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CORRESPONDENCE.

all the other companies under the old form of lease, which uses almost the same language have never disputed the fact that advance payments were understood.

Will you kindly advise me how this question of payments should be construed? On this construction will depend very largely the rate which will be paid by the Lessee under the last paragraph of section 3, which provides that the semi-annual rentals are to be collected according to the total number of duct feet in use by the Lessee at the time the conduit rentals become <u>due and payable</u>. If they are due and payable in advance, we will receive the benefit of the higher rate of rental; if deferred payments are meant, the calculation will be based on the minimum rates. This is further illustrated by copy of Mr. Dryer's letter which I enclose herewith.

Yours very truly,

(Signed) Charles B. Phelps, Jr.,

Chief Engineer.

711e No. 1228.

OPINION.

LAW DEPARTMENT.

Baltimore, June 14, 1904.

Hon. W. Cabell Bruce,
City Solicitor.

Dear Sir:-

I beg to make the following report in reference to the point raised in Mr. Phelps' letter of June 10, relative to the time of payment of rent by the Electric Light & Power Co., under the lease of the 26th of October, 1903,

After a careful reading of the lease, I am unable to reach the conclusion contended for by Mr. Phelps, to wit, that the rent stipulated to be paid, under the third paragraph of the lease, is payable in advance. It is true that Section 1 provides especially for the payment in advance in the case therein set out, but in no other part of the lease is it stated that the rent is payable in advance.

Section 4 of the lease proves conclusively to my mind that, under a proper interpretation, the rent is not due until the end of the six months, periods. That section provides that, if the use of the duct space hereby leased, or agreed to be leased, shall be yoluntarily

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