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Mr. A. C. SPARROW being sworn said to Mr. Davis: I am one of the defendants in the above actions. I am the husband of the defendant H. A. Sparrow. The first paragraph of the Statement of Defence to reamended Statement of Claim of myself and T. B. Lafferty is not true in fact. The said two \$664.50 notes were endorsed by me and are notes filed as exhibits A and B in evidence of T. B. Lafferty. I don't know whether the second paragraph of the said defence is true or not. The third paragraph is doubtful, but I guess I had notice all right. The fourth paragraph I would say, as far as I know myself, I did not pay the note, and I don't think the defendant Lafferty did. Exhibit B in T. B. Lafferty's examination was given under the following circumstances, that is, T. B. Lafferty asked me to get my wife to endorse the

10 notes as collateral security to several notes he and I had in LeJeune, Smith & Co.'s bank. One note for \$313.50, one for \$171.00, one for \$80.00 and one for \$100.00. Lafferty told me that Christie had asked him to get this done as the Bank of Montreal had been bothering him (Christie) and Christie afterwards told me the same thing himself. I then got the note endorsed. I got the endorsement in blank and filled in the note. The body of the note was filled in by Lafferty. There was no conversation took place between Mrs. Sparrow and myself when she endorsed the note. I asked her to endorse it and she did it. She did not know for what purpose the endorsement was to be used. She did not know before the suit was begun, what the note had been used for. She did not get any consideration for endorsing the note. It was merely an accommodation on her part. She did not know Lafferty was connected with the note

20 when she endorsed it. It was endorsed for me and was used for the accommodation of myself and T. B. Lafferty who gave the first note to LeJeune, Smith & Co. I do not remember if I was present when it was given. I do not remember receiving the notice of protest for Mrs. Sparrow. The second \$664.50 (exhibit A referred to in examination of T. B. L.) was given as a renewal of the first. When the first note was given it was given on the understanding that it should be carried on until the notes for which it was given as collateral should be paid off. This understanding was between Christie, myself and Lafferty. (Objected to by Mr. Beck on behalf of Mrs. Sparrow.) I do not think the notice of protest of the first note ever reached Mrs. Sparrow. The second \$664.50 was given as a renewal of the other. Christie said that the first note was past due and he could not use it in the bank. He told this to Lafferty and myself.

30 I do not remember from whom the proposition of a renewal came. I got the endorsement from Mrs. Sparrow for the second note before it was filled in. I don't think she knew for what that note was used so far as I know. I don't think she knew up to the time of issuing the writ in this action what the note was used for. It was an accommodation endorsement on her part. She did not receive anything from me for endorsing it. It was for the same accommodation as the first one. She endorsed it for me, she did not know anything about Lafferty at the time. There was nothing said as to any limit on my use of that endorsement. I just put a blank note in front of her and asked her to endorse it, in both cases.

We both gave the second \$664.50 note to LeJeune, Smith & Co. I think Lafferty and I were together. I won't swear to it. I think he gave it to Scott the clerk in plaintiffs' office. I

40 don't remember what was said at the time. We told him it was a renewal of the \$664.50 note and paid the interest on it.

Q. Were the plaintiffs notified that H. A. Sparrow was an accommodation endorser on the second note?