

C.F.R. - General, pt. 1

1929-30



TELEGRAMS AND CABLES:  
"CANADIAN" HAMBURG  
CODE: BENTLEYS

TELEPHONE: C 4 DAMMTOR 0841

File No. 110.

TRADE AND COMMERCE  
CANADA



DEPARTMENT OF

OFFICE OF THE CANADIAN GOVERNMENT  
TRADE COMMISSIONER,

NEUERWALL 10.

HAMBURG 36, GERMANY

November 18th. 1929.

*Mr. Pacaud*

Lucien Pacaud, Esq.,  
Secretary,  
Office of the High Commissioner for Canada,  
The Canadian Building,  
Trafalgar Square,  
London, S.W.1, England.

Dear Mr. Pacaud,

We continue to receive enquiries from German holders of Canadian Pacific Shares which were seized during the war and I should be much obliged if you could kindly inform me if you have received any further information from the Canadian Custodian of Enemy Property which we could pass on to parties who enquire as to when these shares are likely to be released.

Yours faithfully,

*L.D. Wilgress*

(L.D. Wilgress)

Canadian Government Trade Commissioner.



LDW/EB.



CANADIAN BUILDING.  
TRAFALGAR SQUARE.  
LONDON. S.W.

22nd November, 1929.

Dear Mr. Wilgress,

Mr. Pasoud has handed me your letter of the 18th instant and suggested I should answer it. I have been over here some weeks and can, I think, give you first hand information on the question raised.

The subject of outstanding Canadian Pacific Railway shares is very intricate and extensive, but I will attempt, in as few words as possible, to explain the situation.

Before the ratification of the Treaty of Peace Canadian Pacific Railway shares, registered in the names of Germans, were vested in the Custodian to the number of 144,500 approximately. It was subsequently found that these shares were divided into three classes -

- (1) Shares held in Germany and handed by German Nationals to the German Treasury in accordance with German Law and delivered to the Canadian Custodian in pursuance of the Treaty of Versailles.



(2) Shares which stood in the names of German Nationals, but were beneficially owned by Neutrals and Allies, and

(3) Shares standing in the names of German Names of German Nationals which were smuggled out of Germany and are now held by neutrals applying for release.

With respect to the first category, the German Government issued claim certificates which have been dealt with on the German Stock Exchange - very frequently these certificates are mistaken for the shares themselves and discussed without considering the difference. The shares delivered to the Canadian Custodian by Germany have been liquidated and the proceeds are in the hands of the Canadian Custodian. Whether the surplus will, in the future, be handed over to Germany to be distributed is still under consideration.

In regard to the second category, it was discovered that many of these Canadian Pacific Rly. shares which were standing in the names of Germans, were endorsed in blank and beneficially owned by neutrals. When evidence of nationality at the time of purchase was furnished, they were released - purchase followed in many cases, for instance, shares held by Alsatians who purchased them before the Armistice

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were released, if purchased after were not released. Similarly, if held by citizens of the United States before they entered into the War they were released, but not afterwards.

The third class of share, those secreted in Germany and smuggled out are giving a great deal of trouble. Many were held in Amsterdam - in many cases they were smuggled out of Germany and dealt with in Holland after the ratification of the Treaty. In cases such as these no release will, in any circumstances, be granted. The Canadian Custodian has the right to compel the company to issue new certificates in lieu of those existing. However, in many cases, it was quite apparent that these shares were purchased without knowledge of the legal consequences of the transaction and the Custodian has considered it fair that some compensation should be given on a surrender of the certificates. It is a matter of enquiry in each particular case as to whether payment should be made. The basis of payment is the amount of purchase money paid by the holder, together with interest at 5 per cent per annum.

I should be glad to furnish you with any further particulars which might be of assistance to you.

L.D. Milgros, Esq.,  
Canadian Government Trade  
Commissioner,  
Neuerwall 10,  
Hamburg,  
GERMANY.

Yours truly,



Reference - CPR. (General)

CANADIAN BUILDING.  
TRAFALGAR SQUARE. S.W.

4th September 1930.

Attention Securitized Dept.  
19 Rights.

Sir,

I enclose, herewith, the form which it will be necessary for applicants for release of the shares of the Canadian Pacific Railway to complete and return to the Canadian Custodian of Ex-Enemy Property, through this office, before release can be considered.

We have, at this stage, no more of the printed forms but some are being typed and we will let you have further copies if you require same.

Yours faithfully,

The Manager,  
Midland Bank (Overseas Branch)  
122 Old Broad Street.  
E.C.

*J.S.*



Reference - CPR. (General)

LONDON. S. W.

5th September 1930.

Dear Mr. Mulvey,

In view of the final adjustment of the Canadian-German Agreement for the return of Unliquidated Property, do you wish any different action taken in dealing with applications for release.

A number still come forward and only yesterday the Midland Bank asked me for a supply of application forms, presumably, with a view to applications to be lodged by their clients.

Yours truly

Thomas Mulvey Esq. K.C.  
Under Secretary of State  
& Deputy Custodian.  
OTTAWA. CANADA.



DEPARTMENT OF THE SECRETARY OF STATE  
OF CANADA



Ottawa, 15th September, 1930.

Dear Miss Secchi,

I have your letter of the 5th, (OPR General).  
I do not see how the Agreement to return German unliquid-  
ated property can in any way effect the applications  
for release. Property for which releases are properly  
given is not German. It seems quite right, therefore,  
that applications for releases should continue to be made.

Yours truly,

*Minister*

Miss Secchi,  
Custodian's Office,  
Canadian Building,  
London,  
England.