

(1), a right which is not recognized by the common law. The object of this privilege is, clearly, to allow those who are unable to be present at a general meeting, either from sickness, distance, or any other cause, to exercise through or by means of others the rights which their shares give them of influencing the affairs of an institution in which their fortunes are involved. But all proxies must be held and voted upon by shareholders eligible themselves to vote, and no manager, cashier, clerk or other subordinate officer of the Bank may act as proxy. Nor indeed can any manager, cashier, clerk or other subordinate officer of the Bank, who is at the same time a shareholder, record a vote either in person or by proxy (2). It has been held that the President, not being an officer of the Bank, may vote by proxy at the annual meeting of Directors (3). So also may he vote on shares of which he may be the holder; and if the President may vote, so also may any Director. The appointment of a proxy to vote at any meeting, in order to be valid for that purpose, must have been made or renewed in writing within two years next preceding the time of such meeting (4). This provision has the effect of preventing shareholders from making use of old proxies, which may have been granted for a special purpose and their cancellation neglected.

31. The question has arisen as to the power of trustees to vote on stock held by them in trust, and of which they are the mere nominal holders. Where the trustees acted as such for the corporation, itself holding stock, which had reverted to the corporation in pledge or payment, it was held that such stock could not be voted upon (5). It would indeed be a strange holding of the law if a company should be allowed to procure stock in any shape, which its officers might make use of in an election to secure themselves against the possibility of removal.

32. Where a clear case of hypothecation can be shown, there is no doubt but that the pledger of the stock is the one entitled to vote thereon. The possession may well continue with him, consistently with the nature of the contract, and the stock remains in his name. Until the pledge is enforced, the title to the stock

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(1) Section 25, sub-section 4. (2) Section 25, sub-section 5.

(3) *Regina v. The Bank of Upper Canada*, 5 U.C.Q.R. 335 (1849).

(4) Section 25, sub-section 5.

(5) *Angell & Ames Corp.*, 3rd Am. Ed., p. 98.