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**UNITED STATES RETURNS PAINTING, EXPROPRIATED BY NAZIS,
TO THE ESTATE OF ITS RIGHTFUL OWNER, DR. MAX STERN**

LEV L. DASSIN, Acting United States Attorney for the Southern District of New York, and PETER J. SMITH, Special Agent-in-Charge of the New York Office of the Department of Homeland Security's Immigration and Customs Enforcement ("ICE"), announced today that Portrait of a Musician Playing a Bagpipe (the "Bagpipe Player"), an oil painting subjected by the Nazis to forced dispossession in 1937, will be returned to the estate of its rightful owner, DR. MAX STERN, at a repatriation ceremony held today -- Holocaust Remembrance Day -- at the Museum of Jewish Heritage in Manhattan. The portrait was painted in 1632 by an unknown painter from the Northern Netherlandish school.

DR. MAX STERN, a Jewish art dealer in Germany, had been ordered by the Nazi Reich Chamber for the Fine Arts to liquidate his gallery and its inventory in 1937. After losing an appeal of the Reich Chamber's ruling, STERN was forced to consign most of his works of art, including the Bagpipe Player, to the Lempertz Auction House, a Nazi government-approved art purveyor, for a forced sale. The Nazi government also prevented DR. STERN from retrieving the auction proceeds. STERN fled Germany after the forced sale and eventually settled in Canada.

During World War II, many of Lempertz Auction's records were destroyed by bombing, hampering post-war searches to identify and locate the purchasers of STERN's collection. STERN filed a restitutionary claim with the military government in the British zone of occupied Germany, placed advertisements in Canadian Art and Die Weltkunst in 1948 and 1952, respectively, and visited Europe in 1949 to search for his missing artworks. In 1958, he initiated judicial proceedings in Germany, and in 1964, a German Court awarded STERN with damages limited to profits lost due to the forced sale of his art collection. The Bagpipe Player has also been listed in three separate stolen art registries. STERN died in 1987, leaving any interest in his collection, including the Bagpipe Player, to his estate.

In November 2007, Lempertz Auction House -- the same auction house that sold the Bagpipe Player in 1937 -- sold the painting to London gallery Philip Mould Ltd. In December 2008, LAWRENCE STEIGRAD, an art dealer in Manhattan, purchased the Bagpipe Player from Philip Mould, Ltd., with no knowledge of its stolen provenance, and offered it for sale on the website of his gallery, Lawrence Steigrad Fine Arts, Inc. Information from the New York State Banking Department's Holocaust Claims Processing Office ("HCPO") led ICE agents to a Manhattan art gallery owned by STEIGARD. On April 2, 2009, STEIGARD confirmed the painting was in his possession and the ICE agents informed him that the painting was stolen and registered in several stolen art databases. STEIGARD eventually consented to seizure of the painting and entered into a voluntary stipulation to facilitate its return to the Stern Estate through this Office and ICE without the need for any judicial proceedings.

Acting U.S. Attorney LEV L. DASSIN stated: "We remember the Holocaust to honor those lost, to affirm the sanctity of human life, and to prevent such an atrocity from happening again. Each work of art returned brings us one step closer to the goal of repatriating all of the surviving works of art stolen by the Nazis. The collaborative effort that brings us to the Museum of Jewish Heritage today attests to a simple, but important, truth: we remember."

"It is only fitting that we return this precious work of art on Holocaust Remembrance Day," said PETER J. SMITH, Special Agent-in-Charge of the ICE Office of Investigations in New York. "More than 200 paintings from the Stern Estate were forced sold. ICE is committed to finding all stolen pieces of art from the Holocaust and returning them to their rightful owners."

Assistant United States Attorneys SHARON COHEN LEVIN and SEETHA RAMACHANDRAN are in charge of the investigation and repatriation.

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