will call you shortly to set up an appointment to inspect these locations.

Very truly yours,

HELMSLEY-SPEAR, INC.

Andrew D. Simon Vice President

ADS: vah

BUSINESS ESTABLISHED 1866

Real Estate

LINCOLN BUILDING 60 EAST 42ND STREET, NEW YORK, N.Y. 10165 (212) 687-6400

DIRECT LINE: (212) 880-0180

June 13, 1990

Rabbi Alexander Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, N.Y.

Re: Memorial Foundation for Jewish Culture

Dear Rabbi Schindler:

Per your request, and as an addendum to my letter dated June 7, 1990 to Dr. Hochbaum, I have briefly discussed below the long term leasing prospects as an alternative to a condominium purchase for the Memorial Foundation for Jewish Culture.

The leasing market today is substantially weaker than it was even six months ago. In a soft market the best way to benefit from it is to keep an open view about where to relocate. Almost all commercial areas of Manhattan have buildings of comparable quality or better to 15 East 26th Street. Assuming the quality of the Foundation's existing building is adequate for their needs, there are many alternatives for comparable or better space at less rent.

The parameters of deal I recommend searching for in the absence of a purchase opportunity would be along the following lines:

SIZE:

6,000 - 10,000 rentable square feet

RENT:

\$15-25 per square foot per year

ESCALATIONS: *

Direct Operating Expenses (Increases over of

base) or % annual increase.

Real Estate Taxes (Increases over a base).

*All commercial leases in New York include escalation clauses. Traditionally each tenant pays its proportionate share of increases in real estate taxes and some other form of increase as well. Paying a proportionate share of increases in operating expenses is usually the most favorable of the additional "escalations".

TERM:

10 - 15 years

Over 120 Years of Service

Rabbi Alexander Schindler Page -2-June 13, 1990

LANDLORD'S WORK:

Landlord to build space in accordance with tenant's plans. (There are always tenant expenses in building new space, the concept is to get the landlord to do most of the work at his own expense).

FREE RENT:

3-6 months from completion of work.

I have tried to suggest a wide range of possible terms to allow for more specific input about the Foundation's requirements after we have begun the actual search for space. Once again, if the Foundation is flexible about location, securing adequate quarters for their offices within the terms listed above should be attainable. Please do not interpret my suggestion of flexibility as a recommendation to settle for a lesser building. My intent is to emphasize the existence of several distinct commercial neighborhoods with suitable buildings for the Memorial Foundation.

The areas I recommend exploring for lease opportunities include Soho, Financial District, Union Square and vicinity, Midtown (East and West side streets), and the Flatiron District where they are now located.

My understanding is that the Foundation's lease at 15 East 26th Street does not expire until June 1992. If it becomes unlikely that the foundation can buy something we must leave adequate time to locate and negotiate for space to rent.

Favorable rental deals are more readily available than purchase situations. As we have discussed in the past, there are a limited number of commercial condominiums in New York. In order to exhaust all sales alternatives it is important to begin exploring space very soon.

Please call me with any further questions.

Very sincerely,

Andrew D. Simo

Vice President

ADS:gg

cc: Dr. Jerry Hochbaum



RABBI ALEXANDER M. SCHINDLER UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, N.Y. 10021 (212) 249 0100

March 29, 1990 3 Nisan 5750

Mr. Philip M. Klutznick 737 North Michigan Avenue Suite 920 Chicago, IL 60611

Dear Phil:

I have your letter of March 27th and will follow up.

Obviously, I agree with you on option number one. It would be absurd to have all our apples in one basket. I, too, think that option number two merits further exploration and if at all possible, I will have some options to set before you before long.

With warm good wishes,

Sincerely,

Alexander M. Schindler

737 North Michigan Avenue • Suite 920 • Chicago, Illinois 60611

March 27, 1990

Rabbi Alexander M. Schindler President Union of American Hebrew Congregations 838 Fifth Avenue New York, New York 10021

My dear Alex:

Thank you very much for your letter of March 22. You certainly selected a top-notch group to look at the problem that you kindly undertook to help solve for the Memorial Foundation. I know Helmsley-Spear, Inc. not only by reputation but on one or two occasions in times past when I was in the business, our office had some dealings with them.

Let me correct one impression that is at the beginning of the letter which is very intelligently and analytically written. It is true that we have in invested funds a figure not quite up to \$30,000,000 but not considerably removed therefrom. Having said that, I think it would be improvident for the Foundation to invest all of its funds in a building in which it would be a tenant. In thinking of that first option, the only approach we could take to a building of that type would be to invest equity. Without going into detail, I think the second option is desirable provided the figures are right and the space is adequate. I think the proper way to proceed from this point henceforth would be for Jerry Hochbaum, who is getting a copy of this letter, to take a day off and look at some of the availabilities under the second option. The three options mentioned other than the first that involved the purchase of a building in the \$30,000,000 area seem to be more in keeping with our needs. 6,300 square feet might be tight but 8,200 might be in the proper area. I certainly would not exclude a look at the Gramercy Park South proposition as well.

In short, in order to save a waste of energy I think Jerry and you, if you have the time, should look at those three. When I am next in New York I will try to lay out enough time to go over it in detail myself. We have a meeting coming up soon and it would

Rabbi Alexander M. Schindler March 27, 1990 Page 2

be desirable to get some reaction from Jerry's views as to the adequacy, location, etc. before that meeting. I am deeply grateful for what you have done here in getting Helmsley-Spear interested.

With best wishes.

Cordially,

Philip M. Klutznick

PMK:rs

cc: Dr. Jerry Hochbaum



RABBI ALEXANDER M. SCHINDLER PRESIDENT UNION OF AMERICAN HEBREW CONGREGATIONS
838 FIFTH AVENUE NEW YORK, N.Y. 10021 (212) 249 0100

March 22, 1990 25 Adar 5750

Mr. Andrew D. Simon
Vice President
Helmsley-Spear, Inc.
60 East 42nd Street
New York, NY 10186

Dear Andy:

Thank you, Andy, for the report regarding the Memorial Foundation for Jewish Culture. This is precisely what I had in mind. I have sent it on to Philip Klutznick who is Chairman of the Executive Committee of the Memorial Foundation and asked him to give me further guidance in this matter.

With warm good wishes, I am

Sincerely,

Alexander M. Schindler



gale copy on ferry Hochbaum

RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT • 838 FIFTH AVENUE NEW YORK, N.Y. 10021 (212) 249 0100

March 22, 1990 25 Adar 5750

Mr. Philip Klutznick Klutznick Investments 737 North Michigan Avenue Suite 920 Chicago, IL 60611

Dear Phil:

AMERICAN JEWISH

I attach herewith a preliminary report which I received from the people whose help I sought in connection with our quest for finding a more advantageous headquarters home for the Memorial Foundation Offices.

In effect, they are describing three options. The first is to purchase an office building large enough to provide regular income and with enough available space for the Foundation's own needs. The second is to locate a commercial co-op or condominium for these purposes, or the availability of brownstones or townhouses large enough for the Foundation's exclusive use. The last option is the exploration of other leasing opportunities. The market, apparently, is exceedingly soft and advantageous leases can be negotiated.

I await your guidance. How do you want me to proceed in this matter.

I have worked with Andy Simon before, and he proved himself to be exceedingly conscientious and reliable.

With warm good wishes, I am

Sincerely,

Alexander M. Schindler

BUSINESS ESTABLISHED ISSS

Real Estate

LINCOLN BUILDING 60 EAST 42ND STREET, NEW YORK, N.Y. 10185 (212) 887-9400

DIRECT LINE: (212) 880-0582

March 21, 1990

Rabbi Alexander M. Schindler
Union of American Hebrew Congregations
838 Fifth Avenue
New York, New York

Re: Memorial Foundation for Jewish Culture

Dear Rabbi Schindler:

Per your request, we have written this letter to discuss the three primary options concerning office space for the Memorial Foundation for Jewish Culture.

The first, and apparently most desirable alternative is to purchase a small office building with enough space available for the Foundation's own needs. It is imperative that the building provide a positive return, so that the Foundation can live virtually rent free. It is our understanding that up to \$30 million is available for such a purchase. Locating a suitable building may be time consuming, and expecting anything better than a 7%-8% return very difficult.

The second alternative is to locate a commercial co-op or condominium available for purchase. For the purposes of this letter, I will also include in this category the availability of brownstones or townhouses large enough for the Foundation's exclusive use. This alternative is likely to be the most economically feasable to pursue. Though commercial condos have not become readily available, there are a few buildings which may be desirable. Purchasing a brownstone or condominium satisfies the requirement for exemption from real estate taxes and reduces expenses to actual operating costs only.

Over 120 Years of Service

Rabbi Alexander Schindler Union of American Hebrew Congregations March 21, 1990 Page 2

The third option is to explore other leasing opportunities. The nature of today's market is such that a very competitive, long term lease could be negotiated to give the Foundation a favorable fixed rent for a minimum of the ten years. This option does not ease the tax burden. As a tenant, they would remain responsible for their share of real estate tax increases. There are innumerable buildings with space available, thus, it is safe to assume that suitable space can be found for substantially less than the Foundation's current per square foot rent.

In an attempt to locate a small office building, we have sent a memo to our inhouse brokers seeking information concerning purchase opportunities. We expect to receive other possible buildings that might be purchased yielding the required 8%. Thus far, we have located one building at 55 West 47th Street (in the heart of the jewelry district). The building is a 13-story building plus a basement. It has undergone an \$8 million modernization and the "asking" price is \$32 million. The estimated net profit for this building is \$3,268,566.00; approximately a 10% return. 4,000 to 5,000 square feet is available for the Foundation's requirement.

A brief sampling of condominium and townhouses follows:

- 623 Broadway is a commercial condominium building with two (2) floors available. Both are approximately 6,300 square feet. The asking price is approximately \$1.3 million per floor.
- 2) Another commercial condominium which might suit the Memorial Foundation quite well is 561 Broadway. There is a 8,200 square foot condominium on the 2nd floor and the asking price is \$1,139,800.00.

Rabbi Alexander Schindler Union of American Hebrew Congregations March 21, 1990 Page 3

3) Another option is 11 Gramercy Park South; a magnificent renovated 5 story brownstone. Asking price: \$2,350,000.00 for purchase. This is a reduced price and I believe there is still much room for negotiations.

There are many other possible condominiums which the Memorial Foundation can purchase. The properties listed above are existing opportunities.

If we can determine that a small building or a commercially zoned condominium cannot be obtained, we will be happy to put together a market survey of specific lease opportunities.

If you have any questions or concerns, please do not hesitate to call.

Very truly yours,

HELMSLEY-SREAR, INC.

Andrew D. Simon Vice President

ADS: vah

Joseph Comele. March 15, 1990 18 Adar 5750 Mr. Philip M. Klutznick 737 North Michigan Avenue Suite 920 Chicago Illinois 60611 Dear Phil: I appreciate your words of commendation for my statement, "The Dream Again." Your words mean much to me. No, you did not misplace a packet regarding the real estate matter. I have not sent anything to you as yet. I am in touch with real estate people and I will have a report for you before too long. Preliminary indications, however, are that the commercial real estate market is so soft that it is virtually impossible to acquire a building that will yield an income equal in percentage to what our endowment fund currently yields. But, a lot more investigation has to be done. With repeated thanks and all good wishes from house to house, I am Sincerely, Alexander M. Schindler

Philip M. Klutznick
737 North Michigan Avenue • Suite 920 • Chicago, Illinois 60811

March 12, 1990

Rabbi Alexander M. Schindler
President
Union of American Hebrew Congregations
838 Fifth Avenue
New York, New York 10021

My dear Alex:

Thank you for your letter of March 1 and the enclosure

Thank you for your letter of March 1 and the enclosure "The Dream, Again." On a reading it sounds and reads even better than when I first heard about it. I may even take advantage of you and quote it with due credit on more than one occasion as time goes on.

In your letter of March 1 you refer to a packet regarding the real estate matter which to this date has not come to my attention. Have you sent it? It could be that it got lost in the crevices of my own office so I ask for some reassurance.

Come

I hope all is well with you and yours.

My very best.

As ever,

Philip M. Klutznick

PMK:rs



RABBI ALEXANDER M. SCHINDLER UNION OF AMERICAN HEBREW CONGREGATIONS
838 FIFTH AVENUE NEW YORK, N.Y. 10021 (212) 249 0100

March 1, 1990 4 Adar 5750

Mr. Philip M. Klutznick Klutznick Investments 737 North Michigan Avenue Suite 920 Chicago, IL 60611

Dear Phil:

As per your request, I am pleased to enclose herewith a copy of my statement, THE DREAM, AGAIN, which was sent to the Rabbis and Presidents of the 840 member congregations of the UAHC.

I will also put together a packet regarding the real estate matter for you.

As always, it was nice talking with you. Rhea joins me in sending fondest regards from house to house.

Sincerely,

Alexander M. Schindler

For Holdowet of Philip M. Klutznick 737 North Michigan Avenue • Suite 920 • Chicago, Illinois 60611 June 19, 1990 Rabbi Alexander M. Schindler President Union of American Hebrew Congregations 838 Fifth Avenue New York, New York 10021 My dear Alex: I am deeply grateful to you for your letter of June 15 and the loyalty you have shown in looking after a problem that deeply affects the Memorial Foundation. We shall be meeting in Israel and I hope we can come to some conclusion at least as an appreciation for your great help. Warmest regards. Cordially, Philip M. Klutznick PMK:rs

THE STATE OF CHAPTER CHAPTER

sent xpress mail

RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, N.Y. 10021 (212) 249-0100

June 15, 1990 22 Sivan 5750

Mr. Philip M. Klutznick Klutznick Investments 737 North Michigan Avenue Suite 920 Chicago, IL 60611

Dear Phil:

I enclose herewith two letters from Helmsley-Spear which are germane to the problem which you have assigned to me.

Unfortunately, I, myself did not have a chance to visit the various sights. I assume that Jerry has, or will, before he comes to Israel.

We can discuss it further at the Executive Committee meeting.

With warm good wishes, I am

Sincerely,

Alexander M. Schindler

encl.

cc: Dr. Jerry Hochbaum

Real Estate

LINCOLN BUILDING 60 EAST 42ND STREET, NEW YORK, N.Y. 10165 (212) 687-6400

DIRECT LINE: (212) 880-0180

June 7, 1990

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture 15 East 26th Street New York, NY 10010

Dear Dr. Hochbaum:

Per your request, we have prepared this letter to discuss potential commercial condominiums for the Memorial Foundation for Jewish Culture.

Lower Broadway condominiums are as follows:

- 561 Broadway Located on the southwest corner of Prince Street. 1) There is an 8,200 square foot commercial condominium available with an asking price of \$139,800 (\$139 per square foot). An additional floor of 8,200 square feet can be made available if necessary.
- North of Houston Street. There are currently 623 Broadway two floors (6,300 square feet per floor) available. The owner of the building will discuss any reasonable offer. The asking price now stands at \$180 per square foot (\$1,134,000/floor).
- Located on the southeast corner of 22nd Street; 3) just south of Madison Square Park. There are two contiguous units of 3,533 square feet available and the possibility to acquire an additional 3,080 square feet. The "asking price" is approximately \$225 per square foot).

Over 120 Years of Service

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture June 7, 1990 Page 2

- 4) 11 Gramercy Park South A magnificently renovated 5-story building of approximately 9,500 square feet. The "asking price" is \$2,350,000. The building is zoned for any not-for-profit use. There is presently no elevator.
- 5) 57 West 38th Street

 Manhattan; just west of Fifth Avenue and is in walking distance from Grand Central. There are two contiguous floors of 5,000 square feet each available for purchase with an asking price of \$1,175,000 per floor. This is a renovated commercial loft-building now catering to the office market.

The locations listed above all have aspects which make them attractive for the Memorial Foundation. I would like to arrange for you to inspect these buildings so that we can begin to focus our search on a more defined requirement.

It is important to be aware of some of the additional expenses involved in purchasing space as opposed to renting. In all sales situations, it is the buyer's responsibility to make any "tenant improvements" to the space. As we begin to look at potential locations, keep in mind existing layouts and the cost involved in preparing space for the Foundation's use.

I will call you shortly to set up an appointment to inspect these locations.

Very truly yours,

HELMSLEY-SPEAR, INC.

Andrew D. Simon Vice President

ADS: vah

BUSINESS ESTABLISHED 1866

Real Estate

LINCOLN BUILDING 60 EAST 42ND STREET, NEW YORK, N.Y. 10165 (212) 687-6400

DIRECT LINE: (212) 880-0180

June 13, 1990

Rabbi Alexander Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, N.Y.

Re: Memorial Foundation for Jewish Culture

Dear Rabbi Schindler:

Per your request, and as an addendum to my letter dated June 7, 1990 to Dr. Hochbaum, I have briefly discussed below the long term leasing prospects as an alternative to a condominium purchase for the Memorial Foundation for Jewish Culture.

The leasing market today is substantially weaker than it was even six months ago. In a soft market the best way to benefit from it is to keep an open view about where to relocate. Almost all commercial areas of Manhattan have buildings of comparable quality or better to 15 East 26th Street. Assuming the quality of the Foundation's existing building is adequate for their needs, there are many alternatives for comparable or better space at less rent.

The parameters of deal I recommend searching for in the absence of a purchase opportunity would be along the following lines:

SIZE:

6,000 - 10,000 rentable square feet

RENT:

\$15-25 per square foot per year

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Direct Operating Expenses (Increases over of base) or % annual increase.

Real Estate Taxes (Increases over a base).

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TERM:

10 - 15 years

Over 120 Years of Service

Rabbi Alexander Schindler Page -2-June 13, 1990

LANDLORD'S WORK:

Landlord to build space in accordance with tenant's plans. (There are always tenant expenses in building new space, the concept is to get the landlord to do most of the work at his own expense).

FREE RENT:

3-6 months from completion of work.

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Favorable rental deals are more readily available than purchase situations. As we have discussed in the past, there are a limited number of commercial condominiums in New York. In order to exhaust all sales alternatives it is important to begin exploring space very soon.

Please call me with any further questions.

Very sincerely,

HELMSLEY-SPHAR,

Andrew D. Simon Vice President

ADS:gg

cc: Dr. Jerry Hochbaum

FEDERAL

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March 27, 1990

Rabbi Alexander M. Schindler President Union of American Hebrew Congregations 838 Fifth Avenue New York, New York 10021

My dear Alex:

Thank you very much for your letter of March 22. You certainly selected a top-notch group to look at the problem that you kindly undertook to help solve for the Memorial Foundation. I know Helmsley-Spear, Inc. not only by reputation but on one or two occasions in times past when I was in the business, our office had some dealings with them.

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In short, in order to save a waste of energy I think Jerry and you, if you have the time, should look at those three. When I am next in New York I will try to lay out enough time to go over it in detail myself. We have a meeting coming up soon and it would

Rabbi Alexander M. Schindler March 27, 1990 Page 2

be desirable to get some reaction from Jerry's views as to the adequacy, location, etc. before that meeting. I am deeply grateful for what you have done here in getting Helmsley-Spear interested.

With best wishes.

Cordially,

Philip M. Klutznick

PMK:rs

cc: Dr. Jerry Hochbaum

JEWISH

SCHEDULE B

PROPOSED INVESTMENT GUIDELINES FOR

MEMORIAL FOUNDATION FOR JEWISH CULTURE

 The fund should be managed in fixed income securities with emphasis on high current income return.

- The fund should be managed with high income generation and preservation of principal as the primary goals.
- There should be no restrictions on guality or maturity except as respective policy might be established by Investment Committee.
- 4. It should be permitted to purchase stocks when it is understood that they are intended to create debt issues, e.g., through exchanges resulting from mergers and acquisitions.
- 5. It should be permitted to purchase convertible securities when their yields are reasonable in relation to yields available on straight debt, as determined by the fund manager, in accordance with these guidelines. However, convertibles at cost are to be limited to 15% of the fund.
- It should be permitted to purchase Euro-dollar issues, when seasoned, and Yankee bonds (all U.S. dollar denominated).
- 7. Inasmuch as it is desirable to protect the market value of principal against adverse price changes, it should be permitted to use hedging strategies in order to maintain income and to protect principal against significant price erosion. For example, during periods of extreme interest rate volatility it may be appropriate to liquidate issues with longer maturities and remain invested in cashequivalent short-term instruments. It may be desirable at times to utilize interest rate futures contracts to hedge existing investments in longer maturity issues against price risk while maintaining a high income cash flow.
- A report providing complete accounting for the fund and performance measurement should be provided quarterly.

9/24/87

Endowment Management

David F. Swensen
Chief Investment Officer
Yale University Investments Office

Endowment fund managers must resolve the tension between competing needs for immediate income and for a growing stream of future income. A well-conceived management process based on certain key principles has helped a major U.S. educational endowment formulate and implement sensible investment policies to meet competing objectives.

ARCHIVES

Using the challenges of endowment management, this presentation outlines a framework for institutional investors: defining the purposes of an investment fund, establishing the goals of investment management, articulating the investment philosophy, and constructing a portfolio that is consistent with the philosophy and that meets the established goals. Particular emphasis is placed on the basic tension between the need for immediate income and pressures for preservation of assets. The presentation closes with a description of the investment management process followed at Yale University. This process and the principles underlying endowment management can assist in formulating sensible investment policies for institutional investors in any setting.

Purposes of Endowment Funds

An endowment represents the permanent funds of a college or university, a pool of assets designed to provide revenue that will support the operations of the educational institution forever. To maintain intergenerational neutrality, the degree of the endowment's support

should be the same 5, 50, or 500 years from now as it is today.

Institutions accumulate endowments to achieve several purposes. One is to help the institution maintain operating independence. An educational institution that relies on current income sources to support operations must recognize that those current flows frequently are received with strings attached. For example, when the government provides grants to support university research, those grants often come with restrictions that influence university-wide operations. Similarly, to the extent that the university relies on donor gifts for current use, those donors may have a significant impact on the university's activities. Even universities that rely heavily on tuition income from students may be constrained by that dependency. Such institutions may be forced to respond to the wishes and needs of the current student body to attract a sufficient number of students to maintain current operations.

In short, overreliance on short-term sources of income requires the institution to respond to a combination of explicit and implicit pressures. The institution with an independent source of funds, such as an endowment, has a greater chance of maintaining independence from such pressures.

A second purpose of endowment accumulation is to provide operational stability. Short-term funding sources may diminish or disappear, but a permanent fund can provide a stable flow of resources to the operating budget of the institution.

The final purpose of endowment accumulation is to allow a margin of excellence in operations. Major private U.S. research universities have roughly similar revenue streams from tuition, grants, and gifts. A significant endowment creates an incremental revenue stream that allows the better endowed institution to achieve a margin of excellence in its operations.

Goals of Endowment Management

The two significant goals of endowment management are to preserve the purchasing power of the assets throughout time and to provide a substantial, stable flow of resources to the operating budget. Preserving the purchasing power of assets allows future generations to benefit from the endowment at the same level as the current generation. Providing substantial resources to current operations supports the institution's current scholarly activities.

A direct and clear trade-off in economic terms exists between the two goals. To the extent that managers are strict about maintaining the purchasing power of endowment assets, great volatility is introduced into the flow of resources delivered to the operating budget. To the extent that managers are strict about providing a sizable and stable flow of resources to the operating budget, substantial volatility is introduced into the purchasing power of endowns assets.

This trade-off can be illustrated by considering two extreme policies that might be used to determine the annual spending from an endowment. On one hand, if the institution could spend only the real returns generated by the portfolio, asset purchasing power could be maintained perfectly. Assume investment returns are 10 percent in one year and inflation is 4 percent. If the 6 percent real return on endowment value is distributed

to the operating units and the 4 percent attributable to inflation is reinvested in the endowment fund to maintain purchasing power, all constituents are satisfied. In the following year, assume that investment returns are only 2 percent and inflation is 7 percent. Now the institution faces a serious problem. Compensation for inflation requires a 7 percent reinvestment in the endowment, but the fund only generated a return of 2 percent. The endowment manager cannot go to the operating units and ask for 5 percent rebates to maintain the purchasing power of assets. Thus, a policy that seeks to maintain asset purchasing power without exception is not feasible.

The other policy extreme, pursuing the goal of providing a completely stable flow of resources to the operating budget, could be accomplished by spending a fixed amount that is increased each year by the amount of inflation. In the short term, the flow of resources from the endowment to the operating budget will be perfectly stable and quite predictable. Under normal market conditions, such a policy might not be harmful. In a period of sustained declines in endowment market value, however, spending at a level independent of the value of assets could cause a loss of capital that would permanently damage the endowment fund.

A spending policy must be devised that addresses the conflicting objectives of preserving purchasing power and providing a stable flow of resources to the operating budget. Most institutions achieve the balance by determining a sensible long-term target rate of spending and applying that rate to a moving average of endowment market values.

Endowment Investment Philosophy

The tension between the goals of an endowment can be relaxed by investing for high rates of return. Hence, investing with an equity bias is the first tenet of endowment investment philosophy.

Finance theory indicates that acceptance of greater risk leads to the reward of higher expected returns. In a happy coincidence, historical data support the theoretical conclusion. Consider the following multiples for various U.S. asset classes from December 31, 1925, to December 31, 1992:¹

Inflation	7.92×
T-bills	11.40
T-bonds	23.71
Stocks	727.38
Small-capitalization stocks	2,279.04

The data indicate that a \$1.00 investment in Treasury bills at the end of 1925, with all income reinvested, would have grown to \$11.40 at December 31, 1992. Given that \$7.92 of that \$11.40 would have been lost to inflation, that result is not particularly impressive. Thus, at least with 20-20 hindsight, Treasury bills would not have been an appropriate investment for an institution investing to earn substantial afterinflation returns.

Moving farther out the risk spectrum, the same \$1.00 invested in longer term government bonds at the end of 1925 would have accumulated to \$23.71 by the end of 1992. This performance, although much better than that associated with Treasury bills, is still not adequate for an institution that can consume only after-inflation returns.

In contrast to the bills and bonds, \$1.00 invested in common stock would have accumulated to \$727.38 during the 67-year holding period. The difference between the return expected from the conservative investments in cash (\$11.40) or bonds (\$23.71) and that expected from taking the greater risk in owning equity securities (\$727.38) is enormous.

The long-term benefit of owning equities increases as investments are made farther out on the risk spectrum. For example, a \$1.00 investment in small-cap stocks would have accumulated to \$2,279.04 during the period, an impressive amount relative to \$7.92 of inflationary drag.

The implication of these findings is that a long-term investor will maximize wealth by investing in the high-return, high-risk asset class rather than in the so-called conservative investments of Treasury bills and bonds. This conclusion is somewhat simplistic, however, and requires further examination.

The following historical multiples for small-cap stocks show the behavior of security prices around the time of the 1929 Crash:²

November 30, 1928	1.00
December 31, 1929	1.00>
December 31, 1930	0.46
December 31, 1931	0.29
June 30, 1932	0.14
June 30, 1932	0.10

According to this data series, stock prices peaked in November 1928. Had \$1.00 been invested at that time, it would have declined 54 percent by December 1929, an additional 38 percent by December 1930, an additional 50 percent by December 1931, and a final 32 percent by June 1932. From November 1928 to June 1932, \$1.00 would have declined to \$0.10. No investor, institutional or individual, can tolerate that kind of trauma. At some point during this period, when market forces turned dollars into dimes, investors would have sold their smallcap stocks, placed the proceeds in Treasury bills, and sworn never to invest in the equity market again.

This risk of placing all assets in one security type leads to the second tenet of endowment investment philosophy: Diversification is vital. The traditional response by most institutions upon recognizing the need for diversification is to put cash and bonds in the portfolio as diversifying assets. Various surveys indicate that 85-90 percent of U.S. institutional assets are currently invested in the traditional asset classes-domestic cash, bonds, and stocks. As much as 35-40 percent of assets are invested in domestic fixed-income securities and cash. Such a strategy is a high-cost approach to diversification. Money is being taken out of equities, where a dollar during the past 67 years has grown to \$727 or \$2,279 (for small-cap equities) and placed in cash or bonds, where the same dollar has grown to only \$11 or \$24.

Diversification without the opportunity costs of investing in fixed income can be achieved by identifying high-return asset classes that are not highly cor-

¹Stocks, Bonds, Bills, and Inflation: 1993 Yearbook (Chicago, Ill: Ibbotson Associates).

²Stock, Bonds, Bills, and Inflation: 1993 Yearbook.

related with domestic marketable securities. The most common high-return diversifying strategy for a U.S. investor is to add non-U.S. equities to the portfolio. Other possibilities for institutions are real estate, venture capital, leveraged buyouts, oil and gas participations, and "absolute return strategies" (that is, commitments to event-driven investments in merger or bankruptcy situations and to value-driven investments in long/short or market-neutral strategies). If these asset classes provide high, equity-like returns in a pattern that differs from the return pattern of the core asset (U.S. domestic equities), a portfolio can be constructed that offers both high returns and diversification.

Portfolio Construction

Investment returns are generated by decisions regarding asset allocation, market timing, and security selection. Portfolio construction must reflect the relative importance of the expected contribution of each source of return.

The most important source of portfolio return is that attributable to policy asset allocation. The process of selecting policy targets involves defining the asset classes that will constitute the portfolio and determining the proportion of assets to be invested in each class. The weights and market returns of a portfolio's various asset classes will determine the largest portion of a portfolio's returns.

The second source of return is market timing, defined as deviation from the long-term policy targets. For example, assume that a fund's long-term targets are 50 percent stocks and 50 percent bonds. A fund manager who believes stocks are cheap and bonds expensive during a certain period might weight the portfolio 60 percent to stocks and 40 percent to bonds for that period. The return resulting from the overweighting of stocks and underweighting of bonds relative to long-term targets would be the return attributable to market timing.

The third source of return, security selection, is the return generated by active management of the portfolio. If a manager created portfolios that faith-

fully replicated the markets (i.e., passive portfolios), that manager would be making no active bets. To the extent that a portfolio differs from the composition of the overall market, that portfolio has an active-management component. For example, security-selection return for the U.S. equity asset class would be the difference between returns from the U.S. equity portfolio's securities and returns from the asset class, as defined by a benchmark index of U.S. equities.

Comparing Sources of Return

When Brinson and Ibbotson studied institutional portfolio returns in the United States, they found that more than 90 percent of the variability of returns is attributable to asset allocation decisions. Less than 10 percent of the variability of portfolio returns is attributable to market timing and security selection. Significantly, the overwhelming portion of positive contribution to returns stems from asset allocation. Market timing and security selection have marginal, and generally negative, contributions to portfolio returns.

Charles Ellis argues that market timing is a loser's game and essentially impossible to do on a consistent basis. Ironically, nearly every institutional investor, by failing to rebalance to longterm targets, engages in market timing and, accordingly, allows portfolio risk and return characteristics to drift with the markets. Most portfolio managers take no action when their asset allocations vary as prices of one asset class change relative to the others. An example comes from experiences during the October 1987 crash in the world equity markets. In June, July, and August, most institutional investors simply watched their U.S. equity exposure increase as U.S. equity prices were rising and bond prices were falling. Of course, by October 1987, equity allocations of institu-

³Gary P. Brinson and Roger G. Ibbotson, Investment Markets: Gaining the Performance Advantage (New York: McGraw-Hill, 1987).

⁴References throughout to Mr. Ellis are to: Charles D. Ellis, *Investment Policy: How to Win at the Loser's Game* (Homewood, Ill.: Business One Irwin, 1993); see also Mr. Ellis's presentation on pp. 6–13.

tions peaked, just in time to experience a traumatic, more than 20 percent, decline. After the crash, not only did institutional investors fail to buy equities, which were now much cheaper on a relative basis, but those investors exacerbated the problem by being net sellers of equities in November and December. By failing to rebalance portfolios to long-term targets, most institutional investors ended up buying high and selling low, a poor recipe for success

in portfolio management.

In efficient markets, active portfolio management, like market timing, tends to detract from aggregate investment performance. In the context of relative performance, security selection is a zero-sum game. If IBM represents 3 percent of the market value of the U.S. equity market, the only way an investor can hold an overweight position in IBM is for other investors to hold a corresponding underweight position in IBM. The active manager who overweights IBM will create market impact and incur transactions costs in establishing the position; on the other side of the trade are other active managers underweighting IBM, incurring those same transactions costs and creating market impact. Only one of those positions can be right when measured by IBM's future performance. The amount by which the winner wins will equal the amount the loser loses. The net result is that those investors actively managing their portfolios will lose as a group (by the amount of fees and market impact and transactions costs) relative to the market benchmark.

In highly efficient markets, a passive-management approach is appropriate. For example, investment managers should be completely passive in the Treasury bond market. In that market, perhaps the most efficient market in the world, the major relevant bet is on the direction of interest rates, an unknowable variable. Timing the bond market epitomizes Charles Ellis's loser's game.

In contrast, dealing with an inefficient market, such as the venture-capital market, requires intense active management. Intelligent application of investment principles is essential in determining whether to back the entrepreneur who may have the next biotechnology

wonder company or the programmer who has the software industry's next Microsoft. The passive alternative, a decision to back every entrepreneur's business plan regardless of quality, is certain to generate disappointing returns on investment. Active management is essential in inefficient markets.

Given the dominance of efficiently priced marketable securities in institutional portfolios, the conclusions about market timing and security selection reached by the Ibbotson and Brinson study are not surprising. The overwhelming contribution to return comes from the asset allocation policy decision; the contributions of market timing and security selection tend to be relatively minor and negative.

Implications for Portfolio Construction

These conclusions regarding the source of portfolio returns have important implications for portfolio construction. Construction of a traditional portfolio dominated by marketable securities must reflect a serious focus on the asset allocation decision. Market timing should be avoided, and the portfolio should be rebalanced regularly to longterm targets. Rebalancing imposes a discipline that results in buying low (after a decline in an asset's relative price) and selling high (after a rise in relative prices.) Finally, the decision to engage in active management should include serious consideration of the efficiency of markets. That is, active management of portfolios should be pursued primarily in less efficient markets and only if the fund manager is able to add value net of all costs.

A nontraditional portfolio attempts to achieve diversification by using alternative high-return assets, such as private equity, real estate, and absolute return strategies. Even with a nontraditional portfolio, careful definition of asset allocation targets is the most important function of an institutional fund manager. As in the case of traditional portfolios, market timing should be avoided; having more markets available to the portfolio manager does not in-

crease the likelihood of being able to buy low and sell high.

The major difference in construction of a nontraditional portfolio is in active management of asset classes. Alternative assets, by their very nature, tend to be less efficiently priced than traditional assets. Managers should move into less efficient markets only if they consider themselves able to do a sensible job of actively managing those assets.

The return data for actively managed accounts for the past ten years for various asset classes can illustrate the differences in opportunities available in the classes. The difference between first-quartile returns and third-quartile returns shown in Table 1 serves as a proxy for the degree of opportunity. In the bond market, the most efficient asset class, the difference between first- and third-quartile returns was 1.7 percent annually for ten years. In the venturecapital industry, the least efficient asset class, the difference was 12.2 percent annually. A much greater reward accrues to being in the first quartile in the venture-capital industry than to being in the first quartile in the bond market. Moreover, ironically, developing a strategy to achieve first-quartile results is much easier in the inefficient venture capital market than in the efficient bond market.

The Yale Experience

In Yale University's endowment, a matrix of expected return and risk levels for the relevant set of asset classes provides the framework for constructing an in-

vestment portfolio. Table 2 presents the policy asset allocation targets and expected return and risk characteristics for assets in the Yale endowment portfolio. Data for establishing policy targets are long-term (10–15 year) expectations for market conditions. The expected return levels are not precise point estimates of future conditions but represent the relative relationship among the various classes.

Asset Allocation

The U.S. equity portfolio is the core asset of the endowment. Although the allocation at 22.5 percent, is low relative to other institutions, U.S. equity is still the largest single asset class in the endowment. With an expected after-inflation return of 6 percent and expected standard deviation of 20 percent, equities should be the primary source of long-term growth for the endowment. The Wilshire 5000 Index, the broadest possible measure of market capitalization of the U.S. equity market, is the benchmark for the equity portfolio.

Non-U.S. equities, used primarily for diversification, have a 12.5 percent allocation in the fund. The expected return and standard deviation are identical to expectations for the U.S. equity market. Holding non-U.S. equities generates two benefits relative to investment in U.S. markets. The first is that active-management opportunities are greater in non-U.S. markets because non-U.S. securities are less efficiently priced. The second is that the emerging markets contain especially attractive opportunities. A number of developing

Table 1. Active-Management Returns: Ten Years Ending December 31, 1993

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Asset Class	First Quartile	Median	Third Quartile	Range
U.S. fixed income	12.6%	11.9%	10.9%	1.7%
U.S. equity	16.8	15.5	14.1	2.7
U.S. small-cap, growth equity	18.4	16.4	13.3	5.1
Venture capital	11.9	6.3	-0.3	12.2

Sources: Data for fixed income, equity, and small-cap, growth equity are from the Piper Managed Accounts Report of December 31, 1993. The venture-capital data are from Venture Economics.

Table 2. Yale University's Asset Allocation Targets, Expected Return Characteristics, and Expected Risk Characteristics

Asset Class	Target Weight	Expected After- Inflation Return	Expected Risk (standard deviation)
U.S. bonds	15.0%	2.0%	10.0%
U.S. stocks	22.5	6.0	20.0
Non-U.S. stocks	12.5	6.0	20.0
Private equity	20.0	14.0	30.0
Absolute return	20.0	7.0	15.0
Real estate	10.0	6.0	15.0

Source: Yale University Investments Office.

countries, such as Mexico, Korea, and Malaysia, have the potential to grow their economies at substantially higher rates and provide more attractive investment opportunities than the developed countries. Offsetting the advantages of overseas investments are the higher associated costs. The portfolio benchmark is a weighted average of 85 percent of the GDP-weighted EAFE return and 15 percent of the International Finance Corporation Emerging Markets return.

Private equity, which accounts for 20 percent of the endowment, is included primarily for its high-return potential. Companies involved in leveraged buyouts (LBOs) are generally too similar to assets in the equity portfolio to provide much diversification. somewhat stronger argument can be made that venture capital provides diversification. For example, the process of creating a company adds value that is largely independent of events influencing the marketable securities markets. Nonetheless, the main benefit of private equity is the contribution made by its expected real return of 14 percent (with a 30 percent risk level).

The absolute return portfolio is targeted to be 20 percent of the endowment. This portfolio uses a combination of strategies to exploit inefficiencies in the marketable securities markets with results that are substantially independent of stock and bond market movements. Included are activities such as merger arbitrage, convertible arbitrage, investment in distressed securities, and a range of market-neutral strategies. Generally, the in-

vestment horizon for these strategies is one-to-two years, with expected real returns of 7 percent representing a slight premium to those expected from domestic equities, albeit at a lower risk level (only 15 percent).

The fixed-income portfolio, at 15 percent of endowment assets, consists exclusively of long-term, high-quality, domestic, noncallable government bonds. Expected real returns are 2.0 percent (with a standard deviation of 10 percent). The bond portfolio is, in a sense, the anchor of the endowment. Bonds provide a hedge against deflation and financial accidents, such as a crash like that of October 1987. The benchmark for the fixed-income portfolio is the Lehman Brothers Government Bond Index.

Real estate, with a 10-percent allocation, is expected to generate returns commensurate with domestic equities and provide portfolio diversification. Bonds and real estate are the most powerful diversifying assets in the portfolio. Whereas bonds provide a deflation hedge, real estate is expected to hedge against unanticipated inflation. In past years, the price of real estate's diversifying characteristics was lower expected returns. In recent years, the ability to take advantage of opportunities created by the real-estate-related distress of many financial institutions has increased return expectations, currently 6 percent real return (with a 15 percent standard deviation). The benchmark for the real estate portfolio is the Frank Russell Property Index.

Investment Management

The primary focus of the investment management process at Yale is the annual policy review. Three types of decisions are important to the investment process: policy decisions, the long-term establishment of investment targets; strategy decisions, the intermediate-term implementation of policy; and tactical decisions, the short-term effort to add value through timing and trading.

Charles Ellis argues that policy decisions are most important, a position that is consistent with the findings of the Ibbotson and Brinson study. Strategy is more fun than policy, however, and tactics are even more interesting. Discussing whether Digital Equipment will do better than IBM is more engaging than having a colorless discussion of policy targets for various asset classes. Market timing can be discussed at a cocktail party; dealing with long-term expectations for the equity market is not an exciting topic. Despite their mundane nature, however, policy targets are the focus of the Yale investment process.

Yale applies the best available tools of modern portfolio theory to the policy target decision. Asset-class data, together with a covariance matrix, are used to conduct Markowitz mean-variance optimizations. Monte Carlo simulations are used to test the implications of investment and spending policies for a horizon of 50 years (reflecting the charge to be long-term investors).

Application of these portfolio tools without informed market judgment, however, would be futile. For example, a mean-variance optimization conducted in 1987 using historical data might have resulted in a portfolio allocated 100 percent to real estate. Quantitative analysis incorporating real estate's high historical returns and low variance would indicate an unreasonable allocation to that asset class. In contrast, an informed observer would recognize that real estate valuations in 1987 were overextended and would conclude

that the asset class should be avoided, not emphasized.

Many market judgments stem from the Investment Committee, which meets quarterly. Two of the four meetings are devoted to a review of investment policy. At the spring meeting, Investment Committee members raise issues that should be analyzed in the annual study, and the committee is informed about issues the investment staff expects to incorporate in the policy review. During the summer meeting, the policy targets are reviewed, and any alterations to long-term strategy are considered at that time. The fall meeting reviews results of the fiscal year (July 1 through June 30), including performance reviews of the various asset classes and of the endowment as a whole. The winter meeting involves an exhaustive study of one of the fund's six asset classes.

The results of this process have been dramatic. Ten years ago, Yale had a traditional portfolio; 90 percent of assets were in U.S. stocks, U.S. bonds, and cash. Today, the portfolio is more efficient in a mean–variance context, with much higher expected returns and a substantially lower risk level than would be the case with a traditional portfolio. Moreover, as this transition from a traditional to a nontraditional portfolio occurred, Yale generated double-digit investment returns, which placed its endowment performance in the top 1 percent of institutional funds.

Conclusion

The process articulated in this presentation can assist any manager of institutional assets. The framework encourages investment practices designed to meet the immediate and long-term needs of any institution. Defining the purposes of the fund, articulating goals, and establishing an investment philosophy are prerequisites for developing rational portfolios.

Question and Answer Session

David F. Swensen

Question: Have you considered bonds denominated in non-U.S. currency as an asset class for endowment diversification? Also, what is your view on commodities?

Swensen: Substantial disagreement exists in the Investment Office at Yale about using non-U.S.-currency bonds in our portfolio. One staff member argues for adding foreign currency bonds from a mean-variance perspective. Such bonds would be an effective diversifying asset and, in mean-variance terms, would create a more efficient portfolio than now exists.

My response is that bonds play a special role in the portfolio by providing a hedge against deflation, but only domestic bonds can provide that hedge with certainty. As a U.S. investor, I have no idea what the value might be of a Japanese bond in the event of severe deflation in the United States. Much depends on the unknown associated movement in exchange rates. The fundamental diversification benefits of bonds (namely, deflation hedging) might well be lost if non-U.S. bonds were used as a substitute for domestic fixed-income assets.

Investment in alternative asset classes, such as commodities, is appropriate as long as the fundamental return factors can be identified and understood. The potential for value creation in a venture-capital or LBO investment is clear, but the intrinsic source of return from commodities is unclear. Yale's only commodity-like investments have been several participations in the oil and gas industry. In each case, the investment was not simply buying exposure to energy prices but, rather, backing entrepreneurs who would be able to create value above

market-level results.

Question: Non-U.S. assets, which are 12.5 percent of your portfolio, entail significant foreign exchange risk. How do you view exchange risk in terms of the long-term perspective that your fund must maintain?

Swensen: We also have significant disagreement in the Investment Office with respect to hedging foreign exchange risk. The issue is whether, as a policy, hedging the currency risk in the non-U.S. equity portfolio makes sense. Implementing a consistent hedging program would probably cost 20-30 basis points annually. The only advantage of the currency hedge is a lowering of the annual standard deviation of returns. A long-term investor should not pay anything of consequence simply to lower the annual variability of returns. From a longer perspective, riding out the foreign exchange fluctuations with an unhedged position would be a superior strategy.

If currency movements could be predicted, the assessment would be entirely different. My attitude toward currencies, however, is the same as toward interest rates: Some macroeconomic variables simply cannot be predicted, and exchange rates fall in that category.

Question: When you change asset allocations, do you engage in market timing?

Swensen: The answer depends on how market timing is defined. My definition is: an explicit move from long-term policy targets based on and intended to take advantage of assumed superior knowledge about the misvaluation of an entire asset class. In that sense, we do not engage in market timing. When changing policy allocations, we move expeditiously but carefully, taking care not to create excessive market impact, from one set of policy targets to the newly adopted set.

When dealing with illiquid asset classes, we recognize that implementing a decision to pursue new targets can take a long time. In inefficient asset classes, only the most attractive opportunities should be pursued. Such opportunities present themselves irregularly and unpredictably; so patience is essential. Thus, increasing the private equity portfolio from 15 to 20 percent of the endowment, for example, could take years. When because of illiquidity in asset classes, portfolio weights cannot be adjusted directly to long-term targets, short-term assessments of relative value cannot be completely avoided. Those portions of our fund that cannot be immediately invested in the desired portfolio are invested in whatever liquid asset class seems most sensible. This decision is based on our best assessment of the relative value of various asset classes. The absolute return portfolio is frequently a logical candidate because it has had relatively high returns and a great deal of stability. At times, when opportunities appeared compelling, we have used marketable equities as a substitute for uninvested allocations to illiquid asset classes.

Question: Implementing U.S. equity strategies, managing exposure to emerging market equities, selecting private equity managers, dealing with an absolute return portfolio, and searching for investment opportunities in general seems to be a lot of work. How much do you rely on outside managers to manage parts of your fund?

Swensen: Our general approach is to hire the smartest, most effective external managers in the world to man-

age various parts of the portfolio. The primary exception is the bond portfolio, which is managed passively by an internal group of professionals. Occasionally, in cases where external management did not appear to be necessary, we have pursued investment opportunities internally. For example, after the October 1987 crash, we bought a portfolio of closed-end funds at substantial discounts to fair market value. This purchase exploited a skill that we thought we possessed, namely, identifying superior asset managers. That decision worked out well; the discounts closed, the market did well, and the managers did better than the market. That decision was also an exception, however.

Question: Do you micromanage your fund managers?

Swensen: Absolutely not. If we have confidence in an external manager, we let that manager do exactly the job he or she was hired to do without interference.

Question: Does your Investment Committee deal with all three levels of asset allocation—policy, strategy, and tactics? Do the committee and fund staff have the same or different "informed market judgments"?

Swensen: The Investment Committee deals with all aspects of endowment management but focuses seriously, although not exclusively, on policy asset allocation. The staff brings to the Investment Committee issues as diverse as the tactics of disposing of a substantial equity position acquired through a venture-capital success, the strategy of exploiting opportunities created by the Resolution Trust Corporation, and policy implications of various investment and spending programs. The Investment Committee is involved in the entire spectrum of investment activities.

Generally, the interaction between the staff and the committee involves a great deal of give and take. Having well-informed committee members and well-prepared staff is critical to the decision-making process.

Question: Unlike pension fund spending levels, which are determined exogenously, endowment funds decide their own spending levels. Please discuss how spending rules are decided and revised.

Swensen: The spending rule that we followed throughout the 1980s had a

long-term target of 4.5 percent, the spending rate we thought would allow us to support current operations and maintain purchasing power of assets. Analysis of the 1950–93 period indicates that spending at 4.5 percent was, on balance, consistent with the maintenance of purchasing power.

In 1992, based on a fundamental conviction that we had developed a portfolio with a higher expected return and a lower level of risk than previously, we increased the spending rate from 4.5 to 4.75 percent. Such changes ought to be made infrequently, and only after serious deliberation.



15 East 26th Street New York, NY 10010 (212) 679-4074

the

May 21, 1996

Rabbi Alexander M. Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, NY 10021

Dear Alex:

AMERICAN IEWISH

Pursuant to yesterday's telephone conversation, I am enclosing the attached for your information.

Warm regards.

Sincerely yours,

Dr. Jerry Hochbaum

JH:fzs Enc.



KAYE, SCHOLER, FIERMAN, HAYS & HANDLER, LLP

Fredn. By-Lan

MEMORANDUM

To:

File

FROM:

Julius Berman

DATE:

March 25, 1996

SUBJECT:

Memorial Foundation By-Laws "Honorary Life President"

At Jerry Hochbaum's request, I called Dan Thurz, the Chairman of the Nominations Committee.

Thurz informed me that the Nominating Committee had met and decided to nominate Rabbi Alex Schindler for President of the Foundation and Dr. Yosef Burg as Chairman of the Executive. Under the circumstances, they also wanted to nominate the outgoing President, Jack Spitzer, as "Honorary Life President" and wanted to know from me whether that was doable under the current By-Laws or an amendment would be necessary.

I informed Thurz that, in my opinion, there is a basis under the By-Laws for nomination of an Honorary President. Specifically, Article TV, Section 1 lists the Officers that the Board shall have the power to elect and then adds: "The Board of Trustees may also elect such other Officers as it may from time to time determine." In my opinion, this sentence allows for the election of an Honorary President as an Officer.

However, I stressed to Thurz that the By-Laws do not have a provision for a lifetime appointment and, therefore, absent amendment of the By-Laws -- which I strongly recommend against -- the election of Spitzer should be as "Honorary President and not "Honorary Life President."

J.B

15 East 26th Street New York, NY 10010 (212) 679-4074

Read to

May 16, 1996

Rabbi Alexander M. Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, NY 10021

Dear Alex:

For your information.

Warm regards.

Sincerely yours,

Dr. Jerry Hochbaum

JH:fzs Enc.



15 East 26th Street New York, NY 10010 (212) 679-4074

May 16, 1996

Rabbi Israel Miller Conference on Jewish Material Claims Against Germany 15 East 26th Street New York, NY 10010

Dear Israel:

It was good meeting with you and Saul at the Foundation's office last week to discuss the proposal submitted to you.

We have divided the proposal in two sections, in accordance with your request, including some small changes in language.

We would be grateful for your review and responses to the attached.

We are prepared to assist you in lobbying the member agencies of the Claims Conference to adopt the attached proposals. I'll be in London in June and hope to meet with Eldred Tabachnik of the Board of Deputies, and possibly others at that time.

Look forward to hearing from you.

Warm regards.

Sincerely yours,

Rabbi Alexander M. Schindler



15 East 26th Street New York, NY 10010 (212) 679-4074

May 16, 1996

TO: Rabbi Israel Miller, President, and

Saul Kagan, Executive Director - Claims Conference

FROM: Jack J. Spitzer, President; Rabbi Alexander M. Schindler,

Chairman, Executive Committee;

Mrs. Sylvia Hassenfeld, Vice-President; and Carmi Schwartz, Treasurer - Memorial Foundation for Jewish Culture

AMERICAN JEWISH

In accordance with our recent conversation, we are submitting the following recommendations, in the spirit of your statements made during our discussion relating to the availability of new funds to the Claims Conference for cultural activities.

It is recommended that the allocations from the Claims Conference to the Memorial Foundation for Jewish Culture cover the following three programs:

I. <u>Scholarships and Fellowships</u> - The Foundation's Scholarship and Fellowship Programs are at the heart of the Foundation's mandate. Funds allocated to these programs since the Foundation's inception have succeeded in raising up a generation of scholars, writers, educators, researchers, academics and communal leaders to replace the cultural elite of European Jewry annihilated in the Shoah.

A substantial portion of these grants have been to train and support scholars to write books, and artists and filmmakers to undertake artistic programs about the Shoah. These grants have been given both at the outset of their careers, and for senior scholars and writers for their ongoing work in this area. Among those who have received such grants have been Aaron Appelfeld, Chaim Grade, Martin Gilbert, Deborah Lipstadt, Geoffrey Hartman, Yaffa Eliach, Franklin Littell and Lucy Dawidowicz.



It is recommended that the Foundation add a new category of grants within the Scholarship and Fellowship Programs for training individuals for careers in Holocaust education and as archivists, two areas for which the Jewish community in the future will need personnel with specialized expertise.

It is recommended that initially \$2,000,000 be allocated from the Claims Conference for this program, which would be administered, as it has been to date, by the Memorial Foundation.

- II. <u>Unmet Needs</u> The Foundation continues, as part of its proactive, creative stance, to fill cultural needs which are not being met in Jewish cultural life around the world. Twenty years ago the Foundation established a Commission on the Holocaust, which reviews and evaluates the whole field of Holocaust studies and recommends new areas and programs that need to be undertaken. At its most recent meeting in Jerusalem, ably chaired by Dr. Josef Burg, the Committee decided that the following areas deserve special attention: It is the Foundation's intention to develop concepts and pilot programs in these areas.
- (A) The Universe of the Child in the Shoah This area has been seriously overlooked in Holocaust research. More is known about the children of the survivors than the children who perished in the Holocaust. This area also has important implications for the field of Holocaust education. Children and teenagers today in Holocaust education have been exposed to the death and destruction during the Shoah, which ofttimes turns them off. Having more complete information about the experience of children during the Shoah will enable educators to build bridges between the two generations so that young people in the West can more easily identify with their peers annihilated in the Shoah. It is recommended that this area be given high priority in future research and program development.
- (B) <u>Holocaust Education 50 Years after the Shoah</u> The Commission agreed that the mass of young people in the Golah, especially those outside of the Jewish schools, have not been effectively reached by Holocaust education.

Furthermore, there has been a growing de-emphasis on the Jewish uniqueness of the Shoah (and the full integration of the Shoah into Jewish and the general history). This is a global problem that needs to be addressed. Most important, an underlying conceptual basis needs to be established for Holocaust education in the 21st Century, which does not currently exist.

(C) The Impact of the Holocaust - This is an area in which the Foundation has been active for a period of years and which requires further elaboration and development. The specific areas to be developed include the Jewish communities' relationship with governments and churches in the post-Holocaust era; the impact of the Shoah on literature, the arts, and Jewish philosophical and religious thinking; and how Jews see themselves and others as a result of the Shoah.

It is recommended that initially \$1,000,000 be allocated for these programs.

III. The Research and Documentation of the Shoah - The Foundation has, since its inception, been involved in the research and documentation of the Shoah. This is an ongoing and vital part of the Foundation's work. The Foundation has been responsible for some of the most important work in establishing the historical facts of the Shoah, and commemorating the communities and ways of life that were destroyed, as for example, The Pinkassey Ha-Kehillot, and the History of Polish Jewry.

It is recommended that initially \$1,500,000 be allocated for the research and documentation of the Shoah.

It is hoped that this document will be presented for approval to the Claims Conference, and that the program of allocations recommended above will be initiated in the fall of 1996.

15 East 26th Street New York, NY 10010 (212) 679-4074

May 16, 1996

TO: Rabbi Israel Miller, President, and

Saul Kagan, Executive Director - Claims Conference

FROM: Jack J. Spitzer, President; Rabbi Alexander M. Schindler,

Chairman, Executive Committee;

Mrs. Sylvia Hassenfeld, Vice-President; and Carmi Schwartz, Treasurer - Memorial Foundation for Jewish Culture

AMERICAN IEWISH

In accordance with the discussion at our meeting, The Memorial Foundation offers its extensive resources and unique experience on a continuing basis to the Claims Conference in the evaluation of all proposed commitments for cultural purposes.

The Foundation's process for evaluation consists of the following parts:

- Creation of an application which would cover all the information, substantive and fiscal, required for the request to be properly evaluated.
- 2. Creation of criteria for letters of reference from three independent referees to ascertain the background and abilities of the director and personnel of the project; the merit and practicality of the project; the plan and methodology proposed; and the ability of the institution to achieve it.
- 3. Office meetings, correspondence, and visits by staff to applicant institutions to verify statements by applicants about quality, feasibility and impact of project.
- 4. Selection of outside experts by the Memorial Foundation to evaluate, review and grade the application and all the related materials.
- Meeting of Foundation's panel of experts to assess all the materials submitted, including the evaluation of outside experts.



- 6. Review by staff of the above, culminating in a recommendation for presentation to the allocation committee.
- Follow up by staff to determine that project is being implemented as submitted and funds properly utilized.

The Foundation has been involved in this type of intensive evaluation for several decades and has developed international expertise covering all facets of research and documentation of the Shoah, from both individual researchers and writers to institutions, large and small. The Foundation's experience in this area is broad gauged, covering all disciplines - scholarly and artistic, as they relate to the Shoah.

The Foundation has also established a Commission on the Holocaust consisting of leading academics, survivors, representatives of institutions engaged in Holocaust research and documentation, and communal leaders. The Commission's mandate is to review all the Foundation's activities in this area, establish policy and direction, and most important, identify lacunae and areas that require new development. It is recommended that three members be added by the Claims Conference to this commission.

* * * * *

It is hoped that this document will be presented for approval to the Boards of both the Memorial Foundation and the Claims Conference at their meetings this summer.

15 East 26th Street New York, NY 10010 (212) 679-4074

May 9, 1996

Houdad live Please for

Rabbi Alexander M. Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, NY 10021

2128899080

Dear Alex:

Attached please find the recommended changes in the proposal we will be submitting to the Claims Conference dealing with Structure, and a covering letter from you for the transmission of the proposal when complete.

I called Saul Kagan's prilon, and after I meet with him I will share with you the changes he recommends on the section on Requests.

Warm regards.

sinceraly yours,

Hochbaum Dr. Jerry

J& fzs Enc.



15 East 26th Street New York, NY 10010 (212) 679-4074

May 9, 1996

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Rabbi Israel Miller, President, and

Saul Ragan, Executive Director - Claims Conference

FROM:

Jack J. Spitzer, President; Rabbi Alexander M. Schindler, Chairman, Executive Committee; Mrs. Sylvia Hassenfeld, Vice-Fresident; and Carmi Schwartz, Treasurer - Memorial Foundation for Jewish Culture

AMERICAN IEWISH

In accordance with our recent conversation, we are submitting the following recommondations, in the spirit of your statements made during our discussion relating to the availability of new funds to the Claims Conference for cultural activities.

A. REQUESTS

It is recommended that the allocations from the Claims Conference to the Memorial Foundation for Jowish Culture cover the following three programs:

I. Scholarships and Fellowships - The Foundation's Scholarship and Fellowship Programs are at the heart of the Foundation's mandate. Funds allocated to these programs since the Foundation's inception have succeeded in raising up a generation of scholars, writers, educators, researchers, academics and communal leaders to replace the cultural elite of European Jewry annihilated in the Shoah.

A substantial portion of these grants have been to train and support scholars to write books, and artists and filmmakers to undertake artistic programs about the Shoah. These grants have been given both at the outset of their careers, and for senior scholars and writers for their ongoing work in this area. Among those who have received such grants have been Aaron Appelfeld, Chaim Grade, Martin Cilbort, Doborah Lipstadt, Geoffrey Hartman, Yaffa Eliach, Franklin Littell and Lucy Dawidowicz.



15 East 26th Street New York, NY 10010 (212) 679-4074

May 9, 1996

Rabbi Israel Miller Conference on Jewish Material Claims Against Germany 15 East 26th Street New York, N. Y. 10010

Dear Israel:

It was good meeting with you and Saul at the Foundation's office last week to discuss the proposal submitted to you.

I am enclosing some changes in that proposal which expands Section B on Structure, in accordance with your request.

Also included are some changes that Saul recommended in the first section dealing with our requests. (I called Saul but have not yet met with him. I assume that he will recommend changes.)

We would be grateful if you review the attached and respond to us in writing as soon as possible.

We are prepared to assist you in lobbying the member agencies of the Claims Conference to adopt the attached proposals.

Look forward to hearing from you.

Warm regards.

Sincerely,

Rabbi Alexander Schindler



- 4 -

- Selection of outside experts by the Memorial Foundation to evaluate, review and grade the application and all the related materials.
- Meeting of Foundation's panel of experts to assess all the materials submitted, including the evaluation of outside experts.
- Review by staff of the above, culminating in a recommendation for presentation to the allocation committee.
- Follow up by staff to determine that project is being implemented as submitted and funds properly utilized.

The Foundation has been involved in this type of intensive evaluation for several decades and has developed international expertise covering all facets of research and documentation of the Shoah, from both individual researchers and writers to institutions, large and small. The Foundation's experience in this area is broad gauged, covering all disciplines - scholarly and artistic, as they relate to the Shoah.

The Foundation established a Commission on the Holocaust consisting of leading academics, survivors, representatives of institutions engaged in Holocaust research and documentation, and communal leaders. The Commission's mandate is to review all the Foundation's activities in this area, establish policy and direction, and most important, identify lacunae and areas that require new development, which the Foundation subsequently funds. It is recommended that three members be added by the Claims Conference to this commission.

* * * * *

It is hoped that this document will be presented for approval to the Boards of both the Memorial Foundation and the Claims Conference at their meetings this summer, and that the program of allocations recommended above will be initiated in the fall of 1996.

- 3 -

(C) The Impact of the Holocaust - This is an area in which the Foundation has been active for a period of years and which requires further elaboration and development. The specific areas to be developed include the Jewish communities' relationship with governments and shurshes in the pest-Holocaust ora; the impact of the Shoah on literature, the arts, and Jewish philosophical and religious thinking; and how Jews see themselves and others as a result of the Shoah.

It is recommended that initially \$1,000,000 be allocated for these programs, which will be utilized by the Foundation for commissioning research and developing projects.

Foundation has, since its inception, also provided grants for research and documentation of the Shoah. This is an ongoing and vital part of the Foundation's work. The Foundation has, since its inception, been responsible for some of these most important work in a tablishing the historical facts of the Shoah, and commemmenting the communities and ways of life that were destroyed, as for example, The Pinkassey Ha-Kehillot, and the History of Polish Jewry, a series to be completed within two years.

It is recommended that initially \$1,500,000 be allocated to the Foundation for grants dealing with research and documentation of the Shoah.

B. STRUCTURE

The Memorial Foundation offers its extensive resources and unique experience on a continuing basis to the Claims Conference in the evaluation of all proposed commitments for cultural purposes.

The Foundation's process for evaluation consists of the following parts:

- Creation of an application which would cover all the information, substantive and fiscal, required for the request to be properly evaluated.
- 2. Creation of criteria for letters of reference from three independent referees to ascertain the background and abilities of the director and personnel of the project; the merit and practicality of the project; the plan and methodology proposed; and the ability of the institution to achieve it.
- Office meetings, correspondence, and visits by staff to applicant institutions to verify statements by applicants about quality, feasibility and impact of project.

- 2 -

It is recommended that the Foundation add a new category of grants within the Scholarship and Fellowship Programs for training individuals for careers in Holocaust education and as archivists, two areas for which the Jewish community in the future will need personnel with specialized expertise.

It is recommended that initially \$2,000,000 be allocated from the Claims Conference for this program, which would be administered, as it has been to date, by the Memorial Foundation.

- II. Unmet Needs The Foundation continues, as part of its proactive, creative stance, to fill cultural needs which are not being met in Jewish cultural life around the world. Twonty years ago the Foundation established a commission on the Holocaust, which reviews and evaluates the whole field of Holocaust studies and recommends new areas and programs that need to be undertaken. At its most recent meeting in Jerusalem, ably chaired by Dr. Josef Burg, the Committee decided that the following areas deserve special attention:
- (A) The Universe of the Child in the Shoah This area has been seriously overlooked in Holocaust research. More is known about the children of the survivors than the children who perished in the Holocaust. This area also has important implications for the field of Holocaust education. Children and teenagers today in Holocaust education have been exposed to the death and destruction during the Shoah, which offtimes turns them off. Having more complete information about the experience of children during the Shoah will enable educators to build bridges between the two generations so that young people in the West can more easily identify with their peers annihilated in the Shoah. It is recommended that this area be given high priority in future research and program development.
- (B) Holocaust Education 50 Years after the Shoah The Commission agreed that the mass of young people in the Golah, especially those outside of the Jewish cohools, have not been effectively reached by Holocaust education.

Furthermore, there has been a growing de-emphasis on the Jewish uniqueness of the Shoah (and the full integration of the Shoah into Jewish and the general history). This is a global problem that needs to be addressed. Most important, an underlying conceptual basis needs to be established for Holocaust education in the 21st Century, which does not currently exist.

15 East 26th Street New York, NY 10010 (212) 679-4074

April 8, 1996

Rabbi Alexander M. Schnindler Union of American Hebrew Congregations 838 Fifth Avenue New York, NY 10021

Dear Alex:

I do indeed know about the "Facing History and Ourselves" project that you sent me. You are right that it is quite different from the approach of Yad Vashem. I think it would be useful when we next talk to discuss the comparison and especially how we should relate to Yad Vashem generally.

Hope you had a wonderful Passover vacation.

Warm regards.

Sincerely,

Dr. Jerry Hochbaum Executive Vice-President

JH/gc





RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, NY 10021-7064 (212)249-0100

April 1, 1996 12 Nisan 5756

Dr. Jerry Hochbaum Memorial Foundation for Jewish Culture 15 East 26th Street New York, NY 10010

Dear Jerry:

AMERICAN JEWISH

Have you ever heard of this project? That's quite an extraordinary way of handling the shoah for wider audiences. Yad Vashem could take a leaf from this in their approach to teaching it in Jewish schools. Let me know what you think.

Hope you had a relaxing pessach surrounded by your loved ones.

Be well.

Sincerely,

Alexander M. Schindler



RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, NY 10021-7064 (212)249-0100

ONE PAGE FAX

March 26, 1996 6 Nisan 5756

TO: Dr. Dan Thursz

From: Rabbi Alexander M. Schindler

I am honored and delighted to accept the Nomination of the Memorial Foundation's Nominating Committee.

Thanks and best wishes for a sweet and happy Pesach.

Mr. Saul Kagan

August 9, 1995 13 Av 5755

Mr.Saul Kagan Claims Conference 15 East 26th Street New York, NY 10010

Dear Saul:

I hope you're having a good summer, especially now that we have some respite from the dreadful heat we've had these past weeks.

It occurred to me that in order to acquit my Claims Conference responsibilities properly, I should have a better insight into the workings of the organization. Thus, I am writing to you to request some written materials which will help me in the endeavor. If you have any descriptive pamphlets to share, or even a copy of the Constitution and By-Laws that would be very helpful. Then, if I have additional questions I might discuss my role with you but from a more educated vantage point.

Anything you can share will be much appreciated.

With all good wishes and warm regards, I am

Sincerely,

Alexander M. Schindler

15 East 26th Street New York, NY 10010 (212) 679-4074

December 18, 1995

TO: Board Membership

FROM: Mr. Jack J. Spitzer, President

It pleases me to tell you that the Membership Committee, headed by Sylvia Hassenfeld as Chairman, and consisting of Prof. Herman Branover and June Jacobs (with Nicole Goldman and Joseph Harmatz not able to attend, and Carmi Schwartz concurring in the Committee's recommendations), together with your President as Ex Officio, met and wishes to recommend for your concurrence the admission to membership of:

Hadassah
Anti-Defamation League of B'nai Brith
The Foundation for Jewish Campus Life

as having met the standards as set forth in our By-Laws (Section III) as "International, multi-national and national organizations of the Jewish community, whose aims and activities are related to the preservation of Jewish culture for which purpose the Corporation was created ...".

A ballot to be executed by those member organizations, which are paid up in dues and hence eligible to vote, is enclosed. No ballot is enclosed for organizations not eligible to vote, but this advice is provided for your information. This recom-mendation is provided to you so that, if elected, they can be represented at our Board meeting in Buenos Aires. May I further urge that this ballot be returned before the end of this year so that our published thirty-year report will show them as members, if you approve.

May I also at this time submit for mail ballot, as provided in the amendment section of our present By-Laws, for approval of By-Laws, recommended by a very representative Committee of the Memorial Foundation, to wit: Julius Berman, our Counsel, as Chairman; Steven Bayme, Rabbi Israel Miller, Rabbi Alexander M. Schindler, Michael Schneider, Carmi Schwartz, and Jack J. Spitzer, Ex Officio; (Benjamin Meed and Israel Singer were not able to be present). The committee's recommendation was thoroughly considered and concurred with the meeting of the Executive Committee of the Memorial Foundation in Jerusalem. You are provided for your consideration and vote the approved prospective Ey-Laws, with the changes clearly indicated either by



crossing out present language and presenting in bold type proposed changes. You are herewith requested to vote by ballot by those organizations entitled to vote with the exception of Article VII for "Procedures for Nominations of Foundation's Officers", which has already been approved by the Board. Those organizations not receiving a ballot can secure one by bringing their dues current. May I urge that you accept the deadline for this vote, which you may do by fax -- (212) 889-9080 -- as of January 31, 1996. This will enable us to act at our meeting in Buenos Aires in accordance with updated procedures.

This will advise you that the Board will meet in Buenos Aires, Argentina on July 16, 17, and 18, 1996, with the Executive Committee meeting the afternoon and evening of July 15th; so please schedule your calendar accordingly. Our Executive Vice-President will advise you of the hotel and other relevant details with reference to that meeting as soon as the arrangements have been determined.

You are reminded that Article VII -- enclosed here again -- will be implemented. A Nominations Committee has been chosen and will be meeting on March 22, 1996 in New York. You are invited to make such recommendations as you wish for consideration by the Committee to be sent to Dr. Daniel Thursz, Chairman, c/o the Memorial Foundation office, in sufficient time that they can be copied and referred to the members of the Committee. Please note Section 4, which requires that all candidates must commit in writing their willingness to serve, if nominated.

May I wish to you and yours a very happy Chanukah and a renewed commitment to the program and values of the Memorial Foundation. May I remind you that when we meet in person each delegation determines the one vote of that delegation. It is necessary in these mail votes that your organization, or repre-sentative designated by the delegation, sign and return the ballot on behalf of the delegation.

With very best wishes,

JJS:fzs Enc.

BY-LAWS of MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC.

ARTICLE I

<u>MEMBERSHIP</u>

<u>Section 1.</u> The members of the Corporation shall consist of: (1) the organizations which are on this date and in the future continue to be member organizations in acordance with these By-Laws, and such other organizations as may from time to time be admitted to membership in the Corporation in accordance with the By-Laws.

Each of the said member organizations shall appoint one delegate to act for it at any general or special meeting of the Corporation until the appointment of its successor. Such delegates, when assembled, as directed by the By-Laws of the Corporation, shall have and may exercise all the powers, rights and priveleges of member organizations at any general or special meeting of the Corporation, until the appointment of successors to such delegates.

Each such appointed delegate shall have one (1) vote.

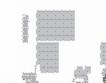
Section 2. Upon resolution adopted by a majority vote of the total membership, or a majority-vote of the Board of Trustees, other organizations which submit a written application for membership, express interest in the activities of the Gorporation meet the criteria for membership set forth in these By-Laws, and undertake readiness to abide by its By-Laws, may be admitted to membership in the Corporation.

<u>Section 3.</u> International, multi-national, and national organizations of the Jewish community, whose aims and activities are related to the preservation of Jewish culture, for which purpose the Corporation was created, shall be eligible for membership.

The admission of organizations which are divisions of international, multi-national, or national bodies that are already members of the Corporation shall be avoided. Government and quasi-governmental agencies and their branches shall not be eligible for membership.

Section 4. Each member organization of the Corporation shall be required to pay annual dues in an amount to be determined in advance by the Board of Trustees. Only member organizations which have paid their annual dues within eight months of the beginning of the fiscal year of the Corportion shall have the right to be represented at meetings of the Corporation, to be represented on the Board of Trustees, or otherwise to participate in its activities and be considered a member organization in good standing. Failure to pay annual dues, as aforesaid, during two successive years shall be considered the equivalent of resignation from the Corporation without any further notice.

Section 5. Any member organization may withdraw from the Corporation by giving thirty (30) days written notice of resignation to the Secretary, who shall inform all other member organizations of the Corporation of the fact and circumstances of such withdrawal.



Section 6. A member organization may be expelled for violation of the By-Laws of the Corporation or for other causes prejudicial to the best interests of the Corporation as determined by the Corporation. Such expulsion may be effected upon thirty (30) days notice, by a four-fifths (4/5) vote of all the member organizations of the Corporation in attendance at a meeting duly called for that purpose.

ARTICLE II

MEETINGS

<u>Section 1.</u> There shall be a general meeting of the Corporation every two years in each even calendar year for the election of members of the Board of Trustees and for receiving the biennial reports of the Officers, Trustees and committees, and the transaction of other business, at such time and at such place as shall be determined by the Board of Trustees, or under its authority.

Notice of such meeting shall be mailed by the Secretary, or in his absence by the Executive Vice-President, to each member organization not less than fifteen-(15) thirty (30) days and no more than 60 days before the time appointed for the meeting. Notices to overseas member organizations shall be sent by airmail or fax.

- Section 2. Special meetings of the Corporation may be called by the President, the Chairman of the Executive Committee, two Vice-Presidents acting together, or shall be called by the Secretary or the Executive Vice-President upon written request of not less than one-third (1/3) of all the **member organizations in good standing**. Notice of any special meeting shall be given in the same manner as in the case of a general meeting, and shall set forth the purpose or purposes for which it has been called.
- Section 3. The presence of one-third-(1/3) one-quarter (1/4) of the member organizations of the Corporation in good standing shall be necessary to constitute a quorum for the transaction of business at any general or special meeting, except at special meetings for the election of Trustees as provided by the Laws of the State of New York, but a lesser number may adjourn any meeting to some future time not more than thirty-(30)-forty-five (45) days later and the Secretary shall thereupon mail notice of the adjournment at least fifteen-(15) thirty (30) days before the adjourned meeting to each member organization.entitled to vote who was absent when the meeting adjourned.
- Section 4. Except as herein or by law otherwise provided, all questions considered at any meeting of the Corporation shall be decided by a majority vote of the members in good standing present in person or by proxy.
- Section 5. Every delegate of a member organization of the Corporation entitled to vote the organization's single vote at any meeting thereof may vote by proxy. Proxies shall be in writing, filed with the Secretary or Executive Vice-President and revocable at the wish of the member organization executing the same. Unless the duration of the proxy is specified, it shall be invalid after twenty-four (24) months from the date of its execution.

ARTICLE III

TRUSTEES

- Section 1. (a) Except as otherwise provided by law or by these By-Laws, all power and authority for the management of the affairs of the Corporation shall be vested in a Board of Trustees consisting of no less than five (5) fifty (50) nor more than one two hundred fifty (250) Trustees; members of the Board of Trustees shall, upon their election, immediately after adjournment of the meeting at which they are elected enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified.
- (b) The Board of Trustees shall elect an Executive Committee. Between meetings of the Board of Trustees, the Executive Committee shall have full power to elect new members of the Executive Committee and authority to manage the affairs of the Corporation. incuding the power-to-delegate any-or-all-of its-powers-and-authority between its meetings to one or-more-committees or Officers. Any actions taken, commitments made, or undertakings given by or under the authority of the Executive Committee shall be binding on the Corporation.
- (c) The Executive Committe shall consist of the Officers of the Corporation, the Trustees elected ad personam pursuant to the procedure set forth in Article III, Section 2 (b), the Honorary Officers of the Corporation, and fifteen (15) eighteen (18) additional Trustees as designted by their respective organizations elected by the Board of Trustees for a term of three (3) years on a staggered rotating basis, six member organizations to be elected each year. of whom, in the first election following coming into effect of this By-Law, five (5) of such-Trustees shall be elected for a term of one (1) year, five (5) shall be elected for a term of two (2)-years, and five (5) shall be elected for a term of three-(3) years, so that, thereafter, each year five (5) Trustees shall be elected for a term of three-(3) years. A Trustee elected as a member of the Executive Committee is eligible for reelection upon the conclusion of his term. Moreover, a member organization shall be considered as being represented on the Executive Committee if one of its designees to the Board of Trustees is elected as an Officer.
- (d) The President is Board of Trustees and the Executive Germittee-are each empowered to appoint standing and ad hoc committees for their-respective-bodies with such powers and authority as it may be determined from time to time.
- (e) The fiscal year of the Corporation and annual dues for member organizations shall be determined by majority vote of the Board of Trustees, to be effective the following fiscal year.
- Section 2. (a) Within the limits stated in these By-laws, the preceding Section, each member organization shall be authorized to designate three (3) persons as Trustees (who shall be elected as such by the members of the Corporation) and who shall jointly have one (1) vote. If only one (1) of such Trustee is present at a meeting of the Board of Trustees, he shall be entitled to cast such vote. In the event of disagreement among the Trustees appointed by

any member organization on the manner in which their single vote shall be cast, a majority of the Trustees appointed by the member organization shall determine the manner in which their single vote shall be cast, and if there be no such majority, then the member organization shall be recorded as having abstained from voting.

- (b) In addition to the Trustees designed in accordance with the provisions of the preceding sub-section, the member organizations of the Corporation may, by majority vote of the member organizations present and voting, designate from time to time persons not representing any particular organization to serve as Trustees of the Corporation until the next annual meeting. The number of such **ad personam** Trustees (**not including Officers**) shall not exceed ten (10) at any one time. Any person who has not been designated as a Trustee by any member organization who is elected as an Officer or Counsel of the Corporation shall be deemed to have been elected as such Trustee.
- Section 3. Upon admission by the Board of Trustees of any new member organization of the Corporation, the Board of Trustees shall, within the limits stated in Section 1 of this Article III, elect three (3) additional Trustees designated by each such member in accordance with Article III, Section 1.

If any vacancy shall occur in the Board of Trustees by death, resignation or otherwise, such vacancy shall be filled by the Board of Trustees provided, however, that the Trustee elected to fill such vacancy shall be a person designated by the member **organization** which designated his predecessors.

- <u>Section 4.</u> The Board of Trustees shall, without derogation of the powers hereinabove conferred upon it, have power to hold meetings at such times and places as it may deem proper to appoint committees anywhere in the world, and to designate agents for carrying out the purposes of the Corporation.
- Section 5. Unless otherwise determined by the general meeting of the Corporation, there shall be held immediately following the general meeting of the Corporation a meeting of the Board of Trustees for the election of Officers and members of the Executive Committee and such other business as the Board of Trustees may determine. No notice of such meeting need be given.
- Special meetings of the Board of Trustees may be called by the President, the Chairman of the Executive Committee, two Vice-Presidents acting together, or by the Secretary or the Exeutive Director upon written request of not less than one-third-(1/3) fourth (1/4) of all the member organizations in good standing. Notice of any such meetings, setting forth the purpose or purposes for which it has been called, shall be given in writing no less than twenty-(20) thirty (30) days before said meeting, to all members of the Board and all member organizations in good standing by airmail or fax. In an emergency, meeting notice may be waived provided 3/4 of the member organizations agree.
- Section 7. Notwithstanding the provisions of Section 6 of this Article, a meeting of the Board of Trustees may be held at any time and at any place without prior notice, and any action may be taken thereat, if notice of such meeting be unanimously waived.

Section 8. Trustees designated by at least one-quarter (1/4) ene-third-(1/3) of the member organizations of the Corporation, except as otherwise required by law, shall constitute a quorum for the transaction of business. In the event of emergency, as determined by the President, the Chairman of the Executive Committee, or two Vice-Presidents acting together, the minimum required by law shall constitute a quorum. If a quorum is not present, a lesser number may adjourn the meeting to a date not more than thirty (30) days later provided that immediate notice of such adjournment shall be given by any of said Officers to all Trustees.

Section 9. Expenditures of capital funds may be made only upon the affirmative vote of Trustees representing two-thirds (2/3) of the members of the Corporation. This Section may be amended, repeated or altered by a two-thirds (2/3) majority vote of all the member organizations of the Corporation or of Trustees representing two-thirds (2/3) of the members of the Corporation.

Section 10. Any Trustee may be removed from ofice either with or without cause at any time by a vote of a four-fifths (4/5) majority of the delegates of all the members present and voting, or by a vote of a four-fifths (4/5) majority of Trustees present and voting designated by all the members of the Corporation at a meeting called for this purpose. Any person removed as Trustee of the Corporation shall be deemed to have been removed also from any office filled by him at such time.

ARTICLE IV

THE OFFICERS

Section 1. The Board of Trustees shall have the power to elect the following Officers: President, Chairman of the Executive Committee, up to five Vice-Presidents, a Treasurer, and a Secretary. The Board of Trustees may also elect such other Officers as it may from time to time determine. Officers other than the President, the Chairman of the Executive Committee, the Vice-Presidents, the Treasurer, and the Secretary, the Executive Director-and-Gounsel need not be Trustees of the Corporation. Any office not filled by the Board of Trustees may be filled by the Executive Committee, which action may be by mail ballot. In event a vacancy occurs in office between meetings of the Board of Trustees, the Executive Committee is empowered to fill vacancies by mail ballot.

Section-2.----The-ourrent-President is eligible for-reelection to that Office for-one additional term, and the ourrent-Chairman of the Executive-Gommittee is eligible for-reelection to that Office for two additional terms.

<u>Section 2.----Except as provided in Section 2-hereof</u>, All Officers shall be eligible for election for a maximum total of three two-year terms.

Section 3.----At the 199-Biennial-Meeting and each Biennial-Meeting thereafter, a minimum of ane and a maximum of two then current Vice Presidents who have reached their maximum three terms in office shall not be eligible for reelection.

Section 4.---- Consequently, except as provided in Section 4 hereof, no Officer of the Corporation, with the exception of Counsel, shall be eligible for renomination at the 1994 Biennial Meeting of the Corporation's Board of Trustees if he has already-served three-succesive two year-terms in the Office.

- <u>Section 3.</u> Officers are eligible to be nominated for election to a different Office after they have completed the maximum allocated service in a their prior Office.
- <u>Section 4.</u> Officers should be nominated for election on the basis of **personal** merit **and qualification**, with consideration being given to maintain the geographic and ideological balance of Jewish life.
- <u>Section 5.</u> The Officers of the Corporation shall have such duties and powers as are generally ascribed to their respective offices in corporations organized under the Laws of the State of New York, **these By-laws** and such other duties as may be assigned to them from time to time by the Board of Trustees or the Executive Committee.
- Section 6. The procedures for nominations of Foundation's Officers are as follows:
- 1. A Nominations Committee of 5-7 members will be appointed by the Presdent, at least one year prior to the Biennial Meeting of the Board of Trustees and shall advise the Executive Committee of the appointment.
- 2. The Nominations Committee shall recommend a slate of Officers to stand for election at the Biennial Meeting of the Board, notice of which shall be sent to the members of the Board at least 90 days prior to the Biennial Meeting.
- 3. No less than twelve member organizations in good standing may jointly present in writing to the Foundation alternative nominations for any office, which must be submitted no later than 45 days prior to the Biennial Meeting of the Board of Trustees.
- 4. All recommendations, whether submitted by the Committee or by the member organizations, must conform to the rotation rules heretofore adopted by the Foundation and must be accompanied by the written consent of the candidate(s) nominated.
- 5. Only members who have fully paid their membership dues will be entitled to vote for the election of Officers at the Biennial Meeting. Ballots will be distributed at the Biennial Meeting listing the slate and any alternative nominations. Each organization will have one vote. Voting will be by secret ballot, and the tabulations will be done by three board members.

THE PRESIDENT

The President shall preside at the meetings of the Corporation and of the Board of Trustees. He shall report on the activities of the Corporation to the members of each general meeting and at such other times as he shall deem proper. He shall have the power to designate a nominating committee which shall submit its recommendations to the Board of Trustees for election of the Officers and the members of the Executive Committee, and shall have the power to appoint the members of other standing ad hoc committees. He shall perform such other duties as are incidental to the office of the President, and as may be authorized by the Board of Trustees.

THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

The Chairman of the Executive Committee shall preside at meetings of the Executive Committee. He shall have the power-to appoint committees and to perform such other duties as the President or the Board of Trustees may authorize. In the event of the disability or unavailability of the President, the Chairman shall serve in his stead.

THE VICE-PRESIDENTS

In the event of the deaths or resignations of the President and the Chairman of the Executive Committee or their permanent inability to act, the Executive Committee shall elect the President's successor from among the Vice-Presidents.

If the President shall for any reason not be present at a meeting of the Corporation, or of the Board of Trustees, the Chairman of the Executive Committee shall preside. If the Chairman is not available, the persons present at such a meeting shall elect a chairman of the meeting from among the Vice-Presidents.

THE TREASURER

The Treasurer shall keep an account of all monies and property received and expended for the purpose of the Corporation, and render reports to the members of the Corporation and to the Board of Trustees. He shall disburse the funds of the Corporation pursuant to authorization of the Board of Trustees or the Executive Committee.

THE SECRETARY

The Secretary shall give notice of and attend all meetings of the Corporation, and of the Board of Trustees, and of Committees and keep a record thereof. He shall be the keeper of the Seal of the Corporation.

<u>Section 2.</u>----All-vacancies in-any-office-shall-be filled by the Executive Comittee for the unexpired term.--All-Officers shall hold office until-succesors-shall have been elected and shall qualify.

ARTICLE V

THE EXECUTIVE VICE-PRESIDENT (OR-THE EXECUTIVE DIRECTOR)

AND THE COUNSEL

The Executive Vice-President (er the Executive Director) shall be the chief administrative officer of the Corporation and shall perform such functions as shall be assigned him by **the President**, the Board of Trustees, or any Committee acting under its authority, from time to time.

The Counsel shall be the principal legal officer of the Corporation.

ARTICLE VI

The Seal of the Corporation shall be as follows:

MEMORIAL FOUNDATION FOR JEWISH CULTURE, INC.

Corporate Seal

1964

ARTICLE VII

AMENDMENTS

Except as herein otherwise provided, these By-Laws may be amended, repealed or altered, in whole or in part, by a majority vote of all the member organizations of the Corporation, or of the Board of Trustees of the Corporation present and voting, at any duly organized meeting of the Corporation or of the Board of Trustees, as the case may be. Said vote may be by mail. A proposed amendment, to be considered, must be submitted in writing to the member organizations at least fifteen (15) days prior to the vote, provided that changes or related amendments to the proposed amendment be made at the meeting at which the vote is taken.

The use of any gender herein shall be deemed to be or include the other genders, and the use of the singular herein shall be deemed to be or include the plural, and vice versa, wherever the context may require.

THESE BY-LAWS HAVE BEEN APPROV	/ED AS OF THE	DAY OF
	Secretary	

15 East 26th Street New York, NY 10010 (212) 679-4074 free

October 25, 1995

Dr. Israel Miller Senior Vice President Emeritus Yeshiva University 500 West 185th Street New York, NY 10033

Dear Israel:

I hope that all is well with you and your loved ones.

As you will recall, by letter, dated May 25, 1995, we requested payment of the debt owed by the Claims Conference to the Memorial Foundation in the amount of \$137,080, plus accrued interest, or approximately \$200,000. We annexed several documents detailing the basis for the debt and setting forth the acknowledgment of the debt by the Claims Conference.

Our letter also made the assumption that the Claims Conference would continue to recognize its historic agreement with the Memorial Foundation which designated the Memorial Foundation as the sole recipient of all sums made available for cultural activities. We note with some disappointment however, that to date, you appear not to have responded to our letter.

Since I wrote to you, it has come to our attention that the Claims Conference has begun to disburse funds to various entities for cultural activities, and that in late 1994, the Claims Conference formally amended its Certificate of Incorporation to expand the scope of its functions. Frankly, we were dismayed by these developments, especially since they were undertaken without any prior discussion with the Memorial Foundation and contravened a division of responsibilities between the Claims Conference and Memorial Foundation which had been respected for three decades.

By this letter we are again reaching out to you in the hope that we can formulate an amicable resolution to both of the above issues. In order to expedite matters, the Administrative Committee of the Memorial Foundation met recently and after reviewing the facts available to it, appointed a Committee consisting of Carmi Schwartz, Rabbi Alexander M. Schindler and the undersigned, as Chairman. To assist us in this undertaking, we have retained Special Counsel, the firm of Weil, Gotshal & Manges, Esqs.



Dr. Israel Miller Senior Vice President Emeritus October 25, 1995 Page 2

May I suggest that it seems appropriate that the Claims Conference also organize a Committee of several persons and, with its counsel, meet with us at the earliest opportunity. Let's do what we can as quickly as we can to put these issues behind us.

Please let me hear from you soon.

Sincerely yours,

Jack J. Spitzer

cc: Alexander M. Schindler Carmi Schwartz

Jack J. Spitzer #304, Globe Building 9725 S.E. 36th St. Mercer Island, WA 98040 ÷

CONFERENCE ON JEWISH MATERIAL CLAIMS AGAINST GERMANY, Inc.

15 EAST 26 STREET = SUITE 906 = NEW YORK, NY 10010 TEL: (212) 696-4944 = FAX: (212) 679-2126

MEMORANDUM

TO: The Board of Directors

October 13, 1995

FROM: Dr. Israel Miller, President

This memorandum is intended to briefly update you on a number of significant Claims Conference developments:

- (1) We note with sadness the recent loss of two of our directors: Dr. Isaac Lewin and Mr. Alan Rose. Dr. Lewin was a member of our Board since the inception of the Claims Conference in October, 1951 as one of the representatives of Agudath Israel World Organization. Mr. Alan Rose served for many years on our Board as one of the representatives of the Canadian Jewish Congress. They were outstanding leaders of their organizations, and valuable members of our Board. Zichronam Livracha. May their memory be a blessing.
- (2) I am pleased to inform you that the Board of Directors approved the recommendations of the Allocations Committee for grants in excess of DM 42 million to organizations and institutions which provide shelter or social care to elderly Holocaust survivors, as well as to established institutions devoted to research and documentation of the Holocaust. My memorandum of July 19th gave you a detailed analysis of the allocations.

This opens a new major chapter in the activities of the Claims Conference, as these are the first allocations from funds which became available from the recovery of heirless and unclaimed Jewish property in the former German Democratic Republic (East Germany) by the Claims Conference Successor Organization. Additional funds for allocations are becoming available from the disposition of properties by the Successor Organization, notwithstanding the difficult legal and procedural problems connected with the processing of the property restitution claims. We are grateful to Dr. Karl Brozik who directs this effort in Germany, as well as to the members of our Committee on the Successor Organization for their major accomplishments. The Allocations Committee will meet again and recommend additional grants.

Member Organizations: Agudath Israel World Organization, Alliance Israelite Universelle, American Gathering/Federation of Jewish Holocaust Survivors. American Jewish Committee, American Jewish Congress. American Jewish Joint Distribution Committee, American Zionist Federation, Anglo-Jewish Association. B'nai B'rith International, Board of Deputies of British Jews. Canadian Jewish Congress, Central British Fund for World Jewish Relief. Centre of Organizations Holocaust Survivors in Israel, Conseil Representatif des Institutions Juives de France. Council of Jews From Germany, Delegacion de Asociaciones Israelitas Argentinas. Executive Council of Australian Jewry, Jewish Agency for Israel, Jewish Labor Committee. South African Jewish Board of Deputies. Synagogue Council of America. World Jewish Congress. World Union for Progressive Judaism. Zentralirat der Juden in Deutschland.

- (3) The intensive processing of Hardship and Article 2 Fund claims continues, and both Funds are receiving many new applications: During the first eight months of this year the Hardship Fund received 10,341 new registrations and the Article 2 Fund 10,420. During the same period, 13,129 Hardship Fund applications were processed. These are massive administrative tasks and we acknowledge the extraordinary efforts of our staff in Tel-Aviv, New York and Frankfurt. We are seeking additional means to accelerate the processing of these claims.
- (4) We have reached a milestone in the implementation of our recent agreement with the German Federal Republic. The first pension payments to Article 2 Fund claimants started in August 1995. These are payments to Holocaust survivors who suffered severe Nazi persecution and are today in difficult financial circumstances. 13,697 Article 2 Fund applications were approved by August 31, 1995.
- (5) Our amended Certificate of Incorporation states that the corporation shall indemnify all officers and directors for loss resulting from a claim for a wrongful act. To financially secure this Claims Conference obligation, the Conference purchased Directors and Officers liability insurance from Lloyds of London. The limit of liability is \$10 million per claim. There is a \$10 million aggregate for the policy period of one year.
- (6) In order to ensure the best return on the short term placement of funds which the Claims Conference receives from the German government for the Hardship Fund and Article 2 Fund payments, as well as from the sale of properties recovered by the Successor Organization, it became necessary to establish an investment committee. I have requested Mr. Edgar Bronfman, a director representing the World Jewish Congress, to assume the chairmanship of this committee.
- (7) During the past several months we have been engaged in active discussions with the Austrian Government concerning the establishment of the "National Fund for Nazi Victims." The initial intent of the Austrian authorities was to limit eligibility to Nazi victims in and from Austria who are in financial need. We succeeded in persuading the Austrian government to provide a payment to every surviving Austrian Jew. This important achievement entailed an immense effort on the part of Saul Kagan in close cooperation with Paul Grosz, President of the Federation of Jewish Communities in Austria and Gideon Eckhaus, Chairman of the Association of Austrian Jews in Israel.

The Fund will provide a basic payment of AS 70,000 (approximately \$7,000), as well as supplementary support up to AS 210,000 (approximately \$21,000) to those in special need. We have made it clear to the leaders of the Austrian Government and Parliament that we consider the payment of AS 70,000 below what, in our judgment, would represent a meaningful benefit for each survivor. We continue to press the Austrian Government to raise the basic benefit.

(8) The Claims Conference, a founding member of the World Jewish Restitution Organization (WJRO), and a member of its Council and Executive Committee, is supporting WJRO activities financially and professionally. The WJRO is actively pursuing negotiations with a number of Eastern European countries, principally for the return of former Jewish community property.

Initial agreements were reached with the governments of Hungary and Rumania. In Poland legislation is expected which will enable the WJRO to advance claims for Jewish community property. The WJRO is coordinating its efforts with the Jewish communities of the countries concerned.

The WJRO is currently engaged in intensive negotiations with the Swiss government and the Swiss Bankers Association to establish a satisfactory procedure for the return of bank accounts and other assets of Jewish Nazi victims on deposit with Swiss banks. We will have a full report on WJRO activities at our Board meeting in 1996.

I close with best wishes for a Shana Tova and the good news that our colleague Akiva Lewinsky is on the road to recovery after a serious automobile accident. We join in wishing him Refuah Shleimah, a full and speedy recovery.

Jerard Miller

IM/fr

Richard Cohen Associates

PUBLIC RELATIONS COUNSEL

FAX COVER SHEET

TO: Rabbi Alexander M. Schindler FAX NUMBER: 650-41	39
SENT BY: Joel Saibel	
IN REFERENCE TO: your statement in Memorial Foundation's 30th anniversary brochure.	1
DATE: 10/5/95	
THIS MESSAGE CONSISTS OF PAGES, INCLUDING THIS COVER SHEET	100
OUR FAX NUMBER IS: (212) 755-8598	· · · · · · · · · · · · · · · · · · ·
MESSAGE: Jerry Hochbaum asked me to forward this draft of	
your message that's scheduled to appear in the	
Memorial Foundation's 30th anniversary brochure.	
Please let me have your comments before my	
meeting with Jerry and Jack Spitzer on October 18,	
G'mar chasima tova.	
Best,	
Joel	
	1

INSURING JEWISH CONTINUITY

By Alexander M. Schindler

The pursuit of knowledge has always been fundamental to insuring the continuity of Jewish life. Thus, the Memorial Foundation for Jewish Culture was created to help restore Jewish learning and Jewish culture, not only to European Jewish communities whose religious and cultural institutions were shattered by the Holocaust and seven decades of Soviet repression, but to Jewish communities threatened by the profound dangers of alienation and assimilation. It has done so through a two-pronged approach of:

- Building and supporting a network of Jewish institutions that would help bring about a cultural renaissance of Jewish life in communities large and small; and
- Providing funds to train scholars, educators and communal workers to help replace the Jewish leaders who perished at the hands of the Nazis.

To carry out this mission, the Foundation has supported the educational and scholarly programs of research institutions, academic bodies, and major universities and encouraged the training of gifted scholars, writers and artists to initiate useful service projects in their own communities. Early in the Foundation's history it became apparent that sending money to support indigenous Jewish educational programs alone would not suffice. Often the local community simply did not have enough trained people to implement even well-designed programs. And even when such people were available, they sometimes resisted efforts from outside sources to introduce innovative ideas.

Consequently, the Foundation concluded that the most effective way to assist such communities was to provide their talented young people with training abroad -- especially in the United States and Israel -- following which they would return to help insure the Jewish survival of their home communities. As part of

this program, young scholars were encouraged to devote themselves to Jewish studies, creative artists to bring their talents to Jewish themes, social workers and teachers to serve the Jewish community. The results of these efforts afford us a sense of optimism and lead us to the belief that the struggle to revive and restore a flow spring Jewish cultural life where half a century ago there were only ashes will indeed be won.



15 East 26th Street New York, NY 10010 (212) 679-4074

September 11, 1995

MEMORANDUM

TO:

Rabbi Alexander M. Schindler Union of American Hebrew Congregations

FROM:

Dr. Jerry Hochbaum

Executive Vice-President

ARCHIVES

As you know, each member organization of the Foundation designates three persons to serve on the Foundation's Board of Trustees.

On the attached sheet, you will find the names of the individuals your organization designated to attend the meeting of our Board in Riga, or nominated subsequently. Should you wish to change your designees to the next Biennial Meeting of the Foundation, which will take place the summer of 1996, please do so on the attached form. If we do not hear from you by October 31, 1995, we will assume that you wish to carry forward with the same three designees.

Please return the attached form to us no later than October 31, 1995.

Kind regards.

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15 East 26th Street New York, NY 10010 (212) 679-4074

May 22, 1995

Rabbi Alexander M. Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, NY 10021

Dear Alex:

As you know, the Executive Committee meeting of the Memorial Foundation will take place June 20-22, 1995 at Hyatt Regency Hotel in Jerusalem.

As your organization is current in its dues, you are entitled to reimbursement for the stay at the hotel at a single room rate for Monday through Wednesday evenings, June 19-21, 1995. You will be billed by the hotel for your personal expenses during this time period. The hotel has requested that you make available your credit card for this purpose upon registration.

If you arrive earlier, or leave later than the dates noted above, you must cover your own hotel expenses for those days.

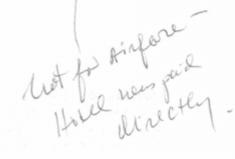
I look forward to greeting you in Jerusalem.

Warm regards.

Sincerely yours,

Dr. Jerry Hochbaum Executive Vice-President

JH:fzs





Jd RABBI AI



OPY

RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, NY 10021-7064 (212)249-0100

July 21, 1995 23 Tammuz 5755

Mr. Jack Spitzer P.O. Box 2008 Kirkland, WA 98083

Dear Jack:

I have a copy of your letter to Navon and I appreciate your sending it to me.

When you first broached this matter, I told you of my reservations. It isn't that I have anything against Navon, God forbid; quite the contrary, we have the best of relations. But the Memorial Foundation is an umbrella of organizations. The Chacham Gaon, of blessed memory, represented the World Sephardi Federations and Navon does not. (If the truth be told, since his family came to israel in the long ago, the Sephardim of Israel do not even recognize him as one of their own; that was established in the second Begin election when the Labor Party made him number three or four on its electoral list, but he failed to pull any Sephardi votes from Begin).

To complicate matters still further, the Chacham Gaon, representing the World Sephardi Organization was slated to be rotated off the Officers Corp, but we have a number of other Sephardi organizations on whom we could possibly draw. (In a way that is a pity, because if we were to disregard the rules and go back to the World Sephardi Federation, we might be able to persuade Nissim Gaon to join us as an Officer and since he is probably one of the world's wealthiest Jews, he could even serve as a source of income for us.)

As far as your suggestion that we elect Itzchak Navon on an 'ad personam' basis, that too has its risks because this is one of the "sins" of which our opponents in Riga accused us. We were able to justify that designation when we honored individuals such as

Mr. Jack Spitzer July 21, 1995 Page Two

Iz Miller and our Immediate Past President, and you too for valuable services rendered. But I am afraid that we would engender a lot of grumblings among our organizations were we to extend that honor to an outsider.

I suppose we best discuss all this at the next meeting of our Administrative Committee and then follow not only their decision, but also the lines which our recently formed nominations procedures dictate.

On another matter entirely, and because the problem of the Claims Conference has been much on my mind lately, do you keep copies of their Board and Executive Meeting Minutes? If you do, I wouldn't mind looking them over - especially those meetings which were held in the course of the past one or two years.

Forgive my long ramblings, but this is the best way in which I can relay my thinking to you.

Hope you are having a pleasant summer and that you and your entire family is in good health.

With all best wishes, I am

Sincerely,

Alexander M. Schindler

BCC: DR. JERRY HOCHBAUM

Jack J. Spitzer

President 9725 S.E. 36th St., Suite 304 Mercer Island, WA 98040 Phone: (206) 232-3510 Fax: (206) 232-9879 Pr. Jerry Hochbaum
Executive Vice President

xecutive Vice President 15 East Twenty-sixth St New York, NY 10010 Phone: (212) 679-4074

Fax: (212) 889-9080

July 6, 1995

CONFIDENTIAL

Rabbi Alexander M. Schindler 838 Fifth Avenue New York, NY 10021-7064

Dear Rabbi Schindler:

AMERICAN IEWISH

As I see it, President Navon is clearly the most prestigious Safardi in Jewish life but, on the other hand, doesn't wish to claim that he represents the Safardi. If our intelligence and consultation with key leaders of the Safardic community suggest that he would not be, in their minds, a representative, we may not elect such a representative or, on the other hand, that representative might be elected at the same time that we would elect a president alone because, clearly, there will be two positions as vice president in this process.

I also recognize that we have to review with Avrum Berg his interest in the Memorial Foundation. During the General Assembly I tried on several occasions to even steal five minutes which would have been appropriate when Bibi Netanyahu did not show up for his address, but Berg put me off. We now have some understanding that when he comes to the United States, we will try to get together.

With warmest personal regards and best wishes, I remain

Sincerely,

Jack J. Spitzer

JJS:er

Toll g 1994

Branover Shey Mariner Hose Mayor

Jack J. Spitzer
President
9725 S.E. 36th St., Suite 304
Mercer Island, WA 98040
Phone: (206) 232-3510
Fax: (206) 232-9879

Dr. Jerry Hochbaum Executive Vice President 15 East Twenty-sixth St New York, NY 10010

Phone: (212) 679-4074 Fax: (212) 889-9080

July 6, 1995

President Yitzhak Navon 31 Haneviim Street Arledon Building Jerusalem, ISRAEL

My dear Yitzhak:

It was a real pleasure to find that you have an interest in the possibility of serving in a significant capacity in the work of the Memorial Foundation for Jewish Culture.

As I indicated to you, I am enclosing herewith information which will further your understanding of the operation and structure of the Memorial Foundation which was founded at Nahum Goldman's initiative approximately thirty years ago.

The twenty-five year report I am enclosing herewith will give you a very good idea of where we stand. Fortunately, there have been some significant new outreach programs which we trust will be the path of the future. As a matter of fact, I have a dream that the Memorial Foundation can play the key role in bringing into every newly married family a basic library of Jewish books to implant within that family a core of Jewish learning and culture.

I am enclosing also a list of our current officers. You will note that the Hakham, Dr. Solomon Gaon, is still shown as an officer out of respect for his long tradition of leadership in the organization, even though he has now passed away.

I am also enclosing a copy of the amendment to our By-Laws approved by our Board which sets forth a new nominating and election procedure.

I am sure that if you agree to be elected a vice president of the Memorial Foundation, that there will be overwhelming approval of that commitment.

As I indicated over the phone, the officers meet from time to time in New York but, I confess, because we have an international set of officers, not all of the officers from outside the United States attend. What does happen is that the Executive Committee, which meets on the off-year, and the Board, which meets biennially, requires, if humanly possible, the attendance of all of the officers. As I indicated, it is planned that the next meeting of the Board, at which time you would be elected if the nominating committee so directs--both ad personam and as a vice president, is now planned to be held in Buenos Aires in the latter part of July, 1996.



If there is any further information that you would like, please be in touch. For your information the dues of the member organizations, which is \$2,000 per year, pay for the cost of the meetings of the Memorial Foundation because it is our tradition to reimburse the officers, Executive Committee, and delegates (one from each organization) for the cost of attending the meetings.

I look forward with keen anticipation your affirmative response to this possibility.

With warmest personal regards and best wishes, I remain

Sincerely,

Jack J. Spitzer

JJS:er

Enclosure

bcc: Rabbi Alex Schindler Dr. Jerry Hochbaum

15 East 26th Street New York, NY 10010 (212) 679-4074 fle

June 1, 1995

Dr. Israel Miller 2619 Davidson Avenue Bronx, NY 10468

Dear Israel:

At the meeting of the Allocations Committee of the Claims Conference yesterday, Akiva Lewinsky advised me that he would be presenting the items about which Alex and I wrote to you at the forthcoming meeting of the Executive Committee of the Claims Conference in Jerusalem, as I will be unable to attend.

As I will be unable to attend, I am requesting that we defer the discussions on those items for a later date, at which time Alex and I can meet with you and your top leadership.

I trust that we will have a chance to communicate during the time you will be, hopefully, in attendance at the Executive Committee of the Memorial Foundation in Jerusalem.

Warm regards.

Sincerely yours,

Jack J. Spitzer President

JJS:fzs

cc: Rabbi Alexander M. Schindler Mr. Saul Kagan



mem Ja

April 26, 1995 26 Nisan 5755

Mr. Boris Feldblyum 8510 Wild Olive Drive Potomac, MD 20854

Dear Mr. Feldblyum:

Thank you for the up-dated information on the Center for Eastern European Jewish History. While I would be happy to meet with you to discuss the project, I cannot possibly do so until early June for my travel and meeting schedule will be keeping me away from my desk and "on the road," until that time. And even then my time is limited for I have to be in California in June prior to a journey to Israel. However, I suggest you call my office in late May and speak with Ms. Miller to determine the possibility of a meeting.

While I appreciate your invitation to serve on the Center's Board of Directors, I do not like to accept such positions when I can do no more than lend my name. Given my schedule anything more would be most difficult so I must decline with much regret.

With every good wish, I am

Sincerely,

Alexander M. Schindler

Boris Feldblyum 8510 Wild Olive Drive, Potomac, MD 20854, USA Phone 301-424-2654 + Fax 301-424-7412 + Internet bfeldbly@capaccess.org

April 12, 1995

Rabbi Alexander M. Schindler Union of American Hebrew Congregations 838 Fifth Avenue New York, NY 10021-7064 Mobile

Dear Rabbi Schindler:

No working

Earlier this year, my friend Sallyann Sack sent you a copy of a proposal to save Jewish archival records held in Russia and to create a high-tech repository of these materials for the benefit of Jewish scholars and lay researches.

It was on my behalf that Sallyann wrote you the letter. Thank you for answering it promptly; I appreciate it because you have many demands on your time. In you response to Sallyann, which she kindly shared with me, you elaborated on the possibility that the Memorial Foundation might support the Center for Eastern European Jewish History. You also suggested that you might be able to direct me to other foundations and individuals who would be interested in the new venture. Of course, I am very grateful for any initiative you take on my behalf.

The Center is being incorporated as a 501(c)(3) organization. As soon as it is formally registered, I will be happy to share this news with you. Sallyann Sack, who helped me greatly with the preparation, has graciously agreed to serve on the Board of Directors.

I am very excited to see the Center becoming reality. Although the amount of work ahead is tremendous, the project is being recognized and supported in the Jewish community and I am confident of its success. I realize that you possess invaluable experience and have much to contribute to the future work of the Center, as your time permits. In this regard, I would very much like to meet with you at your convenience, to share with you future plans, to discuss strategies and to learn from your advice. It would be honor for the Center, if you could also serve on its Board of Directors.

Sincerely,

Boris Feldblyum



RABBI ALEXANDER M. SCHINDLER • UNION OF AMERICAN HEBREW CONGREGATIONS
PRESIDENT 838 FIFTH AVENUE NEW YORK, NY 10021-7064 (212)249-0100

January 19, 1995 18 Shevat 5755

Copy

Sallyann Amdur Sack, Ph.D. Editor Avotaynu 7604 Edenwood Court Bethesda, MD 20817

Dear Sallyann:

19. LT 17 17 71

Forgive the brevity of my response, but your material arrived just as I had one foot out of the door. I am off to Augusta, Georgia, then points West and I won't return for another two weeks.

The Boris proposal is very interesting, but of course I have no way of judging it. Happily though, I am the Chairman of the Executive of the Memorial Foundation which lends support to ventures which seek to preserve the Jewish culture. This Foundation draws on sums which were given to it by the German Government many, many years ago. The funds are not sufficient to support this project, but we do have readers - people who are expert in the field, and I would very much like to have their evaluation of this proposal before we proceed.

If this should prove to be of worth, the Memorial Foundation might be able to help, but not very much since the sums we distribute are minuscule. On the other hand, we might be able to point you in the right direction for other foundation support and individuals who might be particularly interested in this venture.

All the very best to you. Rhea saw a copy of your letters and so she has your good wishes which she reciprocates of course.

Sincerely,

Alexander M. Schindler

MEMORIAL FOUNDATION FOR JEWISH CULTURE

15 East 26th Street
New York, NY 10010
(212) 679-4074

March 6, 1995

Rabbi Alexander M. Schindler
Union of American Hebrew
Congregations
838 Fifth Avenue
New York, NY 10022

Dear Alex:

I have just returned from my trip abroad on Foundation business. I look forward to seeing you in your office on Tuesday, March 14th at 3:00 o'clock, at which time I can share with you the results and impressions of this trip.

Prior to my departure, I had sent Boris Feldblyum's project on "The Center for Eastern European Jewish History and Genealogy" for evaluation, in accordance with your request. The reviewer indicated to me he had seen the materials before and that they are certainly slick and nicely put together. His only hesitation is that there is not much evidence of any results to date. This is especially important because Mr. Feldblyum does have contacts with people in the former USSR who are doing the same kind of work. We were advised by our expert that the impression of the professionals there about Mr. Feldblyum is congruent with his evaluation.

The best that he could recommend was some small, partial (or contingent) support to see what results he has or can achieve, and decide whether to continue with it.

I also received your message about Burg (conveyed through Edie). I look forward to discussing that with you as well when we meet on March 14th.

Warm regards.

Sincerely yours,

Dr. Jerry Hochbaum

JH:fzs

P.S. Under separate cover, I am returning Mr. Feldblyum's document to you.



15 East 26th Street New York, NY 10010 (212) 679-4074

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April 27, 1995

TO:

Members, Committee on Scope

FROM:

Dr. Jerry Hochbaum

AMERICAN IEWISH

Enclosed please find the summary of decisions taken at the recent meeting of the Committee on Scope.

Warm regards.

JH:fzs Enc.

M



15 East 26th Street New York, NY 10010 (212) 679-4074

Summary of Decisions Committee on Scope March 22, 1995 New York City

In Attendance

Prof. Arthur Hertzberg and Prof. Menachem Elon (Co-Chairmen), Prof. Herman Branover, Prof. Israel Gutman, Rabbi Alexander M. Schindler, Prof. Menahem Schmelzer, Prof. Daniel Sperber, Mr. Jack J. Spitzer, Dr. Daniel Thursz, Mr. Jean-Jacques Wahl, Dr. Jerry Hochbaum and Dr. Moshe Sokol (Staff)

The Committee on Scope engaged in a review of the content and range of all the Foundation's programs, building on the earlier reports and recommendations of the Foundation's Committee on Review. The following consensus emerged:

I. The committee re-affirmed the critical importance of the Foundation's Scholarship and Fellowship Programs as fulfillment of the Foundation's mandate to help create a generation of Jewish scholars, writers, academics and educators to replace the generation of intellectuals and communal leaders destroyed during the Holocaust. It is our premier task to help produce a new generation which will help to preserve, to add new insights and to disseminate Jewish culture in the changing contemporary Jewish world.

The committee recommended that the scholarship and fellowship programs should increase their concern for the development of lay leadership, so sorely needed in Jewish life today, while continuing support of scholarship.

II. The committee reiterated support of the Foundation's long-standing commitment to memorialize the Holocaust, and to preserve the cultural legacy of the communities destroyed during the Shoah; to raise the Jewish consciousness and learning of Russian Jewry, including the integration of Russian Jews into the Jewish people; and to support Jewish creativity in the fields of Jewish scholarship and education through its support of recognized academic, scholarly and educational bodies with established track records through the Foundation Institutional Programs.



- III. The committee unanimously agreed that the Foundation should continue to enlarge and expand the Foundation's pro-active stance, building on the success of its work in the New Directions Programs. This should take a number of directions:
 - a. The Foundation should establish an ongoing think tank, consisting of selected members of the Foundation Boards, supplemented by experts and scholars co-opted from Jewish life, periodically to assess the cultural needs of world Jewry and to propose strategies and programs to address those needs for the Jewish community.
 - b. The Foundation should develop an inventory of programs whose effectiveness has been demonstrated in these areas for dissemination to the international Jewish community.
 - c. The Foundation should propose, design and test new programs on a pilot basis where theses cultural needs have not been adequately met or where no programs exist.
 - d. Successful programs which the Foundation has developed through its New Directions Programs (e.g., the Nahum Goldmann Fellowship; Reaching Marginally Affiliated Jewish families, New Technologies and Jewish Education), should be replicated in other parts of the world by the Foundation.
 - e. In all of the above areas, efforts should be made to enlist the support and cooperation of other institutions in these programs because of the Foundation's limited resources.
- IV. To achieve all of the above aims, the Foundation's support to institutions should re-examined to support an expansion of the New Directions Programs.

The Foundation should encourage and involve institutions in actively developing programs which meet these new needs in creative ways, or support ongoing programs that effectively address them.

V. A sub-committee of the Foundation's Committee on Scope should review the many new programmatic proposals which were discussed at the meeting and develop special proposals for pilot projects in these areas. The committee paid tribute to the lay and professional leadership of the Foundation for its success in the innovative programs it has supported to date.

VI. Finally, the members of the committee strongly endorsed the Foundation's mandate to re-construct Jewish cultural life after the Holocaust and preserve the Jewish legacy almost obliterated during the Shoah.

The members unanimously agreed that the Foundation must undertake the most cost-effective and creative means to address the areas the sub-committee will propose as pilot projects, as well as the Foundation's regular programs, to ensure the Foundation's successes, in light of the limited resources that the Foundation has at its disposal.

