

379 ⁴⁰/₁₉₂₈

James F. Dooty Jr.

on

Mayor & City Council
of Baltimore

Warrant

No 16029 A

<87

Feb 17 April 1928

COURT OF APPEALS OF MARYLAND

No. 66 January Term 1928

James F. Douty
vs.
Mayor and City Council of Baltimore, et al

Appeal from the Circuit Court No. 2 of Baltimore City. Filed February 10th, 1928

April 11th, 1928, Decree affirmed with costs,

Opinion filed. Op. - Sloan, J.

To be reported.

Parke, J. dissents

Appellant's Cost in the Court of Appeals of Maryland,

Record	\$	
Brief	\$	19.50
Appearance Fee	\$	10.00
Clerk's Costs	\$	<u>1.30</u>
		\$30.80

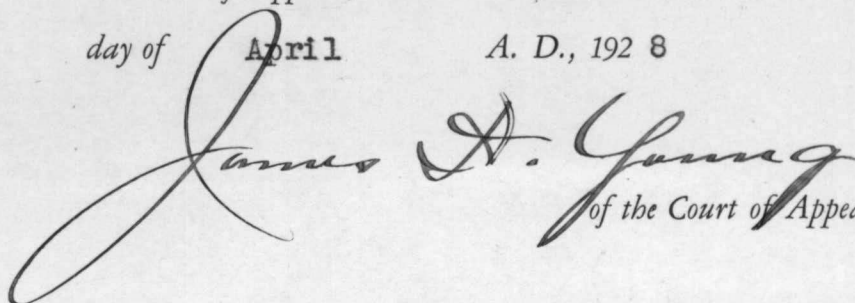
Appellee's Cost in the Court of Appeals of Maryland,

Brief	\$	5.00,	
Appearance Fee	\$	10.00	
Clerk's Costs	\$	<u>1.90</u>	<u>\$16.90</u>
			\$47.70

STATE OF MARYLAND, Sct:

I, James A. Young, Clerk of the Court of Appeals of Maryland, do hereby certify that the foregoing is truly taken from the record and proceedings of the said Court of Appeals.

In testimony whereof, I have hereunto set my hand as Clerk and affixed the seal of the Court of Appeals, this sixteenth day of April A. D., 1928

 Clerk
of the Court of Appeals of Maryland.



IN THE CIRCUIT COURT NO. 2

OF BALTIMORE CITY

37A (1928) 40

JAMES F. DOUTY, JR.,

-vs-

MAYOR AND CITY COUNCIL
OF BALTIMORE, ET AL.

Order to Appeal

Mr. Clerk:

Please file.

No 16029A

(7)

Filed February 1928

JANNEY, OBER, SLINGLUFF & WILLIAMS
601-629 TITLE BUILDING,
BALTIMORE, - - MD.

DALTON MASS 102

JAMES F. DOUTY, JR.,

: IN THE CIRCUIT COURT NO. 2

-vs-

:

MAYOR AND CITY COUNCIL
OF BALTIMORE, ET AL

:"

OF


:

BALTIMORE CITY

--oOo--

Mr. Clerk:

Enter an appeal from the decree in this case
to the Court of Appeals of Maryland.



Attorney for Plaintiff.

CHC No 2

37A 40
1928

Souty Jr

to

Mayor City
Council
et al

Deere

No 16029 A

(6)

FD 10 February 1928

JAMES F. DOUTY, JR., Plaintiff : IN THE CIRCUIT COURT NO. 2

- vs -

OF

BALTIMORE CITY

MAYOR AND CITY COUNCIL OF
BALTIMORE, ET AL, Defendants.

--o0o--

Decree

This case coming on to be heard upon the agreed statement thereof, and having been argued -

IT IS THEREUPON this 10th day of February, 1928, by the Circuit Court No. 2 of Baltimore City adjudged, ordered, and decreed:

1. That the proposed issue of certificates of indebtedness of the Mayor and City Council of Baltimore under Chapter 431 of the Acts of 1927 approved April 5, 1927, and under Ordinance No. 1057 of the Mayor and City Council of Baltimore approved April 13, 1927 in the aggregate amount of \$1,500,000.00 principal, said certificates bearing interest at the rate of four per cent (4%) per annum as fixed in resolution of the Board of Commissioners of Finance of Baltimore City adopted December 29, 1927, said Ordinance having been properly and legally submitted to and approved by the voters of said City, is lawful, valid and regular, and not in any respect contrary to the provisions of Section 7 of Article 11 of the Constitution of Maryland that said certificates of indebtedness may lawfully be issued bearing the interest rate hereinabove mentioned.

2. That any injunction against the issue of said certificates of indebtedness in the manner set forth in said agreed statement or the exhibits constituting part thereof, is therefore refused and denied.

3. That the costs in this cause be paid by the plaintiff.

Joseph N. Helman

IN THE CIRCUIT COURT OF

BALTIMORE CITY

40

37A 1928

JAMES F. DOUTY, JR.,
Plaintiff,

-vs-

MAYOR AND CITY COUNCIL OF
BALTIMORE,
THE BALTIMORE TRUST COMPANY,
HAMBLETON & COMPANY,
Defendants.

Exhibit Act of Assembly

No 16029 A

5

FD 10 - February 1928

JANNEY, OBER, SLINGLUFF & WILLIAMS
601-629 TITLE BUILDING,
BALTIMORE, - - MD.

CHAPTER NO. 431

An Act to authorize the Mayor and City Council of Baltimore to issue certificates of indebtedness of said corporation to an amount not exceeding one million five hundred thousand dollars (\$1,500,000), the same to be expended for the purpose of acquiring land and improvements for establishing an Airport for land and sea planes.

Section 1. Be it enacted by the General Assembly of Maryland, That the Mayor and City Council of Baltimore be, and it is hereby authorized to issue the certificates of indebtedness of said corporation to an amount not exceeding one million five hundred thousand dollars (\$1,500,000), said certificates of indebtedness to be issued from time to time and for such amounts, payable at such periods and to bear such rate of interest, all as the Mayor and City Council of Baltimore shall by ordinances from time to time provide; but no stock or bonds shall be issued in whole or in part unless the ordinance of the Mayor and City Council of Baltimore providing for the issuance thereof shall be submitted to the legal voters of Baltimore City at such time and place as may be fixed by said ordinance, and be approved by a majority of the votes cast at such time and place as required by Section 7 of Article 11 of the Constitution of Maryland, and the Mayor and City Council of Baltimore in submitting the ordinance for the issuance of said stock or bonds to the legal voters of Baltimore City may submit the same at any Municipal Election as well as any General Election.

Sec. 2. And be it further enacted, That the proceeds of said certificates of indebtedness not exceeding their par value hereby authorized to be issued shall be used for the acquisition by purchase or condemnation of land and/or improvements on land for the purpose of establishing and maintaining for public purposes an Airport in the City of Baltimore to thereby afford suitable landing facilities for accommodating land and sea planes.

Sec. 3. And be it further enacted, That the Mayor and City Council of Baltimore may by ordinance authorize the issuance of said certificates of indebtedness in series, maturing at stated periods, and may make payable annually a proportion of the principal of said certificates of indebtedness; and any portion or all of said certificates may be registered, or not registered, and said certificates or any portion thereof shall have interest coupons attached, or said certificates, or any portion thereof shall not have interest coupons attached, as may be provided by or under the authority of said ordinance, and said certificates of indebtedness when issued shall bear interest at such rate or rates as may be provided by or under the authority of said ordinance. If said certificates are issued in series maturing at stated periods, and a proportion of the principal is made payable annually, the Mayor and City Council of Baltimore shall annually raise by taxation the amount of money required to meet the interest and the proportion of the principal payable in said year. If said certificates are not issued in series, any premiums realized above the par value of the whole amount of said certificates shall constitute a part of the sinking fund created for the purpose of paying the loan herein authorized; if said certificates of indebtedness are issued in series, such premiums shall be placed to the credit of any existing sinking funds established for the payment of any loans of the Mayor and City Council of Baltimore.

Sec. 4. And be it further enacted, That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety, and having been passed by a yeas and nays vote, supported by three-fifths of all of the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved, April 5, 1927.

Baltimore, Md., January 10th, 1928.

I hereby certify that the foregoing is a full and true copy of

Chapter 431 of the Acts of the General Assembly of Maryland of the year 1927, of which it purports to be a true copy as taken from the laws of Maryland 1927.

In testimony whereof, I have hereunto set my hand as Deputy Register, and affixed the seal of the Mayor and City Council of Baltimore, this 10th day of January, 1928.

DEPUTY REGISTER

IN THE CIRCUIT COURT OF
BALTIMORE CITY

40
37A 1928

JAMES F. DOUTY, JR.,
Plaintiff,

-vs-

MAYOR AND CITY COUNCIL OF
BALTIMORE,
THE BALTIMORE TRUST COMPANY,
HAMBLETON & COMPANY,
Defendants.

Exhibit Ordinance

No 16029A

4

Feb 10 February 1928

JANNEY, OBER, SLINGLOFF & WILLIAMS
601-629 TITLE BUILDING,
BALTIMORE, - - - MD.

An ordinance to authorize the Mayor and City Council of Baltimore (pursuant to Chapter 431 of the Acts of the General Assembly of Maryland of 1927) to issue its certificates of indebtedness to an amount not exceeding One Million Five Hundred Thousand Dollars (\$1,500,000) for the acquisition, by purchase or condemnation, of land and/or improvements on land, for the purpose of establishing and maintaining for public purposes an airport in the City of Baltimore to thereby afford suitable landing facilities for accommodating land and sea planes.

Whereas, by Chapter 431 of the Acts of the General Assembly of Maryland of 1927, the Mayor and City Council of Baltimore is authorized to issue its certificates of indebtedness to an amount not exceeding One Million Five Hundred Thousand Dollars (\$1,500,000) in the manner and upon the terms set forth in said Act, the proceeds thereof, not exceeding the par value of said certificates of indebtedness, to be used for the acquisition, by purchase or condemnation, of land and/or improvements on land, for the purpose of establishing and maintaining for public purposes an airport in the City of Baltimore to thereby afford suitable landing facilities for accommodating land and sea planes; and

Whereas, money is now needed for said purposes.

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That the Commissioners of Finance be, and they are hereby authorized and directed to issue the certificates of indebtedness of the City of Baltimore to the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) from time to time as the same may be required for the purposes herein above named; and the said certificates of indebtedness shall be sold by said Commissioners of Finance from time to time, and at such times as shall be requisite, and the proceeds of the sale of said certificates of indebtedness, not exceeding their par value, shall be used for the purposes hereinbefore named, provided that this ordinance shall not go into effect unless it shall be approved by the majority of the votes of the legal voters of the City of Baltimore cast at the time and place hereinafter designated by this ordinance.

Section 2. And be it further ordained, That said certificates of indebtedness shall be issued in denominations of One Thousand Dollars (\$1,000) or multiples thereof, to be redeemable in thirty-five (35) yearly series, the first series amounting to Forty-three Thousand Dollars (\$43,000) to be redeemable on the first day of October, 1933, and a series of the same amount; to wit, Forty-three Thousand Dollars (\$43,000) to be redeemable on October first of each succeeding year until and including the year 1962; and a series amounting to Forty-two thousand dollars (\$42,000) to be redeemable on the first day of October, 1963, and a series of the same amount; to wit, Forty-two Thousand Dollars (\$42,000) to be redeemable on October first of each succeeding year until and including the year 1967, when the last series shall have been redeemed.

Said certificates of indebtedness when issued shall bear interest at such rate or rates as may be determined by the Commissioners of Finance at the time when any of said certificates are issued, the interest to be payable semi-annually on the first day of April and the first day of October in each year during the respective periods that the series in which said certificates are issued may run; and any portion or all of said certificates may be registered, or not registered, and said certificates, or any portion thereof, shall have interest coupons attached, or any portion thereof shall not have interest coupons attached, as may be determined from time to time by the Commissioners of Finance.

Section 3. And be it further ordained, That a sum sufficient to meet the interest on any outstanding certificates of indebtedness as well as the principal of the current maturing series of said certificates, shall be annually collected by taxation, and that a rate sufficient to produce said sum shall be levied in each year upon every one hundred dollars' worth of assessable property in the City of Baltimore, and in the proper proportion for any greater or less amount.

Section 4. And be it further ordained, That this ordinance shall

be submitted to the legal voters of the City of Baltimore, for their approval or disapproval, at the municipal election to be held in Baltimore City on the first Tuesday after the first Monday in May, 1927.

Section 5. And be it further ordained, That a copy of this ordinance and notice of the time for holding said election shall be published in at least two of the daily newspapers published in said City of Baltimore twice a week for two weeks prior to said election, the first publication to be not later than April 18, 1927.

Section 6. And be it further ordained, That the proceeds of the certificates of indebtedness, not exceeding their par value, hereby authorized to be issued shall be used for the acquisition, by purchase or condemnation, of land and/or improvements on land, for the purpose of establishing and maintaining for public purposes an airport in the City of Baltimore to thereby afford suitable landing facilities for accommodating land and sea planes.

Approved, April 13, 1927,
Howard W. Jackson,
Mayor.

Baltimore, Md., January 10th, 1928.

I hereby certify that the foregoing is a full and true copy of Ordinance No. 1057 of the Mayor and City Council of Baltimore, of which it purports to be a copy as taken from the original ordinance belonging to and deposited in the office of the City Register.

In testimony whereof I have hereunto set my hand as Deputy Register, and affixed the seal of the Mayor and City Council of Baltimore, this 10th day of January, 1928.

DEPUTY REGISTER

IN THE CIRCUIT COURT OF

BALTIMORE CITY

40
37A (1928)
JAMES F. DOUTY, JR.,
Plaintiff,

-vs-

MAYOR AND CITY COUNCIL OF
BALTIMORE,
THE BALTIMORE TRUST COMPANY,
HAMBLETON & COMPANY,
Defendants.

Exhibit Bid

No 16029A

3

Filed - February 1928

JANNEY, OBER, SLINGLUFF & WILLIAMS

601-629 TITLE BUILDING.

BALTIMORE, . . . MD.

THE BALTIMORE TRUST COMPANY

BALTIMORE, MARYLAND

(Copy)

Jan. 6th 1928

Commissioners of Finance of Baltimore City,
City Hall,
Baltimore, Md.

Gentlemen:

Referring to your advertised sale of \$1,500,000 4% coupon bonds of the City of Baltimore, Md., Airport Serial 1933-67 Loan, copy of which advertisement is attached herewith and made a part of this bid, we bid ¹⁰⁵18 per \$100.00 face amount of bonds plus accrued interest to date of delivery for all or none of the \$1,500,000 so advertised.

This bid is conditioned upon the approval of our counsel as to the legality, issuance, and delivery of the above named securities, and further this bid is also made upon the condition that the securities named are the direct obligation of Baltimore City, and that the full faith and credit of the said City is pledged as to their maturity and interest payments.

As per your advertisement, we enclose certified check drawn to the order of the Mayor and City Council of Baltimore for \$30,000, which check is to be retained by you as part payment for the bonds in the event that our bid is accepted, and to be returned to us immediately in the event that our bid is rejected.

Very truly yours,

HAMBLETON & COMPANY,
Baltimore, Md.

THE BALTIMORE TRUST COMPANY,
Baltimore, Md.

By

George Shrewer

By

R H Bond
Vice President.

IN THE CIRCUIT COURT OF

BALTIMORE CITY

40

37 A 1948

JAMES F. DOUTY, JR.,
Plaintiff,

-vs-

MAYOR AND CITY COUNCIL OF
BALTIMORE,
THE BALTIMORE TRUST COMPANY,
HAMBLETON & COMPANY,
Defendants.

Exhibit Circular

No 16029 A

✓

Do 10 February 1948

JANNEY, OBER, SLINGLUFF & WILLIAMS

601-629 TITLE BUILDING.

BALTIMORE. - - MD.

Mr. Oku
[Baltimore, Md. January 3rd, 1928.]

Proposal for
\$1,500,000 of Four Per Cent. Coupon
Bonds of the City of Baltimore

Exempt from the Federal Income Tax

AND FROM OUR

City and State Taxation.

All issues of Baltimore City Securities are legal investments for Trust Funds and Savings Banks.

Sealed Proposals will be received by the Register of the City of Baltimore, at his office, City Hall, until

Tuesday, the 10th day of January, 1928

12 O'Clock, Noon, (Eastern Standard Time)

when a meeting of the Commissioners of Finance will be held for the purpose of opening bids for the whole or part of the following-described Coupon Bonds of the Mayor and City Council of Baltimore, Md., intended to be sold to the highest responsible bidder. The price at which this issue may be sold is not limited by law.

\$1,500,000 Airport Serial 4% 1933-1967 Loan.

This Loan was duly authorized to be issued by Chapter 431 of the Acts of the General Assembly of Maryland of 1927, and Ordinance No. 1057 of the Mayor and City Council of Baltimore, approved April 13th, 1927, and was ratified by the legal voters of the City of Baltimore at an election held on May 3rd, 1927. Votes for, 66,445; against, 22,665. The Act and Ordinance provide for the issuance of certificates of indebtedness of the Mayor and City Council of Baltimore to an amount not exceeding \$1,500,000 for the acquisition, by purchase or condemnation of land and/or improvements on land, for the purpose of establishing and maintaining for public purposes an Airport in the City of Baltimore to thereby afford suitable landing facilities for accommodating land and sea planes. None of this Loan has heretofore been issued.

Principal payable yearly October 1st, 1933-1967.

This Loan is issued in thirty-five series, one series maturing each year, beginning with the year 1933 and ending with the year 1967. The series are redeemable on the first day of October each year. The series to be issued at this time consist of the following:

Interest payable semi-annually on April 1st and October 1st.

Series 1933 to 1962, inc.....\$43,000, each.

Series 1963 to 1967, inc..... 42,000, each.

CONDITIONS OF SALE.

1. No proposal containing conditions inconsistent with those herein set forth will be entertained.
2. All proposals must name a price for each \$100, with accrued interest to date of settlement. Bonds will be dated October 1st, 1927 and the date of delivery shall be February 16th, 1928.
3. Bids will be received for the whole or for any part of the amount offered. Bids will be received for all or none of the amount offered; also for all or none of any part or parts. Unless bids specify "all or none" of the amount bid for, a portion of the amount may be allotted.
4. Every bid must be accompanied by a certified check on a clearing-house bank, drawn to the order of the Mayor and City Council of Baltimore, or cash, for two per cent. of the amount of bonds for which bid is made. But no deposit by any one party need be for more than two per cent. of the entire amount offered for sale.
5. If the bidder shall have failed to pay in full on or before February 16th, 1928, for the amount of bonds allotted to him, the deposit made therefor shall be forfeited to, and retained by, the City, as liquidated damages for such neglect or refusal, and shall thereafter be paid into the sinking fund of the City for the redemption of the funded debt.
6. Upon the payment to the City Register on the day of delivery by the persons whose bids are accepted, of the amounts due for the bonds awarded to them respectively, bonds thereof will be issued to them in denomination of \$1,000 registered as to principal only.
7. Checks or cash accompanying bids not accepted will be returned to the bidders immediately after the allotment is made. Deposits of successful bidders will be applied as partial payments for the bonds allotted to them. Should there be more than one proposal at the same price, a pro rata allotment may be made.
8. The proposals must be enclosed in a sealed envelope, addressed to the "Commissioners of Finance of Baltimore City," and sent to the office of the City Register.
9. Each bid must bear the address of the bidder, and notification of acceptance of any bid will be considered accomplished when mailed in the Baltimore Postoffice to such address. Bids must be received at the office of the City Register not later than 12 o'clock noon Eastern Standard Time, on January 10th, 1928, and the Commissioners of Finance reserve to themselves the absolute right, in their discretion, to reject any or all proposals.

A. M. DENHARD,
City Register.

Assessed Value of City Property for Purposes of Taxation, 1928

Assessed at Full Rate:

Real Estate	\$744,644,305	
Personal	60,798,209	
Incorporated Companies	73,000,000	
Distilled Spirits in Bond	200,000	
		\$878,642,514

Assessed at Fixed Rates:

Securities	\$502,747,640
Suburban Property	73,636,360
Rural Property	45,004,975
Savings Banks Deposits (estimated)	160,000,000

New Addition:—

Real Estate	245,759,726	
Personal	13,249,355	
Incorporated Companies	12,000,000	
Securities	4,000,000	
		1,056,398,056

Total Assessable Basis.....\$1,935,040,570

Financial Condition of the Mayor and City Council of Baltimore.

(December 30th, 1927)

Total Funded Debt.....	\$160,170,742.69	
Less		
Water Debt.....	28,791,000.00	
		\$131,379,742.69
Total Sinking Funds, Face Value.....	\$35,916,577.57	
Less		
Water Sinking Funds.....	2,875,184.34	
		33,041,393.23
Net Debt, Exclusive of Water Debt.....		\$98,338,349.46

no. 2.
IN THE CIRCUIT COURT OF
BALTIMORE CITY

40
37A 1928

JAMES F. DOUTY, JR.,
Plaintiff,

-vs-

MAYOR AND CITY COUNCIL OF
BALTIMORE
THE BALTIMORE TRUST COMPANY,
HAMBLETON & COMPANY,
Defendants.

Bill of complaint

Mr. Clerk:

Please file.

William Ham
City Solicitor

John J. Janney
Robert France
Attorneys
No 16079 A

(1)
FD 10 - February 1928

JANNEY, OBER, SLINGLUFF & WILLIAMS
601-629 TITLE BUILDING,
BALTIMORE, MD.

JAMES F. DOUTY, JR.,
Plaintiff,

-vs-

MAYOR AND CITY COUNCIL OF
BALTIMORE,
THE BALTIMORE TRUST COMPANY,
HAMBLETON & COMPANY,
Defendants.

IN THE CIRCUIT COURT NO.2

OF

BALTIMORE CITY

SPECIAL CASE STATED FOR THE DETERMINATION OF
THE COURT UNDER CODE OF 1924, ARTICLE 16,
SECTION 221 &c; IN THE NATURE OF A TAXPAYER'S
BILL TO ENJOIN ISSUE OF CITY STOCK.

1. The plaintiff is a citizen and resident of Baltimore City and is assessed for real and personal property therein in a substantial amount, on which assessment he pays taxes to the State of Maryland and to Baltimore City, and as such he is interested in the determination of the questions hereby submitted for the determination of this Court.

2. The defendant, the Mayor and City Council of Baltimore, is a municipal corporation existing under the Constitution and Statutes of the State of Maryland; the defendants, The Baltimore Trust Company and Hambleton & Company, are corporations duly created and existing under the laws of the State of Maryland, with full power and authority to purchase and deal in certificates of indebtedness of the City of Baltimore, and are engaged in business in Baltimore City and elsewhere.

3. The General Assembly of Maryland at the Session of the year 1927 duly enacted an Act, known as Chapter 431 of the Acts of 1927, Approved April 5, 1927, authorizing the Mayor and City Council of Baltimore to issue the Certificates of Indebtedness of said corporation, to an amount not exceeding One million five hundred thousand dollars (\$1,500,000) for the purposes expressed in said Act, and a copy of the aforesaid Act is filed herewith marked "Exhibit Act of Assembly" and is made a part hereof.

4. Thereafter, the Mayor and City Council of Baltimore enacted an Ordinance known as Ordinance No. 1057 of the Ordinances for the year 1927, and approved by the Mayor of the City of Baltimore on April 13, 1927, for the purpose of further authorizing the issuance of the Certificates of Indebtedness referred to in Chapter 431 in the Acts of Assembly of 1927, and a copy of said Ordinance is made a part hereof, marked "Exhibit Ordinance".

5. The said Ordinance was published in two daily newspapers printed and published in the City of Baltimore on April 15, 16, 19 and 21, being twice a week for two weeks prior to said election.

6. Thereafter, at the municipal election held in Baltimore City on the first Tuesday after the first Monday in May, 1927, being the 3rd day of May, 1927, the official ballot contained the following provision:

AIR PORT LOAN

ORDINANCE NO. 1057, APPROVED APRIL 13, 1927

An ordinance to authorize the Mayor and City Council of Baltimore (pursuant to Chapter 431 of the Acts of the General Assembly of Maryland of 1927) to issue its Certificates of Indebtedness to an amount not exceeding One million, five hundred thousand dollars (\$1,500,000) for the acquisition by purchase or condemnation of land and/or improvements on land, for the purpose of establishing and maintaining for public purposes an air port in the City of Baltimore to thereby afford suitable landing facilities for accomodating land and sea planes.

FOR ORDINANCE

AGAINST ORDINANCE

7. At the municipal election aforesaid, 66,445 votes were cast for said Ordinance and 22,665 votes were cast against said Ordinance.

8. That thereafter, to wit, on December 29, 1927, there was a meeting of the Board of Commissioners of Finance of Baltimore City, at which all of the members were present and the following resolution was adopted:

"RESOLVED that the Mayor and City Council of Baltimore be and it is hereby authorized to issue \$1,500,000 Airport Serial 1933-1967 Loan, Series 1933-1962 inclusive, for \$43,000 each, and Series 1963-1967 inclusive, for \$42,000 each. That said loan be issued in the form of coupon bonds of \$1,000 denomination, dated October 1st, 1927, registered as to principal only, and that they bear interest at the rate of 4% per annum; and that the Commissioners of Finance offer same for sale at public bidding by sealed proposals, and that the time fixed for opening bids shall be Tuesday, January 10th, 1928, at 12.00 o'clock Noon, Eastern Standard Time; that the extent of publicity to be given and the terms and conditions of sale be left to the discretion of the City Register."

9. Subsequently, the Commissioners of Finance advertised said certificates of indebtedness for sale or issue upon sealed proposals. A copy of the circular inviting proposals or bids aforesaid is filed herewith as part of this agreement, marked "Exhibit Circular".

10. That pursuant to the terms of the aforesaid public offering a bid for said alleged certificates of indebtedness was received from the defendants, The Baltimore Trust Company and Hambleton and Company, a copy of which bid is herewith filed marked "Exhibit Bid", and is made a part hereof.

11. That the bid of the said defendants was the highest bid received for said certificates of indebtedness and thereafter, to wit, on January 10th, 1928, at twelve o'clock Noon the Board of Commissioners of Finance of Baltimore met and passed the following resolution:

"RESOLVED that all bids for the present offering of \$1,500,000 City of Baltimore Airport Serial 4% 1933-1967 Loan, except the joint bid of the Baltimore Trust Company of Baltimore and Hambleton and Company of Baltimore, be rejected and that the bid of The Baltimore Trust Company of Baltimore and their associate, of 103.18 and accrued interest, for \$1,500,000 Airport Serial 4% 1933-1967 Loan, be accepted and the coupon bonds awarded to them, theirs being the highest bid received for the entire offering."

12. The legality of said proposed issue of Certificates of Indebtedness and of the action of the defendant, the Mayor and City Council of Baltimore in so undertaking to issue the same is questioned by the complainant upon the following grounds:

(a) That the proposed action of the Mayor and City Council of Baltimore, through the Commissioners of Finance in issuing said Certificates of Indebtedness to the amount of One million five hundred thousand dollars (\$1,500,000), with interest thereon at four per cent. (4%) per annum until paid, is illegal because Chapter 431 of the Laws of Maryland of 1927, and Ordinance No. 1057 of the Mayor and City Council of Baltimore, approved April 13, 1927, do not comply with the provisions of Article 11, Section 7 of the Constitution of Maryland, in that neither said statute nor said Ordinance specifies the rate of interest on said Certificates of Indebtedness as required by the Constitution.

(b) That the Act of the General Assembly of Maryland, Chapter 431 of the Laws of Maryland of 1927, authorized the Mayor and City Council of Baltimore to issue its Certificates of Indebtedness to an amount not exceeding One million five hundred thousand dollars (\$1,500,000), and the said Certificates of Indebtedness proposed to be issued by the Mayor and City Council of Baltimore, through the Commissioners of Finance, pledges the credit of the City to the payment of a debt within the meaning of the Constitution, in excess of the said One million five hundred thousand dollars (\$1,500,000), namely by the amount of Four per cent. (4%) interest thereon until paid.

(c) That the Ordinance No. 1057 of the Mayor and City Council of Baltimore is void in that it attempts to delegate to the Board of Finance Commissioners the fixing of the rate of interest to be borne by the alleged Certificates of Indebtedness.

(d) That the aforesaid Ordinance No. 1057

did not prescribe the terms of said loan and fix the interest thereof, and the interest to be borne by said Loan was not submitted to the legal voters of the City of Baltimore, and was not approved by them or a majority of them, all as required by Section 7 of Article 11 of the Constitution of Maryland.

(e) That said loan and the terms thereof were not properly and legally submitted to the legal voters of the City of Baltimore and approved by them.

(f) That Ordinance No. 1057 of the Mayor and City Council of Baltimore, approved April 13, 1927, is invalid, and that the proposed action of the City through the Commissioners of Finance in issuing said Certificates of Indebtedness provided for in said Ordinance to an amount of One million five hundred thousand dollars (\$1,500,000), with interest thereon at four per cent. (4%) per annum until paid, is illegal and unwarranted and should be enjoined because in violation of Article 11, Section 7 of the Constitution of Maryland, for the plaintiff claims that the word "debt" used in said Section 7 of Article 11 of the Constitution, includes interest, both accrued and to accrue.

13. It is further claimed by the complainant that the issue of said Certificates of Indebtedness specified in said Ordinance and so submitted to the voters and approved by them is illegal and unauthorized and that such issue should, therefore, be enjoined by this Honorable Court.

A special case stated is, therefore, submitted for the determination of this Honorable Court, which is asked to determine and decide whether or not the proposed issue of said Certificates of Indebtedness under said Ordinance No. 1027, approved April 13, 1927, and under said Chapter 431 of the Acts of the General Assembly of Maryland of 1927, approved April 5, 1927, is legal, valid and duly authorized by law and in conformity with the provisions of the Constitution of this State; and accordingly, as the Court may determine,

it is agreed that a decree may be entered in this cause, either enjoining and prohibiting the issue of said Certificates of Indebtedness, or deciding and determining that the proposed issue thereof is lawful and legal, and with such other provisions as may be proper in the premises.

It is further agreed that the Court may draw inferences from the facts stated, and the right of appeal to either or any party to the Court of Appeals of Maryland from any decree entered is fully reserved.

It is further agreed and stipulated that all Acts of the General Assembly of Maryland and all Ordinances of the Mayor and City Council of Baltimore, which counsel for either side may think relevant, may be read from printed volumes of such special laws and such Ordinances at the hearing of this cause in the Circuit Court ^{no. 2} of Baltimore City and also in the Court of Appeals of Maryland, and considered by said Courts with the same effect as though said special Acts and Ordinances had been offered in evidence and set out in full in this agreement.

And as in duty bound.

James F. Daulton, Jr.
Plaintiff

Stuart Janney
Attorney for Plaintiff

A. Walter Kraus
City Solicitor

By A. A. Davis
Asst. City Solicitor, for the Mayor and City Council of Baltimore.

Robert France
For The Baltimore Trust Company and Hambleton and Company,
Attorneys for defendants.

THE BALTIMORE TRUST COMPANY

By J. W. S. [Signature]

HAMBLETON AND COMPANY,

By [Signature]
Defendants

I approve the filing of this Special Case Stated.

[Signature]
Mayor of Baltimore

Here insert Rider A

Reeler A

It is further agreed that Chapter 391, Laws of Maryland 1868, and Ordinance No. 62, approved June 24, 1868, copy of which is attached hereto and made a part hereof, and the following designated statutes and ordinances are a part of this case and record and may be read from the printed volumes in which they are published at the hearing of this case in Circuit Court No. 2 of Baltimore City and also in the Court of Appeals of Maryland, and shall be considered by said Courts with the same effect as though said statutes and ordinances had been offered in evidence and set out verbatim in this case and record:

Chapter 36, Laws of Maryland 1868.
Chapter 48, Laws of Maryland 1870.
Chapter 113, Laws of Maryland 1870.
Chapter 185, Laws of Maryland 1870.
Chapter 303, Laws of Maryland 1870.
Chapter 477, Laws of Maryland 1874.
Chapter 237, Laws of Maryland 1876.
Chapter 240, Laws of Maryland 1876.
Chapter 265, Laws of Maryland 1878.
Chapter 94, Laws of Maryland 1880.
Chapter 61, Laws of Maryland 1882.
Chapter 298, Laws of Maryland 1884.
Chapter 432, Laws of Maryland 1884.
Chapter 210, Laws of Maryland 1898.
Chapter 373, Laws of Maryland 1898.
Chapter 444, Laws of Maryland 1904.
Chapter 349, Laws of Maryland 1904.
Chapter 468, Laws of Maryland 1904.
Chapter 202, Laws of Maryland 1908.
Chapter 220, Laws of Maryland 1924.
Chapter 221, Laws of Maryland 1924.
Chapter 222, Laws of Maryland 1924.
Chapter 230, Laws of Maryland 1924.
Chapter 515, Laws of Maryland 1924.

Ordinance No. 65, approved June 30, 1877.
Ordinance No. 120, approved October 19, 1882.
Ordinance No. 12, approved January 31, 1870.
Ordinance No. 391, approved October 15, 1909.
Ordinance No. 661, approved April 13, 1911.
Ordinance No. 22, approved March 24, 1870.
Ordinance No. 11, approved January 21, 1870.
Ordinance No. 89, approved May 23, 1876.
Ordinance No. 126, approved June 19, 1876.
Ordinance No. 131, approved May 26, 1880.
Ordinance No. 140, approved October 4, 1880.
Ordinance No. 71, approved May 10, 1882.
Ordinance No. 233, approved September 9, 1924.
Ordinance No. 234, approved September 9, 1924.
Ordinance No. 235, approved September 9, 1924.
Ordinance No. 236, approved September 9, 1924.
Ordinance No. 242, approved September 26, 1924.

It is further agreed that all of the Seven Million Dollars loan authorized by Chapter 220, Laws of Maryland 1924, and Ordinance No. 234, approved September 9th, 1924, has been issued and sold and is outstanding.

It is further agreed that all of the One Million Dollars loan authorized by Chapter 230, Laws of Maryland 1924, and Ordinance No. 242, approved September 26th, 1924, has been issued and sold and is outstanding.

It is further agreed that all of the Nine Million Dollars of the loan authorized by Chapter 222, Laws of Maryland 1924, and Ordinance No. 233, approved September 9th, 1924, has been issued and sold and is outstanding.

It is further agreed that One Million Dollars of the One Million, five hundred thousand dollars loan authorized by Chapter 221, Laws of Maryland 1924, and Ordinance No. 236, approved September 9th, 1924, have been issued and sold and are outstanding.

It is further agreed that One million, five hundred and ninety-eight thousand dollars of the Two Million Dollars loan authorized by Chapter 515, Laws of Maryland 1924, and Ordinance No. 235, approved September 9th, 1924, have been issued and sold and are outstanding.

... further agreed That Chapter 391, Laws of Maryland 1868, Page 713, is as follows:

"AN ACT to authorize the Mayor and City Council of Baltimore to issue the Bonds of the said City for the purpose of building a City Hall.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Mayor and City Council of Baltimore be and they are hereby authorized to issue the Bonds of the said City to an amount not exceeding the sum of one million of dollars, the proceeds from the sale of said Bonds to be used in the construction of a City Hall in the City of Baltimore; provided, that before the issue of said Bonds the said loan be authorized by an ordinance of the Mayor and City Council of Baltimore, and approved by a majority of the votes of the legal voters of the said City, cast at such time and places as may be fixed by said ordinance as prescribed in the seventh Section of Article eleven of the Constitution of this State.

SEC. 2. AND BE IT ENACTED, That this Act shall take effect from the date of its passage.

Approved March 30, 1868."

And that Ordinance No. 62, approved June 24, 1868, is as follows:

"AN ORDINANCE TO PROVIDE FOR THE ISSUING OF THE BONDS OF THE CITY, AS AUTHORIZED BY CHAPTER 391 OF THE ACTS OF THE GENERAL ASSEMBLY OF MARYLAND, ENTITLED 'AN ACT TO AUTHORIZE THE MAYOR AND CITY COUNCIL OF BALTIMORE TO ISSUE THE BONDS OF THE SAID CITY FOR THE PURPOSE OF BUILDING A CITY HALL.'

SECTION 1. BE IT ENACTED AND ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, that the Register of the City be and he is hereby authorized and directed to issue the bonds of the City from time to time as the same

may be required, in the course of the erection of the new City Hall, should it hereafter be determined to erect said Hall, to an amount not exceeding one million of dollars, the proceeds from the sale of said bonds to be used in the construction of said City Hall; provided, that this ordinance shall be approved by a majority of the votes of the legal voters of the city cast at the election hereinafter provided for.

SECTION 2. AND BE IT ENACTED AND ORDAINED, that the said bonds shall be issued in sums of not less than one hundred dollars each, redeemable in fifteen years, and bearing interest of six per cent per annum, payable quarterly and transferable as other city bonds.

SECTION 3. * * * *

SECTION 4. AND BE IT ENACTED AND ORDAINED, that this ordinance shall be submitted to the legal voters of the City of Baltimore for their approval or disapproval, at an election to be held on the eighth day of July, A.D. 1868, on which day polls shall be opened in the various precincts of the said City, at the usual places of voting in said precincts, said polls to be opened and closed at the same time as provided by law for other elections, at which said election each of the said voters that shall approve the adoption of this ordinance, shall deposit a ticket or ballot on which shall be written or printed the words 'For the Ordinance,' and each of the said voters that shall be opposed to the adoption of this ordinance, shall deposit a ticket or ballot upon which shall be written or printed the words 'Against the Ordinance.'

SECTION 5. * * * *

SECTION 6. AND BE IT ENACTED AND ORDAINED, that a copy of this ordinance and notice of the time of holding the said election, shall be published in at least four of the daily newspapers of the City of Baltimore twice a week for two weeks prior to the said election.

SECTION 7. AND BE IT ENACTED AND ORDAINED, that the City Comptroller be and he is hereby authorized and directed to have printed tickets of the description mentioned in section 4 of this ordinance, and placed at all the polls of the said City on the day of the said election, and that the Register be and he is hereby authorized and directed to pay the expenses of the said printing and of the publication provided for in the preceding section, out of any monies in the treasury not otherwise appropriated.

Approved June 24, 1868.

ROBERT T. BANKS, Mayor."