

and stating the balance could stand until the guarantee was completed, and the following is a postscript: "I think it only reasonable to ask that, if you offer Mrs. Stuart's guarantee, you should furnish us with a statement of her means and ability to make it good."

The information was furnished, shewing Mrs. Stuart to be possessed in her own right of real estate, stocks, and mortgages to the value of about \$250,000.

On 24th February, 1896, Mr. Stuart completed the proposed transaction, or rather the guarantee bearing that date was completed shortly afterward, and the plaintiff signed a document guaranteeing advances to the Sulphite Company up to \$100,000.

On 14th February, 1896, she assigned in trust for the bank mortgages amounting to about \$27,000, and on 11th April, 1898, she gave out the guarantee to the bank for Sulphite Company advances up to \$125,000; this latter was inclusive of the \$100,000 guarantee, so her total liability was not to exceed \$125,000.

Advances were made by the bank upon these guarantees, and in 1903 the company went into liquidation, and on 2nd October, 1903, the plaintiff and her husband gave the bank a mortgage upon all the real estate owned by them. On 25th July, 1904, a lengthy agreement was entered into between the bank and the plaintiff and her husband—the result of which was that the plaintiff gave up to the bank all her estate, both real and personal, in settlement of her guarantee. The plaintiff's husband, at this time, was liable to the bank upon a note for \$196,052 and a guarantee of \$50,000, and he was discharged from this debt by the bank. Many stocks that the plaintiff owned, but which stood in the name of her husband, were pledged by him for advances from other banks, and the equity of redemption only in these was turned over by the settlement of July. There was nothing in the transaction to shew the defendants that these stocks belonged to the plaintiff, and I have every reason to believe the officers of the bank traded upon the basis of these stocks belonging to the husband.

On 6th January, 1903, Mr. John Stuart resigned his position of director and president of the Bank of Hamilton, and received from them an agreement to pay him the sum of \$5,000 per year so long as he lives, the payments to be made monthly in advance. Of course, by releasing him