

Types of Managers

(i). Statutory managers

- These are managers specifically **designated in the partnership agreement** or following an amendment thereto Art. 236
- A **partner** appointed as manager under the partnership agreement may carry out *all acts of management in disagreement with the other partners* in the absence of fraud.
- **Article 240(1) stipulates that “The appointment of a manager who is a partner may not be revoked or his powers restricted by the other partners, save for good cause.”**

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(ii). Subsequently appointed managers.

- Partners may decide to appoint one or more of the partners or a third party to be the manager at any point in time subsequent to the making of the partnership agreement.

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(iii). Managers at law.

- *Every partner, as per Article 236, has the right to act as a manager* in the absence of both statutory and subsequently appointed managers.

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(iv). Sole manager.

- ❖ It refers to a situation where a single individual has been appointed a manager. Where a single individual has been appointed a manager, he will act alone.

(v). Several managers Art. 237

- ❖ **It refers to a situation in which two or more persons have been appointed managers.**
 - Where their duties have not been specified or where it has not been specified that they act jointly, **they may each carry out acts of management [act alone]**.
 - Each manager may object to dealings contemplated by other managers and such objection shall be decided on **by a majority vote**

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(vi). Joint managers [Art. 238].

- In cases where joint managers have been appointed, decisions shall be taken by consensus, *except where an act of management is of an urgent nature and the other joint managers cannot be consulted*, in which case one of them may act alone.

The Authority of Managers

- Arts. 32 ff applicable to B.O except to the extent they are expressly or impliedly modified by provisions in MOA.
- B.O is bound by any contracts or other acts made in its name by an agent acting within the scope of his powers- Arts. 216(1) + 2189(1). , 32
- **2 levels of authority: [Art. 32]**
 - 1. Express Authority:**
 - ✓ specified in partnership agreement.
 - ✓ stipulated in employment contract.
 - 2. Implied authority**
 - ✓ authority to bind the firm which arises, by operation of the law, from the fact of partnership.