

# NEWSFRONT

## GREEK SHIPPING INTELLIGENCE

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### LEGAL OPINION

#### Manager of vessels / Representation of owner

A company sold painting material for a vessel by virtue of an agreement between it and the vessel's manager, acting on behalf of the shipowner. The master received the goods, and invoices were issued in the name of the shipowner.

The latter did not pay and he was sued by the provider. The buyer of the vessel, which was in the meantime sold, was also sued.

In the Court, buyers alleged the former owners were not lawfully represented in the agreement for the provision of the material as they are only represented by their BoD and not by the manager. They further alleged the manager was in fact the charterer.

However, it was found the manager was indeed the manager, undertaking management of vessels as per its Articles of Incorporation and as its usual business. Further, as manager, it could represent the owner in all actions, provided it expressly acts and contracts on the owner's behalf, which was observed. Accordingly, it was considered the manager bound the owner, and accordingly the funds were due to the provider.

Supreme Court Judgement no 1049/2014, Presiding: A. Koutromanos, Rapporteur Judge: V. Peppas, Attorneys at Law: P. Karydakakis, P. Sioufas, Maritime Law Review vol. 42, p. 356.

NOTE: A manager of vessels acts for the party exploiting the vessel, either owner or mere exploiter (efoplistis) thereof. It needs to prove its representation powers and has to expressly state it acts for the owner/ exploiter. In such a case, the manager is absolved from any liability in his part, the legal relationship created being between the owner/ exploiter and its contract counterpart.

*The legal column was written by Manolis Eglezos, Attorney at law,  
Manolis Eglezos & Associates Law Firm, Attorneys at Law and Consultants*

**NEWSFRONT**  
GREEK SHIPPING INTELLIGENCE

132 Syngrou Avenue, 117 45 Athens, Greece

Tel: +30 210 9214.205 • Fax: +30 210 9214.675 • E-mail: amaroid@otenet.gr • Website: www.newsfront.gr

Editor: David Glass, Deputy Editor: Panagiotis Nikolakopoulos, Subscriptions Manager: Sophia Bacoula

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