1-1-1948

Prosecution Rebuttal Document Book 5

Military Tribunal No. III

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INDEX - PROSECUTION EXHIBIT DOCUMENT BOOK V

Exhibit

NIK - 15 494 Letter, 20 December 1944

NIK - 15 530 Excerpts from letter, 28 January 1946, from Dr. Ballas, to Dr. Haack, re: settlement of Dr. Loeser's claims against Krupp and the lump sum settlement of existing contract rights.

NIK - 15 528 File note, undated, re: Dr. Loeser's contract with Fried. Krupp of 1 October 1942 to 30 September 1947.


NIK - 15 494 Letter, 20 December 1944, from Breithaupt to Delbrueck Schickler requesting transfers to listed persons of listed amounts.

NIK - 15 493 Letter, 21 December 1944, from Breithaupt to Delbrueck Schickler with similar request.

NIK - 15 492 Letter, 4 January 1945 from Delbrueck Schickler to Main Accounting Office-SS Obergruppenfuhrer Breithaupt acknowledging receipt of order for regular transfers to eight persons beginning 2 February 1945.

NIK - 15 491 Letter, 12 January 1944, from Breithaupt to Delbrueck Schickler requesting transfers to listed persons of listed amounts.
The Reichsfuehrer-SS

Aid Fund

Priwn/Chiemsee, 20 December 1944

A.Z.: Br./V.

Banking House

Delbrueck Schickler and Co.,

Attention, Herr Sack

Berlin N 8

Franzoesische Strasse 32

I request you to undertake the following transfers on 1 January 1945.

1.) Frau Ingeborg von Linstow, Kempenhausen 23, u.e. Starnberg Obb., Hof Rechberg, Account No. 5812 Kreissparkasse Starnberg

2.) Hoeresstandgebnuhrmisstelle, Muenchen 13, Wmzererstrasse 9, Abteilung I.
Postal Check Office, Muenchen, Account No. 9042 (I request that you make the following endorsement: repayment Freiherr von Linstow and Eduard Wagner.)

3.) Frau Eva Maass, Potsdam-Babelsberg
Heimdalstr. 37
Dresdner Bank, Deposit Branch 60, Zehlendorf-West, am Schlachthofsee 2, Account No. 3317

4.) Frau Barbara von Haeften, Grammertin, b. Wokuhl u.e. Neustrelitz-Strelitz

5.) Frau Renate Smend, Lueneburg, Euerhergarten 3

6.) Frau Elfriede Sandroinski, Buchwald/Ragbg.
Graefin Redenstr. 7

7.) Frau Helene von Stuelpflug, Potsdam, Kaiser Wilhelmstr. 5
Account No. 757 Agricultural Bank, Branch Office Leipzig, Leipzig C 1, Markt 5/6

8.) Frau Margarethe von Hase, Dadolben, u.e. Halberstadt, Bachstr. 1

RM 1000.--

1973.54

2400.--

5400.--

3500.--

3600.--

600.--

3900.--
"May not wish fight for Berlin in army..."

"Gardner —
Lenochner —

"43 - the under cause ay excitement pilot to historic骚扰 method — — on may peace"

"Sept 15 43. — Plans didn't come off"

"Influenza girls consisted of"

"Stalinberg the task over takes us if"

"judged with Paganetti. Hanschaffer — persuaded stay the another attempt —"

"Only from '44 — Corp with von Stalinberg in Russia. — pul. to be kept out of attempt —"
Suggestion: go through all German

Korea - foreign minister
1. Agencies by foreign
2. Drawn up policy by Jaechler
3. Know of substitution or wage

Legislative basis
Heilbronn
You have asked me for my views with respect to the claims of Dr. LOSER based on his agreement of 26 January 1943. I transmit to you a legal opinion with request to take note of the same. From oral statements made by Dr. LOSER at the occasion of conferences with him it can be deduced that one must reckon with considerable claims from his side. He declared at those conferences that Herr KUPEP von BÖHLEN and HALBACH senior had considered an amount of approximately 5 million Reich-Mark an amount which would have to be related to the changed conditions prevailing in the firm at present, but which, nevertheless, will constitute a considerable sum. Individual points with respect to the claims of Dr. LOSER are dealt with in my opinion.

(Signed): Dr. DALLAS

Essen, 26 January 1946.

The settlement of 20 January 1943 was concluded between Dr. LOSER on the one part and the firm Fried. Krupp c/o Fried. Krupp on the other part. The lump-sum-settlement replaces the existing contract and is thus governed by the regulations with respect to employment contracts in general.

The original contract valid for five years which terminated 30 September 1942 was extended before expiration to cover another 5 years, that is until 30 September 1947.
9. Frau Meta Erdmann, Zechlinerhuette uc, Rheinsberg (Mark) Zechliner-Strasse 91
   RM 3600.--

   (Pencil figures) 25973.54

   Heil Hitler!

   s/ Franz Breithaupt

   SS-Obergruppenfuhrer and
   General of the Waffen-SS

CERTIFICATE OF TRANSLATION

I, HENRY BUXBAUM, ETO 20055, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK-15494.

HENRY BUXBAUM
ETO 20055
**Dr. LOESER**

(Duration of Contract: 1.10.-30.9.47)

**Business year 1941-42**

<table>
<thead>
<tr>
<th></th>
<th>Paid out:</th>
<th>To be paid:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>60 000.--</td>
<td></td>
</tr>
<tr>
<td>Guaranteed bonus</td>
<td>100 000.--</td>
<td></td>
</tr>
<tr>
<td>Remaining bonus</td>
<td>245 146.77</td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td>8 000.--</td>
<td></td>
</tr>
<tr>
<td></td>
<td>413 146.77</td>
<td></td>
</tr>
</tbody>
</table>

In addition: free apartment, electricity, and fuel. Taxable value 4 800.-- Reichsmarks annually.

**Business year 1942-43**

<table>
<thead>
<tr>
<th></th>
<th>Paid out:</th>
<th>To be paid:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>60 000.--</td>
<td>30 000.-- (Handwritten) 70 000.-- (crossed out)</td>
</tr>
<tr>
<td>Guaranteed bonus</td>
<td>30 000.--</td>
<td></td>
</tr>
<tr>
<td>Remaining bonus</td>
<td>8 000.--</td>
<td>245 146.77</td>
</tr>
<tr>
<td>Expenses</td>
<td>98 000.--</td>
<td></td>
</tr>
<tr>
<td></td>
<td>313 146.77</td>
<td></td>
</tr>
</tbody>
</table>

In addition: free apartment, electricity, and fuel.

**For the period beginning 1.10. to 31.12.42!**

| Salary           | 15 000.-- |
| Guaranteed bonus |             |
| Expenses         | 25 000.-- |
|                  | 27 000.-- |

In addition: free apartment, electricity, and fuel.

**For the period from 1.1.1944 till 30.9.47 still to be paid:**

<table>
<thead>
<tr>
<th>Salary:</th>
<th>Guaranteed bonus:</th>
<th>expenses:</th>
<th>Total:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1.44-30.9.44</td>
<td>75 000.--</td>
<td>6 000.--</td>
<td>126 000.--</td>
</tr>
<tr>
<td>1.10.44-30.9.45</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.45-30.9.46</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.46-30.9.47</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.47-30.9.47</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.48-30.9.48</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.49-30.9.49</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.50-30.9.50</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
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<tr>
<td>1.10.51-30.9.51</td>
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<td>8 000.--</td>
<td>168 000.--</td>
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<tr>
<td>1.10.52-30.9.52</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.53-30.9.53</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
<tr>
<td>1.10.54-30.9.54</td>
<td>100 000.--</td>
<td>8 000.--</td>
<td>168 000.--</td>
</tr>
</tbody>
</table>

In addition free apartment, electricity, and fuel.

As long as Dr. LOESER remains in his present apartment, he shall receive till 30.9.47 free fuel, and free electricity as up to the present. If he vacates his apartment he will receive current compensation. As basis for this compensation it is suggested to use the taxable value 4 800.-- Reichsmarks annually of his present apartment.

Suggestion: The 31 December 1943 will be regarded as the date terminating his position. 8.1.44
It must be pointed out that the contractual payments were paid in full for the total period of time covered by the agreement and that the amount taken into consideration as lump sum settlement does not therefore constitute an indemnity for lost income caused by the termination of the contract before the stipulated duration of this contract, but it constitutes an additional payment based solely on the goodwill of Herr KRUPP von BESLEN and H/LECH senior and on his wish to settle with Dr. LOESER in a decent manner.

(Signed): Dr. B A L L A S

CERTIFICATE OF TRANSLATION

I, Henry A. BUENBAUM, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK - 15 530.

Henry A. BUENBAUM
ETO No. 20055

E N D
Herr Dr. Fried L O I S E R is herewith again appointed member of the Vorstand of the Fried. Krupp A.G. The appointment is valid until further notice.

Essen, 1 October, 1942,

Chairmen of the Aufsichtsrat.

(Signed): Gustav KRUPP von BOCHIN and HALBACH

I, Henry A. BUXBAUM, ETO No. 20055, herewith certify that I am thoroughly conversant with the English and German languages, and that the above is a true and correct translation of document No. NIK - 15 529.

Henry A. BUXBAUM
ETO No. 20055
CERTIFICATE OF TRANSLATION

I, Henry A. Buxbaum, herewith certify that I am thoroughly conversant with the English and German language and that the above is a true and correct translation of the Document No. NIK-15528.

Henry A. Buxbaum
No. 20055
The Chief
of the Main Office SS-Courts

Prien a.Ch., 11 Sept 1944
Hotel Kronprinz
Telephone: Nr. 334 and 335

Secretary

The Banking House Delbrueck Schickler & Co.,
Berlin W 8,
Franzoesische Strasse 32.

I am again charged by the Reichsfuehrer-SS to organize aid for surviving dependents of the 20th of July 1944. I have informed today the Reichs Finance Minister and the Reichs presidial Councillor in the Reichs Chancellory, Dr. Tilly, that there exists an account "Reichsfuehrer-SS Aid Fund" with your bank at my disposal and have requested that an adequate amount be transferred to this account. There is still a small balance open on this account. In order to enable me later to balance accounts, I should be obliged if you would close the account of 30 June 1944 and leave the balance on this account so that I could start work for the 20th of July 1944 with the newly transferred amount. May I therefore request that you:

1) Inform me of your present address,
2) Transmit to me a checkbook for this account, and
3) Give me the name and telephone number of the gentleman whom I shall have to deal with in this matter.

May I draw your attention to the fact that this account must be kept strictly confidential.

Heil Hitler!

/s/ Breithaupt

SS-Obergruppenfuehrer and
General of the Waffen-SS.

CERTIFICATE OF TRANSLATION

I, HENRY BUXBAUM, ETO 20055, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK-15495.

HENRY BUXBAUM
ETO 20055

- 1 -
The Reichsfuehrer-SS

Aid Fund

Prien/Chiemsee, 21 December 1944

A.Z. Br./V.

Banking House

Delbrueck Schickler and Co.,

Attention, Herr Sack

Berlin W 8

Franzoesische Strasse 32

I request you to make the following payments currently beginning 2 February 1945:

1.) Frau Ingeborg von Linstow, Kempfenhausen 23, us.Starnberg Obb., Hof Rechberg, Account No. 5812 Kreissparkasse Starnberg RM 700,—

2.) Frau Eva Maass, Potsdam-Relbsberg, Heimdalstrasse 37 Dresdner Bank, Deposit Branch 60, Zehlendorf-West, am Schlachtensee 2 Account No. 3317

3.) Frau Barbara von Haeften, Grammertin, b.v.Neustrelitz/Strelitz

4.) Frau Renate Smend, Deneuburg, Burgergarten 3

5.) Frau Elfriede Sandrozinski, Bachwald/Regbg. Graefin Redenstr. 7


7.) Frau Margarethe von Hase, Dedeleben, us.Halberstadt, Bachstr. 1

8.) Frau Meta Erdmann, Zechlinerhuette us.Rheinsberg (Mark) Zechliner-Strasse 91

(Pencil figures) 5800,—

I should be obliged if the transfers could be undertaken in time so that the amount would be in the hands of the recipient shortly before the first day of each month.

Heil Hitler!

ss/ Franz Breithaupt

SS-Obergruppenfuehrer and General of the Waffen-SS
The Reichsfuehrer-SS

Aid Fund

A.Z. Br./V.

Banking House

Delbrueck Schickler and Co.,

Attention, Herr Sack

Berlin W 8

Franzoesische Strasse 32

Prien/Chiemsee, 21 December 1944

I request you to make the following payments currently beginning 2 February 1945:

1.) Frau Ingeborg von Linstow, Kempfenhausen 23, Starnberg, Hof Rechberg, Account No. 512 Kreissparkasse Starnberg

2.) Frau Eva Maass, Potsdam-Babelsberg, Heimdalhstrasse 37, Dresden, Bank, Deposit Branch 60, Zehlendorf-West, am Schlachtensee 2, Account No. 3217

3.) Frau Barbara von Haeften, Grammertin, Bokuhl, Neustrelitz/Strelitz

4.) Frau Renate Smend, Luensburg, Buergergarten 3

5.) Frau Elfriede Sundroziniski, Buchwald/Rbg., Graefin Redenstr. 7


7.) Frau Margarethe von Hase, Dedaleben, Halberstadt, Bachstr. 1

8.) Frau Meta Erdmann, Zechlinerhuette, Rheinsberg (Mark), Zechliner-Strasse 91

(Pencil figures)

RM 700,—

1000.—

900,—

700,—

900,—

400,—

600,—

600,—

5000.—

I should be obliged if the transfers could be undertaken in time so that the amount would be in the hands of the recipient shortly before the first day of each month.

Heil Hitler!

/n/

Franz Breithaupt

SS-Obergruppenfuehrer and General of the Waffen-SS
CERTIFICATE OF TRANSLATION

I, HENRY BUXBAUM, ETO 20055, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK-15493

HENRY BUXBAUM
ETO 20055
4 January 1945

To the SS-Obergruppenführer
and General of the Waffen-SS
Herr Franz Breithaupt

Main Accounting Office

Account Reichsfuehrer SS-Aid Fund

We received your letter of 21 January and have taken note of your order to transfer beginning 2 February 1945 currently a monthly amount of RM 5,800 to the eight persons mentioned in your letter. We shall undertake the transfers always four working days before the first of each month, according to your wishes.

With German greetings

(Stamped) Delbrueck Schickler & Co.

CERTIFICATE OF TRANSLATION

I, HENRY BUXBAUM, ETO 20055, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK-15492

HENRY BUXBAUM
ETO 20055
Handwritten marginal note:
4 working days before the first of each month

CERTIFICATE OF TRANSLATION

I, HENRY HUXBAND, ETO 20055, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK-15493

HENRY HUXBAND
ETO 20055
The Reichsfuehrer-SS Aid Fund

Prien/Chiemsee, 12 January 1944

Banking House

Delbrueck Schickler and Co.,

Attention, Herr Sack

Berlin V 8

Franzoesische Strasse 32

I request you to make the following transfers:

1.) Frau Baronin Freytag von Loringhoven, Salzburg - Aigen, Aignerstrasse 85

2.) Frau Lieselotte Thiele, Berlin-Steglitz, Wulfstrasse 7

3.) Frau Trika Canaris, Riederau a.Mummelsee/Obb., Haus 38
    Dresdner-Bank, Berlin-Zehlendorf-West, am Schlachtensee 1

4.) Frau Eva Olbricht, Mylau/Vogtland, Bruecknerhaus
    (Pencil figure) 10,100

Heil Hitler!

s/

Franz Breithaupt

SS-Obergruppenfuehrer and General of the Waffen-SS

CERTIFICATE OF TRANSLATION

I, HENRY BUXBAUM, ETO 20055, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NIK-15491.

HENRY BUXBAUM
ETO 20055
TRANSLATION OF DOCUMENT No. NIK-9691
OFFICE OF CHIEF OF COUNSEL FOR WAR CRIMES

Cabinet Lecart
Ing. A. & M. (Arts et Manufactures)
E.C.F. (Ecole Centrale de Paris)
Paris

EXPERT REPORT

Krupp Reparatur Werk, Paris
(Krupp Repair Shop, Paris)

Liancourt Factory
Expertises Industrielles & Commerciales (Industrial and Commercial Surveys)

Expertises après incendie (Expert opinion after fires)

exclusively for the account of the insured

Office Locart
Ing. A. & M. - E.C.P.

Postal Checking accounts
Paris 614-04
1, Rue du CardinalMercier

Paris (IXe) 15 September 1942

EXPERT REPORT

Upon the request of Société Krupp - Reparatur -

we proceeded from 1st to 2nd September 1942 to
the site in order to establish the pertinent
facts.

As regards the buildings we secured the assistance of Maitre Dupuy, sheriff's officer (huissier) at Lian-
court from 2 September on. Together we examined the

various buildings, taking several negatives which

he certified to be correct and which accompany and

corroborate the statement which he duly prepared on

the basis of our work.

Taking the property to be surveyed in its entity

it is composed of fields - in part wooded - of a

castle with out-houses, and of the buildings

factory

- 2 -
The grounds are divided into three sections:

The first one—covering approximately 30,000 m² with a front of approximately 100 meters facing Rue Victor Hugo—is occupied by the castle and its out-houses.

The second covering an area of approximately 40,000 m², with a front of approximately 80 meters facing Rue Victor Hugo—adjacent to the space occupied by the castle—comprises the factory and a hunting lodge.

The third part—facing the plant, on the other side of Rue Victor Hugo, covers a surface of approximately 2,756 meters; it has a front of 77 meters and is separated from the street by a river which will be referred to further down. There is nothing here but buildings which are in ruins.

These grounds have considerably depreciated because of the following two reasons:

A. An artificial river—La Beronnolle—napped by an earlier owner outside of the Thalweg, separates lots 1 and 2, isolating lot 3; foot-bridges permit light traffic.

This river, the source of which is at a distance of 10 kilometers from the grounds, forms nevertheless an integral part of the property all along its course. From this it follows that the sewerage—which is particularly difficult because of its defective lay-out,—the upkeep as well as the damages which it may cause are all the responsibility of the owner of these lands.

B. Furthermore, a stretch of water, at about 0.80 below the surface level of the soil which for the reasons given below it is well nigh impossible to dry up affects the entire tract of land.
For reasons of embellishment an earlier proprietor had proceeded to build water registers for that purpose carrying off in pipes numerous small springs from the hill upon which Liancourt is built to his grounds.

When a parcelling out occurred, the owners built their houses without the assistance of technicians and where they struck canalization they broke through because it was in their way. As a result, all the water flows towards land at a lower level and the land with which we are concerned here is situated at the foot of the slope, with the waters flowing to it from all parts.

A proof confirming this is the fact that in the two buildings which alone are provided with a basement - the castle and the wing housing the plant janitor - there is a permanent pool in the basement which it would be impossible to eliminate except by undertaking work which is entirely out of proportion to the desired aim.

One nevertheless must take into consideration the improvements on the tracts on which buildings stand by reason of water advection canalization - from the river as well as from the city - and evacuation canalization for the used waters. The latter alone is worth a visit.

No practicable access at all except for the direct approaches to the castle and the plant.

Taking into consideration their situation, the drawbacks as outlined, and the price paid for land in that region the value of the parcel may possibly be assessed at 2 francs per square meter, with a possible higher value for the front section and the land built on.
One thus arrives at the following figures:

**Front facing the road**  1,800 m² at 10 francs  18,000

**Surface built on**, having drainage  8,024 m² at 5 francs  40,100

**Fields, woods, river**  62,920 m² at 2 francs  125,800

or a total of  183,900 Francs

---

**Buildings**

**Remarks:**

The stone used for building is of soft material which is subject to splitting by frost; it has a low degree of resistance which explains certain damages.

**Castle de la Bergorie.**

Surfase covered with buildings:  674 m² 70 present value 670,000

Consisting of a ground floor resting, in part, on a basement, one story with the principal front, and one story with garret space under the angles of a mansard roof. Without contiguity. Isolated building.

Outside access to basement by means of metal trap-door and a straight stone staircase.

Reconciliation of buildings:

<table>
<thead>
<tr>
<th>Building</th>
<th>Description</th>
<th>Present Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Janitor</td>
<td>42,000</td>
</tr>
<tr>
<td>2</td>
<td>Workshops, offices</td>
<td>1,300,000</td>
</tr>
<tr>
<td>3</td>
<td>Wash rooms</td>
<td></td>
</tr>
<tr>
<td>3a</td>
<td>W.C.</td>
<td></td>
</tr>
<tr>
<td>3b</td>
<td>Samples; bicycle garage</td>
<td>96,000</td>
</tr>
<tr>
<td>4</td>
<td>Thermoic treatments</td>
<td>42,000</td>
</tr>
<tr>
<td>5</td>
<td>Forge, copper smith's shop</td>
<td>87,000</td>
</tr>
<tr>
<td>6/7</td>
<td>Painting, spare tractor</td>
<td>60,000</td>
</tr>
<tr>
<td>8</td>
<td>Lean-to</td>
<td>1,500</td>
</tr>
<tr>
<td>9</td>
<td>Samples, tractors</td>
<td>33,600</td>
</tr>
<tr>
<td>10</td>
<td>Warehouse</td>
<td>225,000</td>
</tr>
<tr>
<td>11</td>
<td>Fire room</td>
<td>36,000</td>
</tr>
<tr>
<td>12</td>
<td>Machines</td>
<td>28,000</td>
</tr>
<tr>
<td>13</td>
<td>Electrician</td>
<td>2,000</td>
</tr>
<tr>
<td>14</td>
<td>Tractor repair</td>
<td>66,500</td>
</tr>
<tr>
<td>15</td>
<td>Metal scraping</td>
<td>2,500</td>
</tr>
<tr>
<td>16</td>
<td>Garage</td>
<td>27,600</td>
</tr>
<tr>
<td></td>
<td>Plant chimney</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>Hunting lodge</td>
<td>46,000</td>
</tr>
<tr>
<td></td>
<td>Ford bridges across la Borhelle</td>
<td>6,200</td>
</tr>
<tr>
<td></td>
<td>Enclosures</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2,221,900</td>
</tr>
<tr>
<td>Ex. shoe manufacture - statement building 1</td>
<td>Turbines salvage</td>
<td>52,000</td>
</tr>
<tr>
<td>2</td>
<td>Warehouse, refectory</td>
<td></td>
</tr>
</tbody>
</table>

Total: $2,221,900
TRANSLATION OF DOCUMENT No. NIK-9891
CONTINUED

(page 6 of original)

General Recapitulation Buildings

<table>
<thead>
<tr>
<th>Building</th>
<th>Present value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Castle and Annexes</td>
<td>7720,000</td>
</tr>
<tr>
<td>Factory</td>
<td>2,221,900</td>
</tr>
<tr>
<td>Old Saw-Mill</td>
<td>52,000</td>
</tr>
<tr>
<td></td>
<td>2,993,900</td>
</tr>
</tbody>
</table>

(page 7 of original)

Recapitulation Factory Equipment

<table>
<thead>
<tr>
<th>Building</th>
<th>Present value</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 11 - Heating plant</td>
<td>391,600</td>
</tr>
<tr>
<td>No. 12 - Main building</td>
<td>501,000</td>
</tr>
<tr>
<td>No. 2 - Shops, Offices</td>
<td>2,371,700</td>
</tr>
<tr>
<td>No. 3 - Wash-rooms, toilets</td>
<td>Wardrobes, Tests</td>
</tr>
<tr>
<td>No. 4 - Thermal treatments</td>
<td>27,600</td>
</tr>
<tr>
<td>No. 5 - Forge, blacksmiths</td>
<td>36,500</td>
</tr>
<tr>
<td>No. 9 - Tractor testing</td>
<td>8400</td>
</tr>
<tr>
<td>No. 10 - Ware-house</td>
<td>19,600</td>
</tr>
<tr>
<td>No. 13 - Electrician's Work-shop</td>
<td>200</td>
</tr>
<tr>
<td>No. 14 - Repair shop</td>
<td>11,000</td>
</tr>
<tr>
<td>Exterior</td>
<td>2,200</td>
</tr>
<tr>
<td>Central heating</td>
<td>205,000</td>
</tr>
<tr>
<td>Light and power</td>
<td>22,000</td>
</tr>
<tr>
<td></td>
<td>3,557,700</td>
</tr>
</tbody>
</table>

- 7 -
Old Saw-Mill

Building No. 1

Turbine

1 Turbine presumed to be "Francis" recuperation underground, 7 HP, 50/60 revolutions per minute - Account inaccessible.

Building No. 2

Ware-house

1 Stock-pile of Austin pieces approx. 2 tons 2,000
1 Stock-pile of refractory bricks 1,200

3,200

Recaptitulation Material of Old Saw-Mill.

Building No. 1 Account
Building No. 2 3,200.
### Material total

<table>
<thead>
<tr>
<th></th>
<th>Present value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factory - page 49</td>
<td>3,657,700</td>
</tr>
<tr>
<td>Old Saw-Mill - page 50</td>
<td>3,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,850,900</strong></td>
</tr>
</tbody>
</table>

### General Recapitulation

<table>
<thead>
<tr>
<th></th>
<th>Present value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real estate - page 3</td>
<td>183,900</td>
</tr>
<tr>
<td>Buildings - page 19</td>
<td>2,993,900</td>
</tr>
<tr>
<td>Equipment - page 51</td>
<td>3,660,900</td>
</tr>
<tr>
<td><strong>General total</strong></td>
<td><strong>6,838,700</strong></td>
</tr>
</tbody>
</table>

**Conclusion.**

Taking into account these various considerations, the total value of the whole - real estate, buildings, material - amounts to 6,838,000 frs.

But, for immediate realization this figure is certainly too high for the industrialist, who, taking charge of the business will be obliged to carry out long and expensive repair work involving risks. In addition he will have to replace a good number of machines.
which will retard the normal production which he has a right to expect.

The present difficulties in procuring these replacements make it necessary to provide for the immediate realization value, a substantial margin of security amounting to 40%.

The total value, as defined above, would then be 4,000,000 fr.

CERTIFICATE OF TRANSLATION

17 November 1947

I, Kathleen BRAMLEY, No. 20096, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of the Document No. NIK-9891.

Kathleen BRAMLEY,
No. 20096.
Protocol on the Cession of
the Assets of the Société Austin (Liancourt)

Between:
Fried. Krupp A.G., Essen
represented by Walter Stein,
its director
and
La Société Austin at Liancourt (Oise)
represented by its Provisional Administrator, M. Erhard, 30 Rue Pierre Nicole — Paris

the following has been agreed upon:

I. Machine tools.

The machine tools enumerated in Appendix I are sold to the Krupp firm at the over-all price of forfeiture of 1,500,000 Francs, one third of which is payable at the time of signing the present instrument, one third 30 days later, and one third 60 days later.

The Krupp firm consents to lease to the owners on a lease basis 30 machine tools from among those set aside for current manufacturing by Austin and which up to this day are being used in the plant. The price will be established by common consent after independent assessment by both parties.

These 30 machines are to enable the proprietor to resume a minimum of operations immediately upon regaining possession of the plant.

- 1 -
II. Stock of supplies, small caliber tools, individual parts.

On the day of assuming possession an inventory of the following items will be taken by both parties independently:

Stock of supplies
small tools
calibers
separate parts.

All the slips for book-keeping records shall be discontinued on the date of occupancy in order to establish warehouse activities between the date of taking over and the date when the inventory is completed.

For inventory purposes varying materials will be uniformly entered on the books.

Material on hand:

Within a fortnight after the lease has been signed an inventory shall be taken, its figures to be based on an assessment made by both parties independently, and the Krupp Firm will submit a purchase offer.

It is understood that in cases where certificates are warranted to assure the replacement of articles sold certificates for the material will be given to the seller.

Spare Parts on hand:

These supplies which will provisionally be left in the locked storage room where they now are will be consigned to a trustee to be appointed by the Krupp firm and who is acceptable to Sté. Austin until lists and figures covering the inventory have been
set up. After an assessment has been made by both parties independently the Krupp firm will make a purchase offer.

Should the stock be sold the following is agreed:

I.) That the Société Austin will be credited with certificates for the material whenever these certificates may be necessary to arrange for replacement of the articles sold.

II.) As materials covered by the inventory are being supplied to Société Austin for the upkeep of the tractors which are in circulation Société Krupp will again cede these materials at the same price.

Should Société Austin desire to keep the supplies of material for herself it will have to remove them from the factory which is to be leased to Société Krupp within 15 days of the date when the intention of retaining ownership of such supplies was announced.

Materials:

(machines, dismantled and erected, etc....)

(page 3 of original)

Within 15 days after signing the lease inventory lists and figures will be drawn up, based on an assessment made by both parties independently and the Krupp firm will make a purchase offer.

Furniture:

The Société Austin will take such furniture and objects which it considers useful for the continued pursuit of its business in offices which it has just rented at Liancourt, and where it is installing itself.

Based on an assessment made by both parties independently an inventory, including figures, will be
prepared for the remainder within 15 days after
signing the lease, and the Krupp firm will make a
purchase offer.

Files and manufacturing data.

The Krupp firm will keep and safeguard all the
files and manufacturing data which are entrusted to
it and which remain the property of Société Austin;
they are listed numerically in the attached inventory
(appendix 2).

The Krupp firm is pledged to maintain and re-
produce them at its own expense, to transmit them in every
case on demand of the Société Austin and to have
drawings prepared from them for Société Austin.

Elements which are excluded from the sale.

Formally excluded from the sale are the following:

the business, customers, patents, license rights,
all of which remain the exclusive property of Société
Austin.

Commercial Property of the Austin Trade Mark.

The Société Austin retains exclusives rights to
its trade mark for which it alone claims the right
of exploitation. The Krupp firm pledges itself not to
compete with the Austin trade mark and to permit the
latter to exploit its business normally.

Supply and manufacture of spare parts; work and repairs
on tractors.

For the entire period that the factory is rented
the Krupp firm pledges itself to make or to furnish
at the request of Société Austin the necessary spare
parts and to execute repair or upkeep work on equipment
which forms part of the Austin tractors that are in
circulation.

- 4 -
To the extent that this is reasonably possible the Krupp firm will loan two workmen for external repair work. The incidental insurance policies which are required will be taken out by the Krupp firm.

It is understood that the Société Austin is perfectly free to have all work executed by others.

Arbitration:

In case of disputes the parties pledge themselves to accept arbitration by an expert on whom both agree amicably or, in default of this, by an expert who has been appointed by the President of the Tribunal of Commerce (Seine), at the request of one of these two parties.

Should the arbiter fail to bring the two parties together an arbitration court will be set up composed of three arbiters as indicated above, against whose verdict no appeal is possible.

Paris, 3 September 1942

(signed) Walter Stein and Maurice Erhard

Special Clauses.

Relative to the lease signed for the grounds and buildings of the Austin plant at Montcourt.

Rental:

In the event of a revision of the rental for the second lease period of three years it is agreed that the proprietor will duly take into account new structures erected by the lessee with the consent of the lessor, except for current maintenance and repair work - whatever their nature - which the lessee might have executed.
Electric-Transformer:

As the Krupp firm proposes to have several branches in the sector a transformer will be installed by that company at its own expense in order to provide for electric power.

On the expiry of the lease the proprietor pledges himself to take this installation over at a mutually agreed price, normal depreciation being taken into account.

Furniture in the Castle:
The furniture which is in the castle - such as enumerated in the attached statement (appendix No. ) is not included in the lease but is placed in the hands of the lessee inasmuch as this furniture is apparently the property of M. Rothschild.

Effective date of the Lease:
The lease will enter into effect on 1 September 1942.

Société Austin must make arrangements to have removed all the books and book-keeping material as well as the furniture required for installing and operating the business transferred to 18 Rue Jules Michelet at Liancourt, before 6 September, A.M.

An inventory will be made of all the objects which were removed.

(handwritten):
I declare under oath that I personally seen the original of this copy – comprising five pages – and that this copy is a true copy of the original.

Executed at Liancourt, 24 July 1947
(signature) Milos Alex:

Signed and sworn before me this 24th day of July 1947 at Liancourt by M. Milos Alex.

(signature) Max Handellaub, D 452622 U.S.
Civilian OCCWC
3 September 1942

Lease

by the Provisional Administrator
of the Société Austin
to the Krupp firm.

The French Republic

In the Name of the French People
Before Notaire Robert Paul Chadron, Notary at Paris,
undersigned ...........................................................
appeared

Monsieur Maurice Eugène Erhard, a professional engineer
(Ingenieur des Arts et Manufacures) an expert
attached to the Tribunal, residing in Paris, No. 30
Rue Pierre Nicole, acting in the capacity of
provisional administrator of Société Anonyme Austin —
having a capital of three million francs, with head-
quarters at Panscourt (Oise) and entered on the
commercial register of Clermont, No. 2. 190............

The said company having been lawfully set up
according to the statement of Monsieur Erhard —
without giving cause ................................................

Monsieur Erhard has been appointed to the
function of provisional administrator for Société
Austin pursuant to a decision made by the Plenipo-
tentiary General for Jewish Questions under date of
thirty-first October, one thousand nine hundred and
forty-two, number 12,189 — a certified true copy
of which remains attached hereto after reference
thereto.

Who, in this capacity, has, by means of this
instrument, leased and made available for rent — for
a duration of three years as from 1 September, one
thousand nine hundred and forty-two and expiring
1 September one thousand nine hundred and forty-five.....
Which lease can be extended by tacit renewal for a similar period of three years on terms identical to those hereafter stipulated - except for the rental which could then become the subject of an agreement between the two parties and in the absence of which the rental will be established by experts - which experts in case of disagreement among themselves will call in a third expert; - this - if acceptable to the lessee company - simply upon advice given to the proprietor six months in advance and by registered letter.

To the Fried. Krupp Aktiengesellschaft (joint stock company) German company, having its headquarters at Essen, Germany.
Which is accepted in the name of the Krupp firm by Herr Walter Stein, director, living in Neuilly-sur-Seine, 66 ter Blvd. Maurice Barrès.

Who, having all necessary authority in those matters as he declares .......

Of the immovable property by nature and the use it is intended for, of immovable objects and material described below:

I

Immovable Property.

All of the immovable property of the Austin firm situated in the township of Liancourt (Oise) as follows:

1) The industrial buildings of the above-mentioned company and all annexes, janitor's pavilion, garage, covering altogether an area of about 7350 square meters, as well as a large piece of ground situated at the back of these buildings on which there is a small pavilion.

The entire property, belonging to one owner is bordered on the south by a wall, on the west by an iron fence, on the east by a wall and on the north and east by the river called La Beroüelle, surveyed Section A Nos. 634 to 637 - 639 - 640 for one hectare.

Another part of this territory, situated at the back of the factory and called the Descartes field surveyed Section A Nos. 632 P, 634 2 for two hectares eight ares, 73 centiarse.

The entire industrial part comprises three hectares eight ares 73 centiarse according to the survey ........ 3 hectares, 8 ares, 73 centiarse.
2) The castle of Liancourt and all annexes, the whole surveyed Section B.

Mrs. 1077 to 1.093 - 1.121 - 1.243 - 1.250 - 1.251 P - 1.252 - 1.253 P - 1.254 P - 1.255 P - 1.256 P - 1.257 P - 1.258 P - 1.259 P - 1.260 P - 1.261 P - 1.262 P - 1.263 P - 1.263 Bis - 1.264 to 1.273 - 1.274 - 1.275 P - 1.276 P - 1.279 P - 1.280 P - 1.281 P - 1.282 P - 1.283 - 1.284 covering an area of three hectares 41 acres and 39 centiares.

This property bordered on the south by the rue Victor Hugo, on the north by property belonging to an unknown person, on the west by the river La Béronnelle and on the east by property belonging to an unknown person.

3) A piece of territory called "La Cascade" with all buildings erected thereon, the whole surveyed Section C. Nos. 1.438 P and 1.439 P for an area of 40 acres 72 centiares.

4) A small dwelling in the township of Liancourt, 57 ter, rue Stéphane Driot.

---

Material of the Plant

The material of the Austin plant contained in all the buildings of this plant as will be described in an inventory drawn up by the contracting parties and which they will file as laid down in the present instrument.

(page 8 of original)

Movable property.

Various movable objects in the building of the plant as mentioned above and which will be described in an inventory drawn up by the contracting parties
as laid down in the present instrument.

All movable and immovable property presently leased wherever it is situated, with all out-buildings and annexes, without exception and without reserve, and without it being necessary to designate it more fully, the delegate of the Krupp firm having declared himself, moreover, to be well acquainted with the same.

It is formally stipulated that the machine tools within the Austin plant are excluded from the present lease. An inventory of these machine tools will be drawn up between the two parties within 15 days of this date.

- Charges and Conditions -

The contracting parties declare that the present lease will be subject to the legislation on leases and buildings for professional use.

The present lease, in general, is drawn up under the charges and conditions that will follow and under those resulting from Articles 1,713 ff. of the civil code, in as much as these articles do not stand in contradiction to the present clauses and conditions. Herr Stein pledges the Krupp Society to execute these clauses as follows:

1) The lessee firm must equip the leased buildings and keep them constantly equipped with furniture, material, movable objects and plant material in sufficient quantity and of a quality corresponding at all times to the rental price and to the execution of the charges and conditions of the lease.

It must keep the leased buildings in good condition and return them at the expiration of the lease in good condition and corresponding to the inventory drawn up mutually by a delegate of the owner.
and a delegate of the lessee firm within three months of the present date.

This inventory of the buildings and property will be drawn up at the cost of the lessee firm, in two copies, one for each contracting party.

2) The lessee firm will take upon itself all charges of the city and of the police which might fall upon the tenants.

3) The lessee firm will insure itself and its movable objects, its commercial or industrial material against fire caused also by electricity, gas or any explosion caused by gas and will insure itself against all local risks and infringements by neighbors with one or two insurance companies, and it will also insure itself with an insurance company against any accidents of whatever nature for which it might be responsible under the present agreement and as a result of its operation the plant now leased.

It will strictly keep up these insurances during the entire time of the lease and will pay all costs involved in the same.

Any information required in this respect must be given to the legal representative of the lessor société.

These insurances must be maintained at the present rates, and, if necessary, must be supplemented in order to cover all risks of the société taking over.

4) The société will, each year, pay the taxes and assessments falling upon the lessees.
All taxes and contributions of whatever nature they might be as well as all local costs and taxes, both foreseen and unforeseen, in connection with the leased property will be paid by the proprietor société.

5) The lessee société can sublet all or part of the property leased to it and it can transfer its rights of lease, but only with the agreement and consent of the proprietor société or its representative.

In any case it will be co-responsible with the immediate or successive transferees for the payment of the rental fees and for the execution of the provisions and conditions of the present lease. Any transfer must be duly registered at the expense of the société taking over in the presence of the lessee and necessary agents.

A copy of the transfer deed must be given to the lessee at the expense of the sub-tenant.

6) Any extensions, improvements or modifications which may have been made to or on the leased property will, at the expiration of the lease, remain the property of the lessee société or its authorized agents and this without any indemnity for the lessee société, unless the proprietor demands that the leased property be restored to its original state.

7) The société taking over will have the right to install whatever new machine tools it wishes in the leased buildings throughout the duration of the lease.

The société taking over will have the right at the end of the lease to remove its machine tools installed at its own expense and so leave the property in the condition mentioned above.

8) The lessee società must itself pay any expenses in connection with the river La Béronnelle, according
to the regulations prescribed by the administration. In a word, all expenses involved herein fall entirely upon the lessee société.

As an example, these expenses amount to 18,000 francs a year which the lessee société must bear in its entirety.

9) The moveable equipment and installations in the plant may, at the end of the lease, be sold to the proprietor at an appraised price after the normal amortization or they can be removed by the lessee società.

10) Finally, the lessee société will pay all expenses and fees entailed in the present as well as all those which will result therefrom including the expense for a deed to be given to the lessor società.

(page 10 of original)

Rent.

In addition, the present lease is consented to and accepted at an annual rent of 200,000 francs which Herr Stein pledges the Krupp società to pay, in valid money in circulation, to the legal representative of the lessee società or to authorized agents on the leased property, in a lump sum and in advance on the 1st of September each year, and for the first time, today.

It is expressly agreed that if even only one rental fee is not paid when due or if one or the other of the stipulations of the present lease is not complied with and if one month passes without obeying a simple order to pay or a request to fulfill a stipulation, the lessor società, or parties connected with it, declaring its intention to make use of the present clause, can with every right, and without any legal formality, expel the lessee società or its authorized agents.
and take back its leased property purely and simply upon presentation of a simple note referring to the unmet order to pay or request to fulfil a stipulation, all without prejudice to the rights of the lessee société or parties connected therewith, to all expenses and damages and rent due. The present clause can not be neutralized by offers to pay or execute once the time given for the same has expired and notwithstanding any later consignations.

Similarly, the present lease can be dissolved in full right if the lessee société or parties connected therewith so desire, without opposition on the part of the creditors, the syndicate or any other parties and without obligation to fulfil any legal formality in case of bankruptcy or juridical liquidation of the lessee société or its agencies, without any indemnity on the part of the lessee società which then will again immediately take over its leased property, with rights, on the contrary to damages without prejudice, as in the afore-mentioned case, to the rents and supplementary monies due to it up to the day the leased property is returned.

Requisition and Evaluation for Registration.

The contracting parties requested registration of the lease for its duration of three years.

For the collection of the fees alone, the exceptional expenses in connection with the present lease, including those related to the river, amount to 18 500 francs.

Domicile

For the execution of this present instrument the contracting parties will have the following addresses:
Monsieur Erhard at Liancourt at the central office of the Société Austin.

Herr Stein, for the Société Krupp at Paris, 28, rue Boissy d'Anglas, in the office of Maîtr Chardon, notary.

Duly noted.

Drawn up and approved at Paris, 28 rue Boissy d'Anglas in the office of Maître Chardon, notary.

In the year nineteen hundred and forty-two September third.

After reading the above document the contracting parties and the notary appended their signatures.

The signatures follow and the note:

Registered at Paris, seventh office of notaries, September fourth, nineteen hundred and forty-two.

Received: seven thousand two hundred and ten francs fifty centimes.

(signed): Célaries.

In consequence of which, the Marshal of France, Chief of the French state, informs and orders all bailiffs, upon this summons, to execute this instrument.

To the Attorney-Generals and the public prosecutors of the inferior courts to give assistance.

To all commanders and officers of the public forces to give their assistance when legally required to do so.
In testimony whereof the instruments have been transmitted collected, signed, sealed and delivered by Maitre Chardor, notary.

- Engrossed text -

I, the undersigned Miles Celap, certify under oath that this copy is a true copy of the original which is in my possession.

Liancourt,
24 July 1947

(signature): Miles Celap.

Signed and sworn before me this 24 of July 1947 at Liancourt by Mr. Miles Celap.

(signature) Max. Mandellaub
U.S. Civilian OCCWC
D 432 622.

CERTIFICATE OF TRANSLATION

19 November 1947

I, John Fosberry, No. 20 179, hereby certify that I am thoroughly conversant with the English and French languages and that the above is a true and correct translation of the Document No. NIK-10485.

John Fosberry,
No. 20 179.
On behalf of the firm Fried. Krupp A.-G., Automobile factory, Essen, and with reference to the discussion held in your office last Saturday 20 June 1942 with Director HAVERIIAS of the automobile factory concerning the acquisition of the Austin-Works in Liancourt, we make you without obligation the following purchase offer:

We acquire the entire works, inclusive of all buildings, plots, machines, factory fittings and stocks of material, free of any liabilities, whatsoever for the price of 5 million Francs.

In the event of purchase, we would be prepared to continue the work now in hand, and also for the coming three years to carry out incoming orders for spare parts for the Austin-tractor, and to supply present customers.

We are planning to make substantial improvements to the engine plant by replacing many of the unusable machines with new ones, and consequently also offer permanent employment for the coming years to the present workers, who will be taken over in a body, the office staff included.

By expanding our building and manufacturing program in Liancourt in various directions, we would also try to bring back again the workers who have left to date, and further we will make every effort to attract new workers to the factory in Liancourt, so that setting the former Austin factory in operation again to the extent projected would also mean a substantial advantage for the city of Liancourt. It is understood that we would also renovate the present buildings - whether it be the factory itself or the large dwelling-house belonging to it - in order to accommodate newly engaged workers in that very dwelling-house and in this way to increase still more the capacity of the work.
We should be very grateful to you if you would direct our purchase offer to the competent Ministry as quickly as possible, since the business is unusually urgent; in addition we would like you to let us know your answer within the next 3 days if possible, since we and the offices placed above us are very interested in bringing about an early decision in this way.

(initials) Fr. (?) (Dr.FRANK ?)
WALTER STEIN
Engineer

Dear Mr. SCHUMANN:

Subject: Foundation of the KRUPP Aktiengesellschaft for the production, sale and repair of agricultural machinery

(Paris) (KRUPP S.A. POUR LA FABRICATION, LA VENTE ET LA REPARATION DE MACHINES AGRICOLES.)

Prior correspondence: Your letters dated 13 August and 2 November 1943.

I answer as follows the questions raised in the above-mentioned letters: When we received the 3.5 Million Reichsmark which were transformed into the so-called special account, we used this fund from the very beginning for the purchase of machinery which was taken to Liancourt. When production was started in Liancourt, we arranged commissions here in order to keep a special check on any sums - outlay incurred, wages, machines, installations, in short, whatever concerned Liancourt. Therefore separate book-keeping was introduced for Liancourt, actually before the French company was in existence at all, but it was always in harmony with the book-keeping of the KRUPP repair works. This book-keeping, as well as the whole accounting system, is only now being eliminated and comprised in an opening balance ending on 30 Sept. 1943 which will be finished about the end of the month. By "end of the month" is meant that I shall then have reached a stage when I can send the balance to Mann as agreed, so that, as discussed, you can take out the unproductive items, so that the new French KRUPP Société Anonyme can come into existence without any debits.

As you know, according to French law the new KRUPP Corporation still lacks so-called "FONDS DE COMMERCE". By purchasing Liancourt we can acquire these FONDS DE COMMERCE. The necessary negotiations for the purchase have been initiated but they have suffered a certain delay, caused on the one hand by the confused political situation which has arisen for Germany and France in the course of the past year, and on the other hand by the fact that the so-called "officials' holidays" were introduced this summer, so that for three months none of the people concerned were to be found in the ministries; if one once succeeded in finding someone, then it was precisely his opposite number in the next room, who sanctioned the matter, who would be missing. In addition to this there is the fact that in August the authoritative offices had about 112 officials and employees of the Ministry of Finance and Production arrested at their desks because they
made not the slightest attempt to follow the instructions of the Vichy Government and carried on pure de Gaulleist and pro-British propaganda on their own. The consequences of this arrest can still be seen to-day, but the affair will soon be settled, as in the Ministry of Finance they some now Ministers have been called in, who are in favor of collaboration. You yourself, however, know the situation in France to a certain extent, if not in such detail, as you have had little opportunity to establish immediate contact with the Ministry.

Accordingly, the offer for the purchase of Blanquart is in its final stages. The complete files are in the Ministry of Production together with the approval and the report of the Commissioner for Jewish Affairs, M. de PELLEPOIX, who holds cabinet rank. Now this bargaining has to be brought before the Ministry of Finance.

which is represented in our case by a new man, M. BRUNET. This Herr BRUNET must not, however, be confused with our M. BRUNET, the AEG lawyer, who cooperated in certain respects in the foundation of the French Aktiengesellschaft and was recommended to us by the AEG. It should however be noted that M. BRUNET could not give us the assistance which we were expecting a year ago, since in this respect he was not very experienced and the first cooperation with him was unsuccessful.

At this stage of the game the Military Commander in France, represented by Mr. MANGOLD, intended to call a conference at the Ministry of Finance in the presence of Herr BRUNET in order to protest against the formal objection of the Ministry of Finance to the establishment of the French Aktiengesellschaft. As you know, when the Ministry of Finance realised that it was not achieving anything with its DE GAULLEIST attitude, it lodged a purely formal protest against the foundation last June, without being able to reject or cancel it. For acting under the advice of M. CONSTANTIN who is a legal consultant to the Commercial Court, the company was founded in such a manner that under French law no objection could be raised against the provisions contained in any of the sections of the charter; hence the action of the Ministry of Finance was without any legal basis. The real purpose of this protest was to cover themselves diplomatically and to prove that the Ministry had been alive to the possibility of German failure in the war, as a result of which French government policy would change. Up to now however, Mr. MANGOLD, who is on the staff of the military commander in France, has been unable to hold this conference with the Ministry of Finance. He had been absent for more than three months with gall bladder trouble and no
substitute for him was appointed, in addition he had to go to Kassel since he had been completely bombed out.

The purpose of the military command negotiations is to remove the objection of the Ministry of Finance by diplomatic means, so that there will be no subsequent complications for the French KNUPP-Gesellschaft, however matters might develop.

I have described these facts in such detail in order to enable you to give a complete picture to the appropriate German exchange authorities. If you should have any more questions in this connection, please let me know.

I should like to correct as follows your statement concerning the composition of the Stock Capital, contained in your letter dated 13 Aug. 1943.

(Ms)

<table>
<thead>
<tr>
<th>Number</th>
<th>Composition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>frs. 14,000,000 by KNUPP in the form of a conveyance of machinery from the</td>
</tr>
<tr>
<td></td>
<td>KNUPP repair shops in Paris.</td>
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<tr>
<td>2.</td>
<td>&quot; 4,970,000 by KNUPP in the form of a subscription in cash taken from the</td>
</tr>
<tr>
<td></td>
<td>liquid funds of the KNUPP repair shop in Paris.</td>
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<tr>
<td>3.</td>
<td>&quot; 1,000,000 by subscription in cash from your French gentlemen, after the</td>
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<td></td>
<td>sum had been placed at their disposal in a suitable form (possibly in the</td>
</tr>
<tr>
<td></td>
<td>form of a loan) from the liquid funds of the repair shop.</td>
</tr>
<tr>
<td>4.</td>
<td>&quot; 30,000 by subscription in cash from Messrs. HABE, KA3, HOTS and SCHRÖDER</td>
</tr>
<tr>
<td></td>
<td>(each 10,000frs) after the necessary funds had likewise been placed at their</td>
</tr>
<tr>
<td></td>
<td>disposal from the liquid funds of the KNUPP repair shop in Paris.</td>
</tr>
</tbody>
</table>
Ad 1) In the enclosure I am sending you the printed statutes of the Knupp company in duplicate, from which everything required can be seen. I am also sending the "Journal spécial des Sociétés Françaises per actions of French share companies" dated 25 May 1949, in which the foundation of the Knupp Gesellschaft was published on Page 2514 ff.

Consequently all the formalities of the foundation have been dealt with, but — as already stated on Page 2 of this letter, — the so-called "Fonds de Commerce", which can be gained only on the acquisition of the factory property in Liencourt, are lacking. It should be noted, however, that not long ago we caused the contract for the lease of the former Austin works in Liencourt and for the purchase of the whole machine park, formerly concluded by the Fried, Knupp AG with the Jewish commission in Paris, to be transferred by notary public to the French Knupp Société Anonyme. The record of this declaration by notary, against which in accordance with French law no objection can be raised, is at the court here at the moment for registration. As soon as this document is returned, after it has been registered there as well by the wearisome methods of French Justice and Administration, we shall by this unusual method have gained ourselves a footing, since in a certain respect we shall possess Fonds de Commerce.

With the machinery worth 14 million frcs we are not limiting ourselves to the making of Austin spare parts for which we receive orders from the temporary administrator of the Austin plant who still maintains a small office at Liencourt, in order to fulfill our contract for the production of Austin parts. On the contrary, most of our work is done for the German Wehrmacht by our production of assemblies and of machine parts in accordance with a great variety of programs. All our book-keeping which is being built up will be drawn up purely in accordance with the French viewpoint modelled on the Knupp directives, so that then we can one day — and it can probably be done before the official confirmation of the purchase of Liencourt on the part of the French Ministry of Finance — submit the ledgers to the financial authorities to be stamped and opened. Naturally we have also taken everything into consideration with regard to taxation and have from the beginning postponed the taxes as they fall due.

In other words we have drawn up our accounts in such a way that on top of these taxes the production and turn-over taxes can be paid.
According to the minutes, the stock was subscribed 4 May 1943 at the second meeting of the founders. Shortly thereafter the cash was withdrawn and deposited with the notary who transferred the money to the SOCIETE GENERALE (a bank) after publication of the certificate of foundation in the JOURNAL SPECIAL DES SOCIETES FRANCAISES PAR ACTIONS.

The sum of frs 1,000,000 has been divided as follows among the French stockholders:

<table>
<thead>
<tr>
<th>Name</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>M. AMIDIEU DU CROS</td>
<td>frs 300,000</td>
</tr>
<tr>
<td>ITER</td>
<td>250,000</td>
</tr>
<tr>
<td>GENTY</td>
<td>250,000</td>
</tr>
<tr>
<td>GUILLIE</td>
<td>200,000</td>
</tr>
</tbody>
</table>

The frs 30,000 which the three German gentlemen subscribed were taken off the frs 5,900,000 cash subscription originally made by the KUHNP concern, which was subsequently reduced to 4,970,000.

The four French gentlemen are dummy pure and simple, since here, too, we took the above-mentioned frs 1,000,000 from the cash in hand of the KUHNP repair shop (or rather internally from the special account), just as much as the five millions (i.e., 4,970,000 plus 30,000), which were subscribed in cash by KUHNP.

Upon the foundation of the Aktiengesellschaft the four French gentlemen immediately made over the transfer papers of the stock to the KUHNP concern together with the receipts and other necessary French documents. These four certificates of transfer are in the safe. In the case of the death or withdrawal of any one of these gentlemen the papers have only to be stamped and dated.

In accordance with French law, the Aufsichtsrat is composed of three members, viz: AMIDIEU DU CROS - CHAIRMAN.

B. HIL - delegate of the GMA (in German, the Economic Group for the production of agricultural machinery) and

GUILLIE.
M. AMIDIEU du GCS is also Chairman of the Board of the A.G. (German General Electric).

In accordance with French law, the Chairman of the Aufsichtsrat is authorized to delegate his authority to a "DIRECTEUR GÉRAL" who is granted full power to represent the corporation. This has been done and the Engineer J. STEIN has been appointed DIRECTEUR GÉRAL of the corporation.

Apart from M. AMIDIEU du GCS, who is responsible for the management, none of the French gentlemen is authorized to sign for or to represent the company in contracts or similar transactions.

Your question concerning the employees has been answered to some extent in my letter dated 5 November 1943, by the statement concerning the withdrawels from the special account. At present are employed:

In the administration: Four men and four women.

In the factory: Seven employees including the foremen, and 100 - 110 workmen.

One of the employees is an Italian, furthermore we have two Spanish and three Italian labourers, the others are all Frenchmen.

ad 6. First balance sheet. We can prepare a first balance sheet either after the court duly opens our books subsequent to the acquisition of the lease or after the completion of the purchase of Blancourt.

(page 8 of original)

ad 7. All in all, only eight registered stock certificates have been issued.

Certificate No. 1 for 4,970 shares, No. 14971 to 18976 to FRIEDRICH KUFFA A.G. BS-EN.

Shares No. 1 to 14,000 have been taken up by the transfer of the machines worth 14 million francs.

A special report countersigned by an expert was incorporated in the minutes of foundation. In addition the machines were judicially valued at 14,4 million francs. Lost thereby any later complications, we rounded this sum off to 14 million francs.

Shares No. 18971 to 19976 belonging to the French gentlemen are shares registered in the name of the owner, thus they are not bearer certificates; for if we had not registered them we should have been compelled to deposit the printed certificates with a French bank; this again might result in complications. Thus if anything should...
hey, on we could simply hold all the shares and certificates of transfer in our safe-keeping.

Business Development.

On this subject we can merely give you the information that we are fully employed; we are in the process of buying more machines out of the special account and the present orders amount to more than 20 millions. In Liancourt we work on the average 56 - 60 hours a week. The works are more or less modernized and a new transformer station was also erected, as to date hardly any current has been led into the works, since it formerly operated on its own steam power; but owing to difficulties in obtaining coal supplies this arrangement could not be continued. Austin itself has already working with auxiliary engines on the transmission lines for three years, whereby rational management is naturally out of the question.

Office building 141 KÖNIGSBAUHAUSMANN in Paris.

The files on this matter are at present with the EKTEMP of the SBLE Department, the Foreign Exchange office in Paris having accepted our declaration

stating that the funds required for the purchase amounting to 2.5 million francs have been taken from the capital stock of the new KRIJS Société Anonyme. It may be assumed that this matter will be settled soon in accordance with French ideas and that we shall receive the Notary's certifications of confirmation.

If you want to know any additional details I am at your disposal. In the meantime I salute you:

Heil Hitler!

signed, W. STEIN
CERTIFICATE OF TRANSLATION

10 November 1947

I, Patricia E.C. Wood, ETC No. 20139, hereby certify, that I am a duly appointed translator for the German and English languages and that the above is a true and correct translation of document No. D/1K-7013.

Patricia E.C. Wood
ETC No. 20139
Paris, 15 April 1941
Hotel Majestic, Avenue Kleber 19
Telephone: Kla 6800/09

Dear Sir,

Since the sale of 27,000 and 30,000 shares
effected through Mr. ROTHSCHILD to Mr. CELAP on 26
September 1940 does not guarantee the exclusion of Jewish
influence in the firm Austin in Liancourt, I hereby
declare this agreement void by virtue of paragraph 4
of the second ordinance concerning measures against Jews
dated 13 October 1940 (VOBLF ordinance gazette for the
French occupied territories No. 12 of 20 October 1940).
The appointment of a state-appointed administrator
for the firm will be made from here.

For the military Commander
The Chief of Staff of Administration
by order
(signature:) Dr. KUNTZ

CERTIFICATES OF TRANSLATION

30 October 1947

I, SIDNEY L. GATES, ETO No. 20180, hereby certify that I am a duly
appointed translator for the English and German languages and that the
above is a true and correct translation of the document No. NIK-10587.

SIDNEY L. GATES
ETO No. 20180

"END"
TRANSLATION OF AFFIDAVIT

After having only been sworn in I, the undersigned Milos CELAP, declare that I will say the truth, all the truth, nothing but the truth, make this declaration under oath freely and of my own will and state the following:

I, the undersigned, Milos CELAP, born on 27 June 1909 at Janona (YUGOSLAVIA) living at Liancourt (Oise) General director and President of the Firm "Societe Anonyme AUSTIN at Liancourt since 27 September 1940, state:

I know that Mr. Robert ROYHSCILD designated Mr. SAMIRE and Mr. DUFOUR as having been responsible for his arrest in February 1944.

I also know that during the days previous to his arrest, Mr. SAMIRE in his capacity as temporary administrator of the firm Societe Anonyme AUSTIN has tried through threat and blackmailing to induce Mr. ROBERT ROYHSCHILD to give financial and other information on his enterprise which was occupied by the Germans and exploited by the firm KRUPP.

Furthermore, Mr. and Mrs. Robert ROYHSCHILD won, at that time, a lawsuit in which Mr. SAMIRE in his capacity as temporary administrator of the firm Societe Anonyme AUSTIN was implicated.

I have read this page and signed each correction with my own initial and after having ascertained that all is in conformity with the truth I insist and sign.

Liancourt, 25th July 1947

signed: M. CELAP
TRANSLATION OF DOCUMENT No. IX-10865—cont'd.

Signed and sworn before me this 25th of July 1947 at Liencourt by Mr. Milos CELAP.

signed: William J. STEEH
U.S. Civilian
AGO: A 4-6882
Office of Chief of Counsel for War Crimes.

CERTIFICATE OF TRANSLATION

25 August 1947

I, Germaine REIFEN, hereby certify that I am thoroughly conversant with the English and French languages and that the above is a true and correct translation of the Document No. IX-10865.

a./ Germaine REIFEN
AGO: 463
O.C.C.W.C.
After having been duly sworn in, I, Milos Celap, declare that I shall tell the truth, the whole truth and nothing but the truth and that I state the following under oath, voluntarily and without coercion:

I was born on 27 June 1909 at Jamena (Yugoslavia). I live at 42, rue Victor Hugo, Liancourt (Oise), I am General Director - President of the Société Anonyme (joint-stock company) Austin and the brother-in-law of Monsieur Robert Rothschild who married my sister, Mme. Rothschild, née Vera Celap.

The majority of the stocks and shares (91%) of the Société Anonyme Austin in Liancourt (Oise) belonged since May 1939 to Monsieur Robert Rothschild, an industrialist and a citizen of Yugoslavia.

Since the same date Monsieur Rothschild was Administrator-Deputy of the Société Austin. This firm having a capital of 3,000,000 francs specialized in the manufacture of agricultural tractors.

In June 1940, upon the order of the French authorities, Monsieur Rothschild moved into the interior of France taking with him all of his personnel.

The factory in Liancourt was occupied by the German troops as soon as they reached Liancourt at the beginning of June 1940.

After the armistice I was sent back, by Monsieur Rothschild, to Liancourt in order to again start up the usual production, namely the manufacture of tractors. M. Rothschild could not return himself because the Chamber of Commerce in Lyon, which issued travel orders at this time, cancelled them not to go back into the zone occupied by the Germans as he was a Jew.

When I arrived I found the factory occupied by the German troops (Unit No. 06.263 under the command of Lieutenant Broeckler). Having asked him...
to return the factory, Broeckler replied to me that that was out of the question in view of the fact that the firm belonged to M. Rothschild, a Jew. Broeckler paid no attention to his Yugoslav citizenship.

In the course of the discussions Broeckler suggested the following solution:

Monsieur Rothschild was to resign as Administrator-Deputy and transfer his stocks and shares to an Aryan and he even suggested that this be done in my name.

I then went back to Lyon in order to ask for M. Rothschild's decision. He finally accepted in the interest of his family to save his patrimony and also in the interest of the personnel and workers of the factory and of his agricultural clients in France.

Following this decision, I was appointed in his place as Administrator-Deputy by the Administrative Board, and at the same time M. Rothschild legally transferred to me all the stocks and shares that he owned.

When these formalities were completed I again went back to Broeckler who approved them and on 19 October 1940 he put at my disposal the factory of the company at Liancourt which I immediately put back into operation.

On 28 December 1940, a certain Lucien Segond presented himself at the factory saying he was the Provisional Administrator (Commissioné Gérant) of the Société Austin nominated to this post by virtue of a German decree on Jewish enterprises or enterprises under Jewish influence.
In the light of this decree, transfers which were made after 23 May 1940 were not considered valid. Consequently, the transfer of the stocks and shares of M. Rothschild to my name was not recognized by the Germans. This was even officially confirmed on 15 April 1941.

In the period which followed, several provisional administrators were nominated, either by the Germans or by Vichy.

In 1942 this position was held by M. Maurice Erhard. Until then the normal production of the factory consisted of new tractors and spare parts for tractors already in use.

I was obliged to leave the occupied zone on 6 April 1941, that is to say, at the time when the Germans attacked Jugoslavia, as I was a citizen of Jugoslavia myself. I settled down in the non-occupied zone and did not return to Liancourt before October 1944, after the liberation.

Upon my return I found the factory occupied by M. Paramythioti who was nominated after the liberation administrator and sequestrator of the Krupp property, because, during the occupation the factory had been leased and the material sold to Friedrich Krupp A.G. Essen.

The offices of the Société Austin which had been ousted by the Krupp firm were reestablished in a little building in Liancourt.

M. Rothschild, who in July 1940 had fled to Lyon, remained in this city until October 1942.

Ever since the first provisional administrator was appointed, M. Rothschild always contested the measures taken by the Germans and by Vichy against him by referring to his Jugoslav citizenship. In September 1942, after the authorities in Vichy had forced him to reside at St. Felicien (Ardèche) and after fleeing the threats to which he was exposed, M. Rothschild tried to reach
Portugal via Spain. Unfortunately he was arrested in Spain right after having crossed the border, was put in prison and at the end was returned to France.

He settled down in St. Félixiom from where, two months later, he was sent to the camp for foreign workers at St. Privat (Ardèche) where he stayed three weeks. Due to representations to the Prefect of the Ardèche Department he was then discharged from the camp and went to live in Glèon d'Andran (Drôme) in the zone occupied at that time by the Italians.

He stayed in Glèon d'Andran until February 1944 when he was arrested by André Francis and his gang of the Parti Populaire Français and delivered into the hands of the Germans in the prison of Montluc in Lyon.

After a short stay at Montluc and at Drancy he was sent on 7 March 1944 to Auschwitz from which camp he never returned nor ever gave a sign of life.

During his short stay in the prison of Montluc, M. Rothschild succeeded in sending a short letter to our mutual friend, Mr. (Méritro) Levigno in Lyon.

The letter, which I myself read, carried the following post-scriptum:

"I owe this miserable deal to Damour and Sandro.— Reliable information."

M. Rothschild, therefore, had the proof in prison that he had been denounced by Damour and Sandro.

Throughout the German occupation M. Damour was an attorney of the Commissariat for Jewish Affairs at Lyon, and in this capacity he had to deal with M. Rothschild who criticized all the provisional administrators appointed by the Germans and by Vichy for
the companies in which he had interests and also for his private property.

Sandro, Richard, was appointed provisional administrator of the Société Austin on 15 December 1942 by the Vichy authorities after the departure of Mr. Erhard, Maujies.

Having seen, after the liberation, all the documents concerning this affair I knew that Erhard was not persona grata at Krupp's and that he was forced to resign upon the demand of Léon Schmitt, an agent with power of attorney of the Krupp firm in France.

It is a fact that Sandro was persona grata at Krupp's because his appointment was accepted and he held this position until the Germans left in August 1944.

In February 1944, about ten days before the arrest of M. Rothschild, Sandro paid the latter a visit at Cloon d'Andran. I was present at this meeting. Sandro had come in order to get some information from M. Rothschild concerning the financial situation as a whole of the Société Austin which had remained in M. Rothschild's possession since he had left Lincourt in June 1940.

M. Rothschild refused to give any information whatsoever, whereupon Sandro immediately drew the attention of M. Rothschild to the disagreeable consequences that this refusal might have for him. In spite of this, M. Rothschild remained firm and Sandro left without achieving his aim, but repeating his threats.

Sandro left for Lyon, where together with Mr. Dumas, he went to see M. Trécaon, who represented the interests of M. Rothschild. He asked Mr. Trécaon the same thing he had asked M. Rothschild and he tried
here, too, to do some black-mailing. This was told me by Mr. Troccen himself.

Mr. Troccen, not being able to decide what to do, asked M. Rothschild for instructions, but the latter maintained his point of view.

A few days later, on 21 February 1944, M. Rothschild was arrested and later deported.

M. Sandre, through his position with the Commissariat for Jewish Affairs, must have known about the intention of the Krupp firm to buy the factory at Liancourt which had only been leased to Krupp. His efforts to obtain information from M. Rothschild as to the financial position of the company are a prerequisite for any prospective buyer of the company and this holds true for the probable buyer Krupp, too.

I have carefully read each one of the four pages of this affidavit, have countersigned each correction with my initials, and I hereby certify that this affidavit contains only the pure truth.

Liancourt, 24 July 1947
(signature) M. Celap.

Signed and sworn before me this 24 July 1947 by Mr. Mikes Celap at Liancourt (France).

(signature) Max Handellaub
D 432 622
Office of Chief of Counsel for War Crimes
I, Gerta KANNOVÁ, No. 20 151, hereby certify that I am thoroughly conversant with the French and English languages and that the above is a true and correct translation of the Document No. NIK-10590.

Gerta KANNOVÁ,
No. 20 151.
I received two ....... but no news.
The parcels may be deposited at the gate, with the name of the addressee, but they should not be too cumbersome.
It is necessary to have some money here; with that one can get along.
I would advise Milos to write to Dr. K. at Hannover in both, Vera's and his own name, and ask for K's intervention.
I think it even would be good if he would propose his services to the firm. Otherwise he will be caught one day and forced (Trans.Note: to work) under much more unfavorable conditions.
As for Vera, I think it would be best if she went back to Lyons; I think the Prefecture will allow that.
Send me some news by the bearer of this, with the remainder of the money. I also asked Doctor W.
I am sorry to cause you so much trouble and annoyance. Thanks and sincere friendship.
(signed) ROBERT

The whole plot has been engineered by Demour and Sandro. 
...... precise informations.

Translation of Document NIK - 10590
OFFICE OF CHIEF OF COUNSEL FOR MR. GILES

I certify that this is a photocopy of the last letter sent by Mr. Rothechild to the Notary Public Levigne at Lyons. I personally have seen the original which is in the hands of Mrs. Rothechild. This photocopy is a true copy of the original.

Liancourt, 24 Juli 1947
(signed) MILOS GELGIP

Signed and sworn before me this 24th of July 1947 at Liancourt by Mr. Milos Gelgip.

(signed) NEX MANDELL
US Civ. D 432622, Office of Chief of Counsel for Mr. Grimes.

CERTIFICATE OF TRANSLATION

I, Bernard B. Fall, ETO# 424, hereby certify that I am thoroughly conversant with the English and French languages and that the above is a true and correct translation of Document NIK 10590.

Bernard B. Fall
Allied Civilian, ETO# 424.
To Oberfinanzpräsident (Chief President of Finance) (Devisenstelle) (Foreign exchange office)
for the attention of Herr Reichsbankoberinspektor (Chief Inspector of the Reich Bank) TETZLOFF
DÜSSELDORF
Steinstrasse 70/72

Your reference: Your communication of: Your communication of: Your reference:
FMW. No. /bl. Essen 38894 29 August 1942

Subject: Leasing of a plant in France.

We refer to our letter dated 27 August 1942 - FMW No. 38403, as well as to the telephone conversation held today between you and the signatory on the right, in which we informed you that after a renewed examination of the matter, a payment of the rent by way of clearing is for the time being not necessary. As we already informed you, we have received instructions from the Wehrmacht to enlarge our already existing Krupp-Repair Works in Paris, where trucks are repaired in large quantities. For this purpose the concern at Lieucourt belonging to the Austin Works (Société Anonyme Austin) is to be leased from the Administrator for Jewish Property in France. The Plenipotentiary of our Repair Works in Paris Herr Director STEIN is to sign the agreement of which you have a draft, and is to pay the rent from the means at his disposal. You were kind enough to give your approval to the signing of the agreement within the framework of the Repair Works already established in Paris, and to consent to the payment of the first lease costs of FR 10,000 by the Paris Works, according to the general authorization of 18 February 1941 - R 39 Ref. No. 880/41 Gen. Department IV/BU - and Notice of Prolongation (Verlängerungsbescheid) of 30 December 1941 - IV/BU 5216/41 R 39. How and by what means the new plant is to be erected is left to be settled later. We will again refer to this at the appropriate time.

(stamp:) FRIED. KRUPP
Aktiengesellschaft
Finance Department

CERTIFICATE OF TRANSLATION

6 August 1947

I, AUDREY DOVÉY, No. 20116, hereby certify that I am thoroughly conversant with the English and German languages and that the above is a true and correct translation of document No. NM-8813.

AUDREY DOVÉY
No. 20116
I, Ewald Robert ZAPP, Nuernberg, after having been cautioned that I render myself liable to punishment for making a false statement, hereby declare under oath voluntarily and without being subjected to any duress:

As the customs question for occupied France was not solved in the manner anticipated by Krupp, i.e. that all German hard metal products could be imported into France free of duty, Krupp probably decided not only to maintain the Widia production at Dreux but even to enlarge and extend the manufacturing plants existing there. Herr SIXT was the German manager of Dreux during the war. Dr. LOUIS was consultant on commercial law and the financial expert. Dreux was separated from SICA and merged in the new SOFAMET corporation. In this way Krupp acquired the production at Dreux, for Krupp was the actual owner of SOFAMET.

At Dreux new machines were erected as well as a hydrogen gas plant.

I fully agreed to the separation of Dreux from the SICA firm as thereby financial settlement between it and Krupp was more easily made possible and, apart from it, I myself did not like to see Krupp’s representatives interfere in affairs of the SICA through Dreux, as they have done in the past.

I have read and initialed the foregoing deposition consisting of two pages, made the necessary corrections in my own handwriting and declare on oath that it is the full truth to the best of my knowledge and belief.

Sworn to and signed before me this 17 day of June 1947 at Nuernberg by

Ewald ZAPP

(name and address of deponent)

known to me to be the person making the above affidavit,

Andreas HUESER

U.S. Civilian D-492829

Office of Chief of Counsel for War Crimes

U.S. War Department
October 27, 1947

I, Annette Jacobsohn, 20146, hereby certify that I am a duly appointed translator for the German and English languages and that the above is a true and correct translation of the document No. FIK-7479.

Annette Jacobsohn
No. 20146

"END"

- 2 -
concerning the conference on 23 July 1942 with Mr. HABERBAAS and with Mr. BISEZ of the KRAWA

Subject: Liancourt.

Before my departure for Paris Mr. BISEZ informed me of the fact that the KRAWA had made to Commissar ERHARD to the custody of whom the AUSTIN plant, at LIANCOURT, has been entrusted, an offer for the acquisition of the land, the buildings and of the machines of the Austin factory. He has been offered 5 million francs for all the property including buildings, real property, machines, equipment and supplies free of any liabilities. The right to withdraw from the option was reserved. In the meantime, it was planned to ascertain the possibilities of financing the purchase and of transferring the money to Paris on the basis of conducting the Liancourt factory as an FK and not as Army enterprise.

Having investigated the matter in Paris I gave the gentleman the following report:

Mr. STEIN supplied the information that up to now Mr. Erhard in Paris could not make up his mind to consent to the sale on the basis of our offer. He suggested to Mr. STEIN to go into partnership with a French firm, and since Mr. Stein could not make any suggestions on this line, Mr. Erhard delayed the negotiations to such an extent that finally the appropriate military authorities in Paris urged a settlement. This authority declared that if Mr. Erhard could not make up his mind to sell, at least he would have to give a three years' lease to KRUPP.

The custodianship would be taken away from Mr. ERHARD and a German Commiser would be appointed unless the lease were granted in a very short time.

In as much as we want to manage Liancourt as a Krupp, and not as an Army enterprise, this factory can be operated only in conjunction with a French firm. It was learned from Mr. ERHARD, State group leader (Landes Gruppen Leiter) of the bureau of foreign commerce (Aussen Handelsamt) of the NSDAP, that while the French object to a further German economic penetration of France, however, they consent to German participations up to 30%.

Thus in order to find an approach to Liancourt, I suggested to Mr. Stein first to make a 3 years' lease. As soon as the proposed hard metals factory at DREUX will be set up, it shall be tried to break the lease and officially to purchase Liancourt and the hard carbide steel factory from the custodian. The new carbide steel factory in Dreux which will be called "SOFAMET" also might set up a new corporation at Liancourt in conjunction with Krupp, at a ratio of 70% SOFAMET and 30% Krupp. In this way a purely Krupp firm could be incorporated at Liancourt which from the French point of view would look as if it were to 70% under French control, while as a matter of fact, it would be 100% in German hands. This is because the SOFAMET shares will be assigned to the Zapp sales corporation "SIDA" which has been recognized as a French business; accordingly during the Franco-German war it had not been sequestered prior to the armistice.
Mr. Habermass was in basic agreement with this plan, he is only doubtful as to the point whether he should enter a lease without knowing when Liancourt finally can be owned by a corporation of our own.

His objections were that he will have to make fairly heavy investments in Liancourt in the intervening period. If the contemplated transactions with Sofamet cannot be carried out, the money will have been invested in Liancourt, and it might have to be considered lost if we do not succeed in buying the factory.

It was agreed with Mr. Habermass that if possible Mr. Stein should obtain a 3 years’ lease which would also give us the option within the duration of the lease to acquire the plant at the flat price of 5 Million francs at a time selected by us concurrently with the duration of the lease. Mr. Stein shall be informed accordingly.

Finance Department, 29 July 1942.

(signed) SCHUEBERMANN

CERTIFICATE OF TRANSLATION

I, ERHA E. UBERALL, AGO No. D-150096, hereby certify that I am thoroughly conversant with the English and German languages; and that the above is a true and correct translation of Document No. D-526.

ERHA E. UBERALL
U.S. Civilian
AGO No. D-150096
Case: X. . . .
(Société Française Krupp)
French Krupp Company

Report to M. Lechery
Examiner Magistrate

César Choron
Accountancy Expert
at the Appellate Court,
Paris
and Tribunal of the First Instance,
for Seine District

54, Rue Pelleport
Paris (XX)
Your Honor,

By virtue of the ordinance of 12 May 1945 I had the honor of being commissioned to act as expert accountant in investigations made relative to

X... (Sté Anonyme Française Krupp)
(French Krupp Company, joint stock company)

charged with violation of paragraph 75, and following, of the Penal Code.

The ordinance referred to reads as follows:

"For the purpose of making a survey M. Choron, expert, after having been sworn in is empowered to carry out the following mission:

1. to assist the Police Commissioners in charge of the investigation to make the searches

2. to examine all the documents seized, particularly the correspondence, agreements, conferences, records of the Board of Administration and of the General Assemblies.

Based on the documents mentioned the expert will establish what negotiations were carried on by the interested parties with enemy agents or with their representatives. He will determine what their final outcome has been."
(page 3 of original, cont'd)

"He will establish the conditions under which
"those negotiations were carried on and who the
"participating persons were.

"If the case arises he will give us whatever
"additional information is available to assist
"us in the establishment of the truth.

"To the above ends the export will interrogate
"persons for the purpose of obtaining information,
"he will cause especially all banks or societies
"to submit or communicate to him all the documents
"which he deems necessary.

"At the earliest possible moment he will
"inform us about the results of his investigations,
"and he will report to us on all incidents which
"might necessitate our giving new directives.

"On his findings he will prepare a report which
"is to be submitted to us with the least delay
"possible."

I herewith beg to submit to Your Honor, the
results of my investigations.

(page 4 of original)

On the basis of a writ of inquiry a search
was made - in which I participated - at 114 Bd. Hauss-
mann, of the premises which the Société Française
Krupp occupied; but no document of correspondence
or bookkeeping relative to this company was found;
at the Direction des Domaines de la Seine (Depart-
ment for Estates in the Seine Region) (Offices of
the Inspector, M. Camporese) I have examined written
material which it held by reason of the sequestra-
tion; at the Direction du Trésor (Treasury Admini-
stration) de Ministère des Finances (of the Finance
Office) I have, furthermore examined documents
which you subsequently wished to have forwarded to you
and which, as a matter of fact, are attached to
the file containing the information.

- 3 -
Survey

I. The French Krupp Company (La Société Française Krupp)

During the occupation period the German firm of Fried. Krupp, with headquarters at Essen, operated the Puteaux (Seine) arsenal for the account of the Wehrmacht, and an agricultural tractor plant at Liancourt (Oise), owned by Société Austin, considered a Jewish enterprise.

In order to carry on functions for the exploitation of this latter plant, she founded a joint-stock company, (société anonyme) under the conditions as stated below.

On 17 November 1942 Herr Walter Stein, the representative in France of the firm of Fried. Krupp, Essen, addressed to the Finance Minister (Direction des Finances Extérieures et des Changes: Foreign Finance Administration and Exchange) a letter in which reads:

"The Fried. Krupp A.G., Essen, is proposing to create in France an industry for the purpose of the manufacture, sale and repair of spare parts for agricultural tractors.

"However, prior to submitting an application to that effect she would appreciate being advised by you whether in your opinion this would receive of favorable consideration.

"She is taking this opportunity to point out that before the war the agricultural tractor production by French manufacturers was by far inadequate for the requirements of French agriculture. The greater part of tractors used in France were imported from abroad."
"For this reason the establishment of a factory
"for the purpose of safeguarding the maintenance
"of agricultural tractors which exist in France
"and in order to guarantee the supply of necessary
"spare parts cannot but offer undeniable advantages
"to the French economy, without detriment to any
"of the present manufacture.

"Those advantages would be all the more
"pronounced since the new company would be
"authorized by Fact. Krupp A.G., Essen, to introduce
"and exploit in France all the patents and licenses
"which it possesses in that field.

"In this way the entire French industry could
"benefit by the progress in the manufacture of
"agricultural tractors which such patents and
"licenses would bring about."
"It goes without saying that the close relationship between Fried. Krupp A.G. of Essen and the Société Française will facilitate greatly the latter's raw materials' supply.

On the other hand, you are aware of the fact that Fried. Krupp A.G. is presently a tenant in the plant owned by the Société AUSTIN at Liancourt (Oise). As this is a Jewish enterprise it operates at present under a provisional administrator. Krupp have made an agreement with the latter according to which they pledge themselves to manufacture for the Société AUSTIN all the spare parts for which she has booked orders from agricultural customers. The founding of a French company is necessary, however, to permit the carrying into effect of this agreement.

Finally, we believe you should call to your attention that the creation of the industry which we wish to organize in France would not jeopardize the present manufacturers of agricultural tractors and would hold out advantages as self-sufficient for French agriculture that the Comité d'Organisation du Mécénas Agricole - as it has assured us - is ready right now to issue a favorable export opinion relative to this creation.

The Finance Ministry submitted this letter for comments to the Administration of Mechanical and Electrical Industries with the Ministry for Industrial Production (la Direction des Industries Mécaniques et Électriques du Ministère de la Production Industrielle)

which expressed the opinion that if possible it would be preferable to avoid the creation of a French Krupp company but if nevertheless the creation of such a company should be the only means of "regularizing" the abnormal situation in which the Stt. Fried. Krupp are working the plant at Liancourt, at least an endeavor should be made to provide, in return, for as large a share of participation of French capital as possible and to obtain the assurance that the new company will in all respects - in point of law and fact - abide by French legislation and the practices established for the industry.

After having received additional information the Finance Ministry on 14 January 1943 addressed a letter to the Administration of Mechanical and Electrical Industries with the Ministry for Industrial Production with the signature of M. COUVÉ DE MURVILLE, which reads as follows:

"I do not deem it appropriate that favorable consideration be given to the request of the house of Krupp, irrespective of the inconveniences arising from the irregular circumstances under which this enterprise is at present operating the AUSTIN plant at Liancourt.

"I therefore propose - if this is your considered opinion not to grant the authorization asked for."

In reply to this letter, the Director of Mechanical and Electrical Industries with the Ministry for Industrial Production has expressed his consent with the proposition as stated in the letter.

Despite this opposition expressed by the Finance Ministry and by the Industrial Production the firm of Krupp has founded the planned company on 22 April 1943, under the name of "KRUPP, Société Française pour la Fabrication, la vente et la réparation de machines agricoles (joint Stock Company, for the manufacture, sale and repair of agricultural machinery,)."
The capital of that company, fixed at 20,000,000 Francs, divided into 20,000 entirely unsecured shares of 1,000 Francs each, has been established as follows:

1. Material contributed to the Austin plant as acquired by the German company with the aid of profits made in France in the repair work shops at Puteaux and Liancourt, which contribution was estimated by H. GRITZ, an expert, at 14,000,000 Francs.

2. Contribution in legal tender derived from assets on deposit with the Richemond de deut K. J. N. (Krupp Reparatur Werke Krupp Repair Work Shops), a private organization not declared a body corporate, in reality constituting a branch establishment or a subsidiary in France of "Fried. Krupp A.G." 14,970,000 francs

- M. Pierre MAILLARD, 38 bd. des Invalides at Paris, payments in cash 300,000 francs
- M. GODFOR, 170 av. du General Bazet at Paris, payment in cash 250,000 francs
- M. Jacques GERTZ, 65 rue de Verneuil at Paris, payment in cash 250,000 francs
- M. Jean GUILLARD, 4 rue du Escadron at Paris, payment in cash 200,000 francs

Total brought forward 19,970,000 francs

- M. Johannes SCHROEDER, Essen (Ruhr) 10,000 francs
- M. Gustav MURINZ, Esson (Ruhr) 10,000 francs
- M. Adolfo ECHI, Eson (Ruhr) 10,000 francs

Total 20,000,000 francs

German shares in the company capital thus amounted to 19 million francs out of 20,000,000; thus holding a clear majority.

According to statutes deposited at the office of the NOTARY in Paris, the object of the company was the following: for the home market of France and its colonies, the manufacture, assembly, representation and sale of agricultural tractors, and all agricultural machinery as well as mechanical work of a general nature; authorization to participate, in any form or manner in all commercial affairs and enterprises of a similar kind or of related lines and, in general, to engage in any type of commercial, industrial, financial, movable or immovable property, having a direct or indirect bearing on its aims or serving to facilitate its expansion or development.

The company headquarters were established at 141 Bd. Haussmann.

Paris.

Its Board of Administration was composed of the following:

attempting to restore the order of the page
M. Pierre AMIDIEU DU CLOS, President and Director General,
M. BREIL, Administrator,
M. ECHÈRE, Administrator.

Herr Walter Stein was appointed Deputy Director General.

After having learned that the constitution has taken place, M. BRUNET, Director of the Treasury, with his letter dated 18 June 1943, reminded M. AMIDIEU DU CLOS, President and Director General that his Department as well as the Ministry for Industrial Production had repeatedly voiced their formal objection to this constitution and, as a result, stressed that all reservations as to the validity of the new company are being made.

On the same day he wrote to the Military Commander in France (Dr. JUNGOLD, Economics Division):

"May I recall to your attention that towards the end of last year our offices were called upon to examine the project establishing the Krupp Company for the manufacture, sale and repair of agricultural machinery."

"I informed you of the objection raised on the subject by me and the Ministry for Industrial Production and Communications."

"It is being brought to my knowledge that notwithstanding the unfavorable opinions expressed by French authorities the company was formed with a capital of 20 million Francs, divided into 20,000 shares of 1,000 Francs each, of which 14,000 shares were assigned to the company of Fried.Krupp, Essen."

"You will understand, of course, that all reservations with regard to the validity of that new company are being made."

Pursuant to this letter the Militärbevollmächtigter (Military Commander) advised the Administration of the Treasury with the Ministry of Finances that "before explaining its stand in the matter" he would like to be informed in detail about the reasons justifying the protest raised against the plan of the Krupp Company. He explained that French legislation on foreign currency does not necessitate a permission for the acquisition, by way of subscription, of new stock shares with French companies by a person who is considered a foreigner.

M. BRUNET answered him on 22 October 1943:
"You have asked me to set forth the reasons why the French authorities believe they should withhold their consent for the founding of the Krupp Company, in France, for the manufacture, sale and repair of agricultural machinery.

Please be informed that in taking up its position on the subject my Department based its action on articles 4 h, 10 and 8 h of the Decree of 30 April 1940, as amended by the Decree of 10 October 1949.

May I also recall to your attention that as a matter of fact the Exchange Office has always interpreted those articles as applying in particular to the subscription by foreigners to the stock of new companies, such subscription constituting merely a special form of "acquisition" as envisaged by the Decree of 10 October 1940.

My Department made its decision in agreement with the Secretariat of State with Industrial Production which because of its efforts to concentrate the French tractor industry did not consider the creation of a new company in this branch of industry to be opportune."

After reply was forwarded by the Military Commander to the Company, its Director General, M. AMBIDO DU CLOG, addressed

"In summing up we believe that the terms of your reply in no way justify the position taken up by our Office against our company; it was quite in order for the letter to come into existence without having to ask for any kind of administrative authorization, not even to obtain an ordinary approbation; it was founded in a regular way, in conformity with all the requirements of French legislation presently in force and it has effected its registration with the Trade Register as a French company which does not engage in direct commercial activity.

"It is understood that in the measure as its activities will come under the provisions of the Law-Decree of 9 September 1939 our Company will apply in opportune time for the necessary authorizations.

We are convinced that these explanations will enable you to recognize that this company is absolutely regular and the manner of its founding entirely valid."
"In compliance with his request we are sending with this same courier a copy of the above letter to the Military commander."

Commenting on this letter in a memorandum to the Minister, the Director of the Treasury winds up as follows:

"In this correspondence the Sté KRUPP discusses the terms of the letter which had been addressed to Majestic, it claims that its founding was not contingent upon obtaining an authorization, neither in the light of provisions of Exchange Control nor by reason of the Decree of 9 September 1939 governing the creation of industrial or commercial establishments. This argument is couched in terms of importunity which are unacceptable, coming from a company which proposes to place itself under French legislation and which addresses itself to the French government."

"It is therefore my opinion that the communication in question does not serve any useful purpose."

II. Activity of the Société Française KRUPP (French Krupp Company)

As I have pointed out I was not able to study bookkeeping documents of the Société Française KRUPP which have not been retrieved.

M. FARMYTHOLD, appointed provisional administrator for that company at the liberation states in a report dated 2 March 1946:

"The bookkeeping situation was extremely complicated as a result of actual confusion - possibly deliberately brought about by the German managers, between the Sté Anonyme (joint stock company) KRUPP in France - for whom the authorization for operation was never granted by the competent Ministries - and organs such as the "Krupp Repair Works" (Krupp Reparatur Werke) at Puteaux operated exclusively by order of the German military authority.

"The keeping of accounts at 141 Bd. Haussmann headquarters was done in the German language and did not seem to have any bearing on operations of the French joint stock company, as distinct from Frédéric KRUPP."

As regards M. DOERER, the Inspector of Direct Taxes separate from the Exchange Office, he states in a report dated 30 December 1943:

"The accounting of Sté Française Krupp which again was presented to us reflects no commercial activity"
and does not even record the writings relative to the founding of the company, its managers evidently being in every respect most anxious to remain within the domain of strictest legality."

It would thus seem that the Société Francaise KRUPP did not engage in any real commercial activity at all and that the operation of the AUSTIN plant at Liencourt was continued by the firm of Fred. KRUPP at Essen.

As a matter of fact it would appear that the Société Francaise KRUPP was created by Fred. KRUPP merely for the purpose of clarifying its position with regard to the German authorities while utilizing the profits derived from the operation of the Puteaux arsenal which profits were to be reinvested.

Nevertheless, following deliberations on 22 June 1943 the Board of Administration authorized Herr STEIN to purchase for the account of the company:

1. the property located at 141 Ed. Hausmann, Paris, where the company had established its headquarters and which was owned by "Jodé frères", considered Jewish,

2. the plant and the commercial funds of Établissments (Jewish)

AUSTIN at Liencourt.

The project relative to the acquisition of the property at 141 Ed. Hausmann, Paris, was carried into effect on the following 22 July, at a price of 2,500,000 Francs subject to the proviso of prefectural authorization as provided by the Law of 16 November 1940; this authorization, however, was not obtained, and the funds remained lodged with M. MOROT, Notary, at 66 Rue des Petits Champs, Paris.

Under the signature of M. KRUPF, Director of the Treasury, the Finance Minister on 14 December 1943 addressed a letter on the subject to the Exchange Office which reads as follows:

"You were kind enough to inform me that the following request reached the Exchange Office:

"The Société Française Krupp, 141 Ed. Hausmann, wishes to acquire the property at the same address for the price of 2,500,000 Francs.

"This acquisition would be covered out of funds raised on the company's capital - the company at the present time having an approximate sum of 6 million francs in cash at its disposal.

"You ask me for instructions as to the action to be taken on this request."
"I regret to inform you that I cannot give any
support to the project of the Krupp firm.

The purchase of buildings by companies pre-
dominantly foreign is only authorized in very exception-

al cases when French economic activity is directly
interested in the intended purchase. That is not the
case in the project you have brought to my attention.

"I should be grateful to you if you would inform
the prefect of the same department of my negative
reply."

No information concerning the acquisition of the
plant and assets of the Austin establishments at
Liancourt could be obtained. It could only be as-
certained that according to a resolution adopted
on 17 August 1943 the Administrative Board authorized
M. Stein to take over the lease of the plant at Lian-
court for the company.

III - Role of the Share-holders and French Administrators.

I have pointed out that of the capital of the
Krupp firm amounting to 20,000,000 francs

have been paid by Germans while
the rest amount to 1,000,000 "

was supposedly paid by four
French share-holders as follows:

M. Amidou du Clos 300,000 francs
M. Broil 250,000 "
M. Gouty 250,000 "
M. Guiller 200,000 "

From information that was collected particularly
from statements made by M. Broil it is found that
the French share-holders made, in reality, no payments
whatsoever, the entire capital having been provided
by the Fried. Krupp firm. The share-holders, then,
were fictitious so that it must be considered that the French Krupp Company was formed illegally.

But, in spite of the irregularity of their position, Messieurs Amidieu du Clos, Broil and Guiller agreed to be nominated administrators of the company. It was not possible to have M. Amidieu du Clos, president and managing director, and M. Guiller, administrator, give an explanation because the address of the former is not known and the latter has died. It is therefore not possible to find out exactly what their activity was.

However, according to certain correspondence in the dossier of the finance minister, M. Amidieu du Clos actually carried out his functions as president and managing director of the company, and in this capacity he must have received a fixed salary.

Moreover, M. Amidieu du Clos and probably also M. Guiller must have obtained vouchers (jetons de présence) certifying their presence and entitling them to a remuneration. M. Broil, the third administrator, who will be dealt with in the following, told me that the Société Française Krupp had issued a check to him for the sum of 20,000 francs, which, however, he returned.

M. Broil, living at 170 Avenue du Général Michel Bizet, Paris, is the only administrator of the Société Française Krupp whom I was able to interrogate. He told me that it was at the request of M. Olivier, president of the Organisational Committee for Agricultural Machinery (Comité d'Organisation du Machinisme Agricole), who had told him that it was indispensable that this Committee be kept informed of the activity of the Krupp company, that he had agreed to become administrator in this company. He stressed the fact that, with the exception of two meetings
of the board, one relating to the constitution and the other concerning the buying of a piece of property, he was not present at any meeting of the Administrative Board, and that, as a result, considering his presence as useless, he had asked M. Olivier to relieve him of his duties. The latter having agreed he resigned as administrator of the Krupp Company in May 1944.

To corroborate his statements he produced a letter written by M. Olivier on 27 July 1944 in which it says:

"During our last conversation you asked me to explain to you the conditions under which you were asked to accept a position as administrator in the Krupp joint-stock company.

"Some time before your nomination the directors of the Krupp Company asked me to give them the names of a certain number of people from agricultural machinery circles who could become members of their administrative board.

"In view of the importance of this company and above all the possibilities of expansion which this affair presented for agricultural machinery

I really considered it useful for a French administrator to be taken from our corporation.

"I therefore gave the Krupp firm the names of a certain number of people leaving it to them to see them and choose the best qualified person.

"A few days later I received a visit from Herr Schmitt (of the Krupp firm) who informed me of your nomination. I then had a long conversation with you and asked you to become a sort of liaison officer between Krupp and the COMA (Organizational Committee for Agricultural Machinery), and to keep me, as president of the COMA, informed of the projects of the Krupp firm, but only those projects..."
concerning agricultural machinery. The activity of this firm as sub-contractor (sous-traitant) of the arsenal at Puteaux was of no interest to me.

"Some time ago you informed me of your wish to resign, for personal reasons, from your position as administrator. I acquiesced. Since the Krupp firm has not expressed any desire to have a member of the CCMA replace you nobody of our corporation will take your place."

The letter, with which the president of the administrative board of the Krupp firm expressed acceptance of the resignation of M. Broil, contains the following passage:

"We wish to thank you for your cooperation and we quite readily agree with you that you have had no opportunity to exercise any administrative function in our company for the latter has not, it is true, taken part in any commercial activity."

On 28 June 1944 the Krupp Company sent him a check for 20,000 francs in remuneration for his services. He showed me a copy of the letter of 10 July 1944 with which he returned this check, the receipt of which was acknowledged on 17 July.
Summary

From the foregoing it results:

That in November 1942, the representative in France of the Fried. Krupp firm at Esson informed the Minister of Finance that this company intended to found a French joint stock company for the manufacture of agricultural machinery;

That, having been consulted on this question, the Directorate of Mechanical and Electrical Industries at the Ministry of Industrial Production considered that it would be better to avoid the creation of a French Krupp company, but that nevertheless if the founding of such a company were the only possibility there was to legalise the abnormal conditions under which the Fried. Krupp firm operated a plant at Limcourt then it should be seen to it that compensation were obtained in the form of a certain number of advantages and guarantees, notably as large as possible a participation of French capital;

That the Minister of Finance having in the meantime considered that it was not the right moment to comply with the demand of the Krupp firm, the Director of Mechanical and Electrical Industries gave its approval to this decision;

That in spite of the opposition of the Ministry of Finance and the Ministry for Industrial Production, the Krupp firm founded, on 22 April 1943, the company that was planned and which received the name "Krupp Joint-Stock Company for the Manufacture, Sale and Repair of Agricultural Machinery";

That of the capital fixed at 20,000,000 francs the sum of 18,070,000 francs was subscribed by the Krupp Firm at Esson and given in the form of material and cash;

That the remainder was subscribed by seven people three of whom directors of the German company, contributed 10,000 francs each, and from Frenchmen,
Messieurs Amidieu du Clos, Broil, Genty and Guiller a total of 1,000,000 francs;

That, according to information received it seems that those last subscriptions were fictitious and that consequently the company was not founded in a correct or legal manner;

That in spite of this illegality three of the fictitious French share-holders agreed to form an administrative board constituted thus:

M. Pierre Amidieu du Clos, president and director general,
M. Broil, and M. Guiller, administrators;

That the present address of M. Amidieu du Clos is unknown and that M. Guiller is dead;

That M. Broil possesses a letter written by the president of the Organizational Committee for Agricultural Machinery stating that he (M. Broil) was chosen by this committee upon the demand of the directors of the Krupp firm at Essen who wanted someone belonging to agricultural machinery circles to be a member of the Administrative Board of the new company.

That he claims to have been present at only two meetings of the Administrative Board from which he resigned in May 1944;

That the company, even though admitting that he did not exercise any administrative functions, in June 1944 remitted him by way of remuneration 20,000 francs which, however, he did not accept;

That M. Amidieu du Clos seems actually to have exercised the functions of general director, but that his salary was of an indetermined nature;
That, because of the lack of all book-keeping it is not possible to have a clear picture of the activity of the company which seems, moreover, to have been merged with a German organism called "Krupp Reparatur-Werke" which operated the plant at Liebenau for the benefit of the Krupp firm at Essen and which it was supposed to replace;

That the only transaction known about was the acquisition of a building situated at 141 Bd. Haussmann, Paris in July 1945 where the company had its head office for 2,500,000 francs;

But that this acquisition was not approved

by the Prefect of the Seine and that the amount paid remained deposited in the hands of the lawyer.

Respectfully yours,

(signature) C. Choron

24 October 1946

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17 October 1947

We, John FOSBERRY, No. 20 179, Gerta KANNOVA, No. 20 151, and Kathleen BRAMLEY, No 20096, hereby certify that we are thoroughly conversant with the French and English languages and that the above is a true and correct translation of the Document No. NIK-7206.

John FOSBERRY,  
No. 20 179

Gerta KANNOVA,  
No. 20 151

Kathleen BRAMLEY,  
No. 20096.
(handwritten):

To Artillery Designing Section No. 1581 3/3m. of 4 January 1943

Fried. Krupp.
Aktiengesellschaft, Essen
Artillery Designing Department.

(handwritten:)

X

C

8

The Artillery Designing Department of Fried. Krupp A.G.
and the development of Army Guns from November 1918 to 1933.

Facsimile of Firm's Trade Mark.

- 1 -
April 1941

Individual supplement of November 1942

The Artillery Designing Department of Fried. Krupp A.G.
and the development of Army guns from November 1918 to 1933
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XIV. Concluding remarks
Introduction.

The following data on the history of the Artillery Designing Department of Fried. Krupp A.G., for the period of November 1918 to 1933, were compiled in the spring of 1941; at the request of the Pruf 4. Munitions and ballistics were, consequently, not dealt with therein. As this compilation was asked to be submitted within a brief period of time a thorough study of the files was impossible. For this reason earlier surveys and the memory of individual members of the Artillery Designing Department have frequently been referred to. The survey presents only the essentials; supplementation is contemplated.

I. Cessation of Armament Production after the Armistice.

The armistice of 1918 found the Krupp Artillery Designing Bureaus and the armaments workshops at the peak of their efficiency and in full activity.

As late as 8 November 1918 governmental orders had been placed and instructions had been given for the shipment of artillery equipment to the front. In addition, numerous newly developed guns were being designed and in the course of being manufactured.

The revolution and the armistice brought all of this to an abrupt end. Considering it a matter of interest to the Reich Government Krupp endeavored to terminate as quickly as possible all unnecessary work on war material. For example, from as early as 9 November 1918 no more semi-processed iron was pressed, no more shells were cast without there being orders for peacetime equipment on hand as a substitute, the manufacture of gun parts was discontinued on the whole in the foundries and forges.

After consultation with the "Ego Workers and Soldiers' Council (Arbeiter- und Soldatenrat) the authorities withdrew their orders at once. Krupp had to desist from making any deliveries to which it was committed by contracts and orders. At the same time
it was demanded that workers – even those of sub-
contractors – should not be deprived of their
living. Where immediate conversion to peacetime
equipment was not possible without the discharge
of workers, work on Army equipment was to be tem-
porarily continued as an emergency measure.

In the beginning compliance with this demand
of keeping workers employed on peacetime equipment
was possible to a very limited extent only since
no orders were on hand and because the conversion
naturally was bound to take considerable time
also for technical reasons, on the other hand,
continued work on war equipment was necessary and
work on Sundays became even necessary because
the Reich did not possess the great number of guns
in usable condition of which the enemy alliance
demanded the surrender. Consequently, the so-called
emergency projects covered

a) reconditioning of guns for foot artillery of
these types which, according to the terms of
the Armistice, had to be surrendered,
b) completing the manufacture of such new guns as
were almost ready at the end of the war.

During the period between the Armistice and
31 March 1919 192 guns were repaired,
by July 1919 an addi-
tional 46 " " 

a total of 238 guns.

During the period between the Armistice and
31 March 1919, 315 new guns were manufactured,
namely 10 cm guns 17, 13 cm guns, 15 cm guns 16,
and long howitzers (high-angle howitzer).

As of 31 March 1919 all work on new guns had
to be discontinued. Except were only

7.7 cm infantry gun L/23 B

and the
7.62 cm gun, anti-aircraft 19 (Flak)
with supply equipment,
as well as the reconditioning of two
1.7, 7 cm guns (Flak),

the further work on which was not affected by the date quoted.

Because of the danger of occupation the War Ministry issued under date of 17 May 1919 the confidential order that from the territory stretching as far as 100 kilometers East of the Neutral Zone, i.e. the German-Dutch border - beginning from the West - all fully serviceable army equipment be moved into the remainder of Germany. Damaged guns - which could be reconditioned in artillery depots were also to be turned in. In addition, the following were to be shipped to the artillery depots:

a) semi-finished products suitable for repair work and reinforcement purposes for

- 10 cm guns 17
- 12 cm guns 15
- 15 cm guns 16
- Long Moore's (high-angle howitzers)
- 3.7 cm heavy Flak (anti-aircraft guns)
- 7.62 cm C. Flak
- 7.62 cm Russian Flak 02
- 7.7 cm French Flak
- 7.7 cm K Flak and
- 8 cm K Flak

b) all semi-finished products for

- 7.62 cm K Flak 19
- 7.7 cm heavy Flak
- 8.8 cm heavy K. Flak
- 8.8 cm K. Flak 19 and
- 10.5 cm C. Flak

In August 1919 the shipment of these items was discontinued because requirements were covered. Krupp was authorized to keep the remainder of unfinished and semi-finished equipment originating from war orders, as well as all damaged guns of the non-barrel-recoil type for use as scrap. All of the optical equipment was to be turned over to the pyrotechnical laboratory in Spandau.
Work on the 7.7 cm infantry gun L/23 B still went on. The Inter-Allied Control Commission (I.A.K.K.), of which we shall have occasion to speak later on and which had arrived on 29 May 1920 soon demanded the discontinuation of this work. In September 1920 the Reich government dropped work on the completion of the guns; they were entirely destroyed. This was the last piece of war equipment on which the Krupp armaments plants of the World War Period worked.

II. Gun Developments at the end of the World War

Let us now have a look at the development of guns on which Krupp was working when the war came to an end. This covers:

2 cm airplane gun.  
Two of them were built.

3.7 cm airplane gun.  
Four of them were built.

3.7 cm pedestal-mounted Flak L/14.5.  
3.7 cm Flak with increased efficiency.  
3.7 cm tank anti-tank L/40 gun, provisional design.

3.7 cm tank anti-tank L/40 gun.  
7.52 Flak 19, on motor vehicle 19.  
7.7 cm infantry gun L/23 B.

As a result of the Armistice only 16 of the 250 guns ordered were supplied.

8.6 cm experimental field gun, Krupp, (L/31)  
An experimental battery of 5 guns was delivered in February 1919.

8.6 cm A Flak 19 (L/45)  
The manufacture had already been started when the Armistice was declared.

10 cm mountain gun.
10.5 cm experimental light field howitzer (L/20, Krupp, 7/2)

An experimental battery of 6 guns was completed in the spring of 1919.

Heavy mountain howitzer (15 cm)
15 cm experimental howitzer Krupp (cannon-royal)
24 cm gun L/45, in 30.5 cm howitzer gun carriage.
Long 24 cm gun.

The first gun completed its first firing tests in October 1918.

30.5 cm cannon in "camma" gun carriage
30.5 cm howitzer.

16 guns, and 6 spare barrels, were manufactured but were not put to use.

In addition, work was being done on drafts for trench mortars and special equipment.

The following may be remarked with regard to this list:

All of the guns with which the heavy artillery of the German Army was equipped when entering the war were of Krupp design and, to an appreciable extent, of Krupp manufacture. The same holds good for the field artillery as regards the light field howitzer 98/09 while the field gun 96 n/A was a creation of the Königliche Artillerie Konstruktion buero (Royal Artillery Designing Office) at Spandau. In the development of the former the latter office had drawn also on the experience gained by Krupp and Rheinmetall with experimental guns and had made use of features of design employed by these two firms (so-called "compromise gun") 1.)

The World War had brought about a change in this relationship. Corresponding to its enormous demands, the German authorities had to turn to numerous other firms besides Krupp and Rheinmetall for the delivery of guns and ammunition. These were entrusted primarily with supplying the guns of smaller caliber while the design and manufacture of the heavy and heaviest artillery equipment was
assigned to the firm of Krupp, because of its large-scale installations. Krupp therefore, was available for the smaller calibers only to the extent that the remainder of its capacity permitted. Nevertheless the above list shows the measure in which Krupp participated, even in the development of the lighter types of guns. This is logical when one considers that until the World War several design-departments of the firm of Krupp had worked exclusively on light field guns and mountain guns and that Krupp had supplied thousands of light guns to the armies of European and non-European states. Consequently this met all the prerequisites for developing maximum efficiency, also in the field of light artillery.

**Remark**

We wish to take this opportunity to point out specifically that the foremost of F.K. 96 n/A - the F.K. 96 - which, as is generally known, is a rigid gun with folding train grade, was not developed by Krupp - as has recently been stated in technical literature and in publications issued by the firm - but that it was also a creation of the Königliche Artillerie-Konstruktionsbüro (Royal Artillery Designing Office), Spandau.

**III. Demolition by reason of the Versailles Treaty, and the Inter-Allied Control Commission.**

Articles 168 and 169 of the Versailles Treaty provided that all establishments which were engaged in the manufacture, restoration, storing, or the preparation of plans for weapons, munitions, and war equipment of all kinds and were not approved by the governments of the Allied and Associated Big Powers were to be shut down within a period of 3 months after the date when the Treaty became effective. It was also provided that German weapons, munitions supplies, and war equipment which exceeded a certain authorized quantity, as well as all tools and machines used for the
The manufacture of war equipment—aside from specifically authorized items—were to be turned over to the Allied and Associated Big Powers for demolition and to be rendered unserviceable. These orders were carried into effect under the surveillance of an Inter-Allied Control Commission (I.A.K.K.), headed by the French General Wallat, in Berlin. On 29 May 1920 the group which had been specially assigned by the Dusseldorff District of I.A.K.K. reached Essen. It was headed by the English Colonel Everett who had a number of English and French officers and officials at his disposition as controllers. Long before their arrival Krupp had already shipped abroad forged barrel parts which had been finished. Similarly, in Essen, the destruction of war equipment had been commenced so as to salvage at least the huge quantities of scrap for Germany.

The Commission continued the work of demolition. The following were destroyed:

1.) 42,000 tons of industrial material for barrels and gun carriages and vehicles
   34,000 tons of industrial material for shells
   1,100 tons for fuses

2.) 9,300 machine tools, weighing over 50,000 tons, and more than 600,000 tools and devices, weighing over 9,500 tons.

3.) Almost 400 plant installations for the manufacture of war equipment, such as presses, annealing and hardening installations, oil and water containers, travelling cranes, etc., as well as 14 assembly shops. Into the latter were built 5,000 sqm. of concrete, the composition of which the Commission constantly supervised.

4.) Of the firing ranges at Essen and Langemarck all of the installations serving firing purposes, including the storage depot and railroad yards; most of the installations of the firing range at Kopen. Regulations prescribed to the minutest detail what was permitted to be preserved in the way of foundations, gun
carriage platforms, tank rear structures, cranes, telephone installations, ballistic equipments etc.

5.) At Bottrop the structures and equipment of the pyrotechnics installation, with the exception of the housing structures.

6.) 159 experimental guns and 1,100 tons of experimental ammunition.

(page 11 of original)

Exempt from demolition were only:

1.) The machines, tools, and equipment required for the manufacture of a very restricted number of guns.

2.) 18 barrels and 6 gun carriages for the firing range at Neppen; and in addition firing range equipment barely enough to cover the very minimum of needs.

3.) A few specimens of the exhibits of the artillery museum.

4.) A portion of the war equipment for which orders had been placed by foreign states before the war and for which it had not been possible to make delivery - especially 5-28 cm coast howitzers, for Brazil. Their manufacture having been completed when the war broke out, they were requisitioned by the German government and put to use on the German coast, for they were prepared for the original orderer.

All of the machines whose preservation had been conceded had to be erected on sites precisely designated which could undergo no change.

The unyielding, irrevocable attitude, especially on the part of the French members of the Control Commission, as well as a wide-spread network of spies and denunciators made sure that the provisions were carried through completely. One of the higher works' officials had to be discharged because through the exchange of
a barrel number he had tried to save a good barrel for Germany. Thus the hands of the firm were completely tied and not even the slightest deviation from the rigid regulations was possible.

The concluding record of the I.A.K.K. was finally signed on 15 March 1920. The Commission departed. Although this did not yet mean the end of spying — entailing the danger of international complications or of seeing the works closed, and its workers losing their livelihood — this meant, nevertheless, an important step on the road towards freedom.

IV. Restriction of Design and Production of War Equipment by the Versailles Treaty.

For long years the above described extensive demolition of works' installations, machines, tools, and apparatus prevented the firm of Krupp from manufacturing war equipment in any appreciable amount.

Beyond that the Treaty of Versailles and its German executive decrees — more particularly the executive law to the Peace Treaty of 31 August 1919, the publication in the Reichsanzeiger (German National Gazette) No. 163, of 15 July 1921, the publication in the Reichsanzeiger No. 136, of 14 June 1927, and the law covering war equipment, of 27 July 1927 — laid down the following restrictions for the manufacture of war equipment:

1.) Article 168, paragraph 1 of the Peace Treaty stipulated:

"The manufacture of weapons, munition and war equipment of all kinds is permitted only in work-shops and plants the location of which has been brought to the attention of and approved by the governments of the Allied and the combined big powers. These governments reserve the right to curtail the number of the work-shops and factories."

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2.) Manufacture was permitted:

- to Krupp, Essen, for guns of over 17 cm
- to Rheinmetall, Werk Düesseldorf-Derendorf, for guns up to 17 cm.

3.) Manufacture was permitted only on the basis of predetermined and extremely low maximum quantities per year. These amounted, as an example, for the 21 cm howitzer - the only Army gun permitted for Krupp 7/0,18 per year, in other words, one howitzer in about every six years.

4.) Manufacture could take place only in premises specifically authorized, for which construction alterations could not be carried out without authorization.

5.) The manufacture and supply abroad of war material of any kind was forbidden.

By reason of those cleverly devised regulations the manufacture of munitions was entirely forbidden to Krupp, likewise the manufacture of guns measuring 17 cm and below. Inasmuch as the development of gun and ammunition
must be performed in one hand and, since for
self-evident reasons firing experiments with equip-
ment of large caliber could take place only on a lim-
ited scale, it was thus made impossible for the
works to gather experiences of its own, all
progress thereby being prevented.

The gun and munitions work-shops were shut
down in part, and in part they were equipped for
the manufacture of peace equipment. For the manu-
facture of war equipment the Inter-Allied Commission
licensed only two of Krupp’s work-shops, Machine
Construction 9, for gun carriages, etc., Machine
Construction 21, for barrels, breech-blocks, and
eight-mechanisms. However, the use of only a small
portion of the total space in Machine Construction 21
was permitted and had to be separated from the rest
of the work-shop by a wall. In Machine Construction
9 likewise the few machines authorized for the
manufacture of war equipment were to be assembled on
a limited amount of space only. Since this was found
to be impossible they were required to be conspicuously
marked as permitted for manufacture by means of huge
blotches of white paint. Any manufacture on lathes
other than the ones prescribed thus stood out clearly
as being in violation of the Treaty of Versailles.

The small amount of gun manufacture still
permitted neither warranted maintaining an ade-
quately number of expert engineers nor a force of
skilled workers. The artillery designing departments
with a few decreasing exceptions which were at first
connected with winding matters up were partly dis-
solved, partly they were

(given other assignments. The experts on the staff dis-
persed and, in part, left the firm. Thus; amongst
others, Krupp lost one of its best fuse designers,
Jenn Valentin Schlaefer who, with the consent of Krupp,
got to Rheinmetall-Semmerda, and still directs
this plant to this day. On the basis of an amicable
understanding he was permitted to take with him all
the data having bearing on the design of fuses.

On this occasion it should be mentioned that
also after the Treaty of Versailles became effective
Krupp continued to lend its support, with advice and
actively, to such firms as were authorized to manu-
facture war equipment, thus to assist them in carry-

ing out their tasks.

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V. The Krupp-Bofors Relationship.

When after the end of the war it became a certainty that, for Krupp, gun production would come to a complete standstill Krupp concluded an agreement with Aktiebolaget Bofors, a Swedish firm - which made available to Bofors information on Krupp's experiences relative to the production of steel in certain fields, and especially of steel for the manufacture of guns - also a license agreement on the basis of which Bofors was authorized to duplicate some types of Krupp's artillery designs in so far as they were not classed as secret by the Reich. Krupp combined with this the intention of benefiting by the experience gathered at that end. Bofors pledged itself at Krupp's request to permit Krupp employees admission to its works at all times and to supply them with all desired information. Together with Oberingenieur (chief engineer) Bedenleuer, a steel specialist who paid brief visits to Bofors on several occasions, Oberingenieur Dax, an artillery expert, went, as the first liaison man, to Sweden on 1 April 1921. On 1 January 1931 he was relieved by Dipl. Ing. Mill. In the meantime several other officials - especially Herr Dietzel, Herr Bromhold, and Herr Stock held leading positions there in the field of design.

The experiences which Krupp gathered in Sweden were passed on by it to the BWI (Reichswehrministerium: Reich Ministry of Defense). It therefore seems necessary to glance for a moment at developments relative to guns which occurred at the Bofors plants in the twenties.

Bofors first took over the execution of several agreements for the delivery of guns for Holland and Denmark since, by reason of the Zeeuwe Treaty, Krupp was not permitted to manufacture war equipment for foreign countries. Subsequently the Swedish firm attempted to take advantage of the favorable opportunity to acquire the position in the world market from which the German armaments industry had been excluded as a result of the Treaty of Versailles. It began by copying some of Krupp's light guns and was especially successful with the 7.5 cm mountain gun L/20 whose design Krupp, Essen, had newly completed in 1919/1920 and which had then been manufactured in Sweden. It also served as a model for the further development of the Bofors mountain guns.
Following that Bofors proceeded to redesign with a larger firing range 7.5 cm field guns of Krupp make which were present in foreign countries, especially in South America. In that connection Bofors followed the idea of using a box-trail gun carriage, taking as a model the German light field howitzer 98/09 or the German field gun 15, designed by Krupp, which consists of the reinforced Krupp light field howitzer gun carriage 98/09 with built-in gun barrel. In that manner Bofors attained a total movement in elevation of 450, pursuing its experiments systematically and with the greatest perseverance. Success was not achieved because the triumphant progress of the split-trail gun carriage could no longer be stopped and all foreign states vigorously rejected the box-trail gun carriage. This explains why approximately in the year 1924 — at a time when in Germany one still clung to the box-trail gun carriage — Bofors adopted the split-trail gun carriage. Initially it was built for the barrels of the old field gun which still existed in the Argentine and Brazil. After that Bofors developed a new 7.5 cm field gun L/46, a 9 cm semi-howitzer L/40 and, from 1926 onwards, the 10.5 cm field gun L/40 for Holland and Sweden, the light field howitzer L/20, and the 15 cm field howitzer L/24 intended for Hungary, all of them with split-trail gun carriages. In addition, Bofors developed and in part also supplied infantry guns 3.7 and 4.7 anti-tank guns, trench mortars and trench Howitzers.

As already mentioned Krupp made the experience gathered in Sweden available to the RLM (Reich Ministry of Defense). On several occasions Krupp also introduced German officers into the Bofors plant to inspect guns and munitions and who were present during firing tests. Bofors also made experimental ammunition for armored vehicles which was fired in Sweden in the presence of German Officers. Thus the Krupp-Bofors relationship proved beneficial for the further development of the German Army's artillery.
In 1935 the contract agreement between Krupp and Bofors was annulled because a new Swedish law prohibited the participation of foreign capital in Swedish armaments firms. The Krupp officials returned to Essen and since then are again working in the artillery designing department.

VI. Agreements with the Reich Defense Ministry
of 25 January 1922.

We have seen how, by way of Bofors, Krupp could
utilize its previous designs and could derive benefit for itself, and thus for Germany, from experiences gathered abroad. In like manner the firm was also endeavoring to prove ineffective, in Germany itself, the unworthy provisions of the Treaty of Versailles, and in some way or other to participate in the gleaning of experience. The same spirit prevailed with the German authorities since the fact that in the largest German armaments works which, at the beginning of the world war, was responsible for almost all of the gun designs then existing, all of the creative talents were withering and all experiences were to be lost could not leave them indifferent. During the first years after the war an exchange of opinion took place repeatedly on that point. The common wishes and aspirations were finally consolidated in the agreements of 25 January 1922 which, for political reasons, did not constitute an official contract but a gentlemen's agreement between Brigadier General Wirzbacher and Captain (Navy) Hansen, on the one hand, and Director Baur and Director Cesterlen, on the other hand.

These agreements of 25 January 1922 stressed that as a matter of mutual interest it was imperative to draw on Krupp's experience for the continued development of guns of a caliber of 17 cm and below, of munitions and of vehicles.
Ministry all the drawings and experience which came to it from outside.

These most significant agreements of 25 January 1922 are the first step jointly taken by the RMI and Krupp to circumvent, and thereby to break down, the regulations of the Treaty of Versailles which strangle Germany's military freedom (Vehrfreiheit).

VII. Decline and Development of the Artillery Designing Department between 1919 and 1925.

1919. The immediate effect of the unfortunate outcome of the war spelled the end of gun designing and production by Krupp, and for the members of the Artillery Designing Department it meant parting from an activity which had become dear to them. The Artillery Designing Department was disbanded. Professor Hausenberger, its head for many years, had retired after the end of the war and had died in 1926. For questions pertaining to artillery, departmental director Dr. Ritter remained, who dealt with the remaining jobs and who later took charge of the reconstruction until he retired in 1936.

The departments very soon were given other jobs: design of agricultural machines, motor vehicles, engines, compressors, pumps, hydraulic installations, lattice masts, contact furnaces, locomotives, godswagons, dredging machinery, spinning machinery, compressed air tools, magnetic hoists, electrical apparatus, signalling installations, calendars, cash registers, combination locks, gear transmissions, centrifugal separators, movie projectors, roller bearings, surgical instruments, precision measuring instruments etc.

In addition to that, winding up jobs were done at first and drawings were put in order, especially so because the personnel could not immediately be fully employed with the jobs that had been added. Very soon they had to devote themselves to the new peacetime-material jobs and only a few people were still — partly only from time to time — employed in the continuation of the old war equipment jobs. This comprised, first of all, the solving of some contentious questions which one proposed to carry further, in order to prepare the ground for resumption of gun production at a later date.
In view of the fact that such guns as were being developed (cf. section "The development of guns by the end of the world war") the 8.8 cm test field-gun Kg (Krupp), and the light test field-howitzer Kg. (Krupp) M/2 (Z.A.) were finished, the final delivery firing-tests at Sangerhütte in the spring and summer of 1919, were developed into large-scale firing-accuracy-tests, with warmed barrels. The A.F.K. (Artillery Panzer Kraftwagen - Tank Commission) also participated in same. Tests were also made with the 5.7 cm anti-tank gun using Flgr. (anti-tank shells) and Spgr. (high explosive shells).

A further job resulted from the former foreign trade: a 7.5 cm mountain gun, which had been tried out with excellent results in the Netherlands East Indies, was once again worked on because another order from the Dutch was to be expected. Meanwhile, however, the manufacture of arms for foreign countries was prohibited; Krupp therefore after completion of the design handed it over to Bofors.

1920 - 1922. The years 1920 and 1921 were above all a period of retrenchment and demolitions which had become necessary through the treaty of Versailles and the activities of the Inter-Allied Control Commission. The outer frame was formed by the internal political chaos, which shook the industrial district with particular force, and which resulted in the bloody Ruhr battles in the regime of the Communists in Essen and in the east steel plant which lasted for weeks and in the evacuation of the Ruhr by the forces of General v. Vatter.

In addition from time to time talks with the local government offices took place about how one could save the experiences of Krupp for the future (compare section "Agreement with the Reich War Ministry of 25 January 1922").

In mid-1922, the will towards reconstruction manifested itself for the first time. General Heidenorn, of the Artillery Inspection Office, as well as Major Klotz, Captain Zwöniger and Baurat Meyer, of the Inspection Office for Arms and Equipment (A.F.K.; Inspection Office for Arms and Equipment is the new name for A.P.K.; Artillerie Panzer Kraftwagen; Artillery).
Armed Vehicle Commission) inspected the light field howitzer (Z.A.) which Krupp had developed by the end of the war. It was decided to modify the design of the gun-carriage, using carbon steels and other raw materials known to the trade, and providing for the simplest possible design of all parts, to permit simplified large-scale production. This work on designing was taken up in Essen, in July 1922, under Dr. Ritter, in spite of the fact that the ban was still in effect. Dr. Heilermann was in charge of the gun-carriage design while the design of the barrel was assigned to the Department Thiermann - which department combined what was left of the barrel, Breech-Block, Munitions, Test-Firing and Ballistic Table Departments, whose equipment for peace time use was also being designed.

An abrupt interruption occurred in January 1923, with the arrival of French troops in Essen. Shortly before large quantities of sketches and files had been removed to Central Germany for safekeeping.

The work of constructing design was now also transferred there, namely first to Krupp-Work, in the middle of February 1923 to Tangermuette.

The 31 March 1923, the Saturday before Easter, brought for Essen the shooting of 15 Krupp workers, a heightening of the French terror and soon after the arrest of the head of the firm, J.J. Erupp von Jolmton and Halbach, and several Krupp directors. The work on Artillery Design was therefore discontinued in all Krupp workshops, that means also in Tangermuette. In May 1923 work started again on the light field howitzer (Z.A.) in the officers mess Kimmersdorff, in October 1923 it was temporarily completed. The drawings were handed over to the Inspection Office for weapons and equipment, who handed them on for inspection to the engineering firm Koch and Kienzle in Berlin who were also otherwise employed by this office.

1924 - 1925. From July 1924, until June 1925, some of the Krupp officials worked in the old Kasern (permanent barracks) at Spandau which used to house artillery on foot. Activity:
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a) The modifications proposed by Koch & Kienzle, abbreviated to KUK, were incorporated in the drawings for the light field-howitzr (Z.A.).

b) The original blueprints of the long heavy field-howitzr 13, of the 15 em gun 16, and of the long morser were studied in connection with the proposed new production and were supplemented.

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c) For Erla (i.e., light field-howitzr 16 with Erzeltwaffe) (replacement gun carriage) a cradle of simplified construction, fitted with a brake, was designed for which the pneumatic recuperator was arranged above the barrel. The lower gun-carriage was designed by Rheinmetall. The direction was in the hands of I.W.G. (Inspection Office for Arms and Equipment).

d) For the long, heavy field-howitzr 13 a cradle of simplified construction was designed.

In the same barracks work on construction design for limbers was in the hands of Oberbaurat Weber, the former engineer-in-chief of Artillery Construction Office at Spandau.

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VIII. KUK E. (Koch and Kienzle Development)

On 1 July 1925 a designing office was opened up under the name of KUK E (E standing for "Entwicklung" development) at Prinzipalast, at the Potsdamer Platz, in premises which were rented by the firm of Koch & Kienzle until the end of 1927. The head was; Dipl. Ing. Franz Beuth, and representatives: Stock and Dipl. Ing. Neubach; in addition, 16 other Krupp employees. The control was under I.W.G.; Col. Euchel and his successor Col. Karlowski, respectively. Other participants in the work were: Baurat Koyer and Konschak, respectively, and Director Dr. Ritter of Krupp. As a matter of camouflage, salaries were paid by I.W.G. to Koch & Kienzle, the actual firm who paid out the money to KUK E.
Jobs done by Koch and Kienzle development section.

a) Continuation of the supplementing and repairing of old drawings done at Spandau.

b) Listing of drawings for three variations of the light field howitzer (L.I.) unsprung with wooden wheels and various travelling brakes and a further variation with axle springs and steel wheels.

c) Continuation of the work on the reserve carriage: cradle with a brake and pneumatic recuperator placed above the barrel.

d) Construction of reserve carriages for 15 cm K. 16 and long Maxim. While the department Koch, which was situated in Losen and which in earlier times had constructed Naval and Coast gun mountings, changed the construction of these guns for a fixed placing at the coast as requested by the Intento.

(page 27 of original, cont'd.)

Koch and Kienzle development section prepared the changing back into mobile spare carriages.

c) Construction of the universal ammunition wagon II (EAW II) in two versions, usable with the corresponding installations also as an observation - and commissary car. Fixing on it carbines and light machine gun with ammunition. Construction of suitable ammunition baskets and containers.

Then after the completion of these experiments the Inspection Office for weapons and equipment made some further requests with respect to observation cars, Krupp withdrew from all further work on it in favor of Rheinmetall.

f) Changing of the construction of the anti-aircraft gun 19 with the 7.5 cm barrel (formerly 7.62 cm):

a) for mounting on motor-vehicles; this gun was adopted and received the name Kz. 14.

b) For mounting on a box gun carriage with chassis as collapsible gun; not adopted.
When at the end of 1927 these jobs had been completed, Koch and Kienzle Development section was dissolved and the gentlemen recalled to Essen, where meanwhile the reconstruction of the Artillery Designing Department had been started. Two of the gentlemen, however, remained in Berlin in the office of the weapon and equipment inspection department until June 1928 for winding up and in order to supervise the manufacture of the box gun carriage.

IX. Development of the Artillery Designing Department 1926 - 1933.

In the meantime, the occupation of the Ruhr territory had been terminated in 1925, and the Inter-allied Control Commission, too, had discontinued its activity in 1926. Up until that time it had not been possible to take up work on design in Essen itself. It had even happened that the desk of one of the department heads had been inspected by the Commission because it was believed that, in disregard of the prohibition he had done work on gun design. After the departure of the Commission one had more of a free hand, but the manufacture of light guns continued to be impossible at Essen. Krupp, therefore, had to be satisfied with designing, then giving its drawings to Rheinmetall for the manufacture of test equipment. Since Rheinmetall always received the same designing order, it was with this emergency solution unavoidable, that occasionally after the design of several trial-guns, the models were comparable and led to the designing of standardised models, which contained important earmarks of both firms.

After the final protocol of the Inter-allied control commissions had been signed on 16 March 1926, a designing department for army gun carriages was founded in Essen under Dipl.Eng. Dorn. Barrel- and ammunition matters were as before handled by the department Thiermann, which however, was chiefly working for peace materials.

Moreover designing departments for naval guns had again been in existence at Essen since the end of 1925 which in this compilation, however, were not
given consideration. In addition these continued to remain in Berlin the RuK & Gu - carriage Department, under Dipl.Ing. Dömminghaus, under the direct control of I.E.G.

On 1 January 1928 Koch and Mielzale Development section joined the Artillery Designing Department in Essen as another army gun carriage department.

The development of the number of personnel of Artillery design can be seen from the tables below, to this the following is to be mentioned: Since Krupp only designed but never produced, the cost of the designing offices were borne by the Reich and the number of designers were determined by the Ministry. Because of the very limited funds at their disposal, the personnel were so few that with the multiplicity of the jobs on hand, the settlement of the order took too much time. So in middle of 1933 only about 50 designer months had passed for the now Moersor which had been ordered in 1928, about a quarter of the total time allowed. Frequently, when urgent new orders came in, uncompleted older orders had to be left for a later time by order of the Ministry, so that when later it was started again a considerable loss of time resulted. Also in many cases Krupp was requested to dismiss designers, because

the funds had been further limited. Krupp normally did not fulfill this request and kept its personnel; it was however, only possible to complete the next urgent jobs at that time, while other problems at least as important - especially research and futuristic problems - could neither be handled at all, or only the preparatory work could be done with insufficient personnel.
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Fluctuation of personnel in the artillery department.