

EAST AFR. PROT
52837

52837
REC'D
JUL 11 1919

Gov. 691
1919

22 July

Messrs Schaur, Walter & Co.

previous Paper
6507

Has decided not to liquidate the business & gives reasons. Remarks on Holtzapfel's holdings in firm

Mr. Dixon
Mr. Parkinson
Mr. Bottomley

We know that Mr. Holtzapfel is proceeding to E. Africa shortly & he will then be able to take over the firm's affairs from the liquidator

? Inform Messrs Middlewood that the Gov. reports that it has now been decided not to liquidate the firm of Schaur, Walter & Co. & inform Mr. Belcher that he should address his application for permission to return to E.A.P. to the Gov.

JH
12-7-19

Under article 227 (b) of the Peace Treaty the Allied & associated Powers retain the right to retain and liquidate all property rights and interests belonging to German nationals or companies controlled by them. The question is who controls them

10 Messrs Middlewood
1073
16 Oct
BT
57078

subsequent Papers
BT
57078

company? Sir E. Northey considers that it is
the Helgafell, a naturalized British subject, & then was
admittedly the view of B^d of Trade & also King's (see
minutes on 58356/15). On the other hand Sir H. Bellfield
apparently considered that it was controlled by Schauer and
Mertens, who are German subjects (14229/17).

It might be as well to have B^d of Trade
concerned in accepting the Gov's view
& send them copy of this despatch of 20/9/19
and previous correspondence, saying that this does not
appear to be a German controlled company within the
meaning of article 27(B) of the Peace Treaty & that
we propose to inform Biddle & Biddle as suggested by
Mr. Cault.

I write to Mr. Schauer as proposed
over

16/9/19
W.G.S. 16.9.19 aton

No. 691

GOVERNMENT HOUSE,
NAIROBI,
BRITISH EAST AFRICA
PROTECTORATE
52837
C O
11 S.P. 10

22 July, 1919.

My Lord,

70-2711

With reference to Your Lordship's despatch No.412 of 19th May, I have the honour to inform Your Lordship regarding the firm of Messrs. Schauer Welter and Company and their property at Kijabe, that with the advice of my Executive Council I recently decided not to liquidate the business, the attendant circumstances being as follows:-

See 14329/9

2. In his telegram No.132 of 16th March, 1917, Sir H.Belfield requested Mr.Long's permission to liquidate the Company but recommended that Mr. Max Holzapfel, who appeared to hold the greater part of the shares, should not be allowed to acquire complete control of the Company's assets.

advised 1917

3. It appears that no reply was received to this request and the matter remained in abeyance, except that a considerable amount of correspondence passed between Mr.Long and Mr. Holzapfel's solicitors, Messrs.Criddle and Criddle of Newcastle-on-Tyne and also between the latter gentlemen and this Government, and Mr.Holzapfel's holdings

RIGHT HONOURABLE
SIR ARTHUR MILNER, P.C., G.C.B., G.C.M.G., &c., &c.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET,
LONDON, S. W.

holdings in the concern, which Messrs. Criddle and Criddle were of course anxious to safeguard.

4. The gist of the information thus gained was that Mr. Max Holzappel, who originally owned £4000 worth of £1 shares out of a total capital of £15,000, was owed £2000 by Konrad Schauer and £3000 by Max Welter, and also £3000 by the Company, so that he possessed the greater part of the holding in the firm. Mr. Holzappel I would remind Your Lordship, is a naturalized British subject of German origin, while Messrs. Schauer and Welter are German subjects, who were deported and interned early during the war. The Company was, however, registered in England.

5. It appeared further that Mr. Holzappel, possibly feeling that his bona fides as a British subject was held in doubt, transferred all his shares to three British trustees, residents of Newcastle-on-Tyne, and in consequence the Acting Governor was advised in October 1918 that it was doubtful if the firm could be liquidated since it could not be said to be a company carried on wholly or mainly for the benefit of enemy subjects.

6. My attention was called to the matter recently by the Liquidator of Enemy Firms, who, as Your Lordship is aware, has had the control of the firm's affairs since the internment of Messrs. Schauer and Welter in 1914, and who pointed

3.

pointed out the peculiar situation of the Company's affairs. In consequence of the Liquidator's representations, I considered the matter with my Executive Council and in view of the amount of British interest in the firm, I decided not to liquidate it.

7. The Liquidator further complained that no reply had been received from the military authorities to his claims submitted in respect of damage to the Kijabe Sanatorium, belonging to the Company, and in regard to stores etc. consumed by military patients during the time that the building was used as a Military hospital. I have caused the local representatives of the East Africa Expeditionary Force to be approached in the matter, which is at present pending.

I have the honour to be,

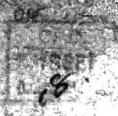
Your Lordship's

humble, obedient servant,

Edward Northey.

GOVERNOR.

22937/19 hat



DRAFT.

Herr Konrad Schauer

20th September 1919

Sir

MINUTE.

(26807)

with ref to the letter from

Mr. Marley 17/9/19

Mr. Calder 17/9/19

Mr.

Mr. Grindle.

Sir H. Lambert.

Sir H. Read.

Sir G. Piddis.

Col. Amery.

Lord Balfour.

This Dept of the 21st June
am or to inform you that
you should address your
application for permission
to return to the Coast to
the Gov.

Handwritten signature/initials

RECEIVED 9. 431502

5075

Draft

20 September 1919

Sir

with ref to your letter 9918

The Comptroller of the Company Dept

of the 10th of Jan 1917 & previous correspondence regarding the proposed liquidation

(enc 11) B. W.

The firm of Messrs Schauer & Welter also in the East London

17 Sept 1919

to his to be attached herewith B. W. has a copy of a despatch from the Gov on the subject

~~From the info supplied to the Gov that the~~
~~and appears that to be a company~~

controlled company with the meaning of part 247 (b) of the Companies Act

& have since therefore proposed to form Messrs Condale ~~as~~ of the Gov's view

is liquidate the firm. Before doing however, he would wish to bring the Board's concurrence in that action