

South African Government Withdraws Opposition To Apartheid Lawsuits Pending in U.S. Federal Court

Hausfeld LLP, Schonbrun DeSimone Seplow Harris and Hoffman LLP, and other members of plaintiffs' legal teams applaud major development in lawsuits against multinational companies for human rights violations during apartheid

New York City, NY, September 3, 2009 – The South African government reversed its opposition to a pair of lawsuits pending in federal court in New York in which apartheid victims have alleged certain U.S. and foreign corporations aided and abetted human rights violations by South Africa's apartheid regime. The reversal was detailed in a letter delivered Tuesday by the South African government to a U.S. federal judge.

The letter from South Africa's Minister of Justice and Constitutional Development to District Judge Shira A. Scheindlin in the Southern District of New York concluded the U.S. court is "an appropriate forum" to hear claims by South African citizens that the corporations aided and abetted "very serious crimes, such as torture [and] extrajudicial killing committed in violation of international law by the apartheid regime." The South African government also offered its counsel to facilitate a possible resolution of the cases between the corporate defendants and the South African victims.

The South African government's submission to the Court indicates that its concerns about the lawsuits as originally framed have been satisfied and clears the way for a resolution on the merits of these important claims; and the letter reverses the South African government's 2003 position that the lawsuits, in their original form, should be dismissed because the government believed the lawsuits might interfere with South Africa's ability to address its apartheid past and might discourage economic investment in the country.

Background On The Two Lawsuits

These cases, which have been pending in U.S. courts for more than seven years, allege that the defendant companies – including Daimler, Ford, General Motors, IBM and German arms manufacturer Rheinmetall – aided and abetted apartheid crimes including torture, extrajudicial killing, and arbitrary denationalization. The plaintiffs filed amended complaints in October 2008 that sought to address concerns that the South African government expressed about the initial lawsuits.

Comments From Legal Team

"The reversal by the South African government represents a monumental victory for victims of human rights abuses who have sought access to justice in U.S. courts and a victory in the arena of legal accountability for corporations and others who would provide substantial assistance in aid of the perpetration of such abuses," said Michael D. Hausfeld, Chairman of Hausfeld LLP. "The

South African government's past opposition to these claims became the poster child of international corporations fighting the use of U.S. law permitting victims of egregious human rights violations to seek relief in U.S. courts."

"The plaintiffs in these human rights cases are gratified by the South African government's support for their long-standing quest for some measure of justice in U.S. courts," said Paul Hoffman, lead counsel for the *Ntsebeza* plaintiffs, "and look forward to the South African government's contribution to a just and prompt resolution of their claims."

"By stating that the Southern District of New York is an appropriate venue for this case, the South African government sends the message that perpetrators of human rights violations can be brought to justice in U.S. courts," said Susan Farbstein, a Lecturer on Law at the International Human Rights Clinic at Harvard Law School. "For our plaintiffs, this letter represents a statement on behalf of the South Africa government in support of their struggle for accountability."

"Our hope is that this brings us one step closer to justice for our plaintiffs and to collaboration between governments and victims to achieve redress for apartheid-era crimes," said Diane Sammons of Nagel Rice LLP.

About Legal Team

Hausfeld LLP, a global claimants' law firm dedicated to handling large and complex litigation matters for individuals, corporations and organization, represents apartheid victims in one of the two cases, *Balintulo v. Daimler AG*, along with South African and other U.S. counsel. Another set of plaintiffs, those in *Ntsebeza v. Daimler AG*, are represented by U.S. counsel from Schonbrun DeSimone Seplow Harris and Hoffman LLP, Nagel Rice LLP, the law offices of Judith Brown Chomsky, and the International Human Rights Clinic at Harvard Law School, as well as South African counsel.

For additional information related to these cases and developments, please contact:
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