

**Organizational Privacy in Joint Company (Al-Tadamun Company)**

خصوصية الجهاز التنظيمي في شركة التضامن

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**Abstract:**

Partnership companies are those based on the personal consideration of the partner, where the partner's personality is taken into account. They rely on mutual trust among partners, and one of the prominent examples is the partnership model of Joint Company (Al-Tadamun Company). Managing such a company requires the existence of organs that utilize its funds and operate to achieve the purpose for which it was established. The organs or structures managing Joint Company (Al-Tadamun Company) are represented by the administration, which is concentrated in the person of the manager or managers on one hand, and on the other hand, the right of supervision, which is a right granted to non-manager partners only.

**Keywords:** Joint Company, Management Organs, Administration, Manager, Supervisory Right.

**الملخص:**

شركات الأشخاص هي الشركات التي تقوم على أساس الاعتبار الشخصي للشريك، حيث ان شخصية الشريك فيها محل اعتبار فهي تقوم على الثقة المتبادلة بين الشركاء ومن أبرزها نموذجا شركة التضامن والتي تسييرها يتطلب وجود أجهزة تستغل أموالها، وتسير عملها لتحقيق الغرض الذي أنشئت من أجله. إن أجهزة أو هيكل تسيير شركة التضامن تتمثل في الإدارة والتي تنحصر في شخص المدير أو المديرين هذا من جهة، ومن جهة أخرى حق المراقبة وهو حق يثبت للشركاء غير المديرين فقط.

الكلمات المفتاحية: شركة التضامن، أجهزة التسيير، الإدارة، المدير، حق المراقبة.

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## Introduction:

Joint Company (Al-Tadamun Company) is considered the optimal model for partnership companies because it encompasses all the characteristics of partnership companies. It is based on personal consideration and strong bonds between partners who accept in advance, knowingly and willingly, the responsibility for the company's debts from their own funds.

Managing Joint Company (Al-Tadamun Company) requires the existence of organs that utilize its funds and operate to achieve the purpose for which it was established. Although these organs are small and simple compared to the management organs of capital companies, especially joint-stock companies, which operate according to complex and intricate structures in terms of their composition and assigned tasks, varying depending on the management format adopted by the joint-stock company, whether traditional or modern. These management organs include the Board of Directors, the Management Council, the Supervisory Board, and the Ordinary and Extraordinary General Assemblies.

### Study problem:

The problem of this study can be formulated in the following main question:

**What is the specificity of the management organs or structures of Joint Company (Al-Tadamun Company) in Algerian legislation?**

To address this issue and answer it, we have divided the study into two sections as follows:

- 1) Management of Joint Company
- 2) Monitoring and Evaluation of the Activities of Joint Company

## 1. Management of Joint Company (Al-Tadamun Company)

Upon completing the establishment procedures of the company, it acquires legal personality, and its personality becomes independent of the personalities of the partners composing it. However, this personality cannot perform its functions except through a natural person. For this reason, it is necessary to appoint one or more managers to manage the company's affairs<sup>1</sup>.

The Algerian legislator has regulated the provisions regarding the management of Joint Company (Al-Tadamun Company) in Articles 553 to 558 of the Algerian Commercial Code<sup>2</sup>. Therefore, we will address management in terms of appointing, dismissing, the authorities, and responsibilities of the manager, in addition to the company's liability for the manager's actions towards third parties.

### 1.1- Procedures for the Appointment and Dismissal of the Manager

The Algerian legislator has specified procedures for appointing and dismissing the manager in Joint Company (Al-Tadamun Company).

#### 1.1.1- Appointment of the Manager

Article 553 of the Algerian Commercial Code states the following: "The management of the company belongs to all partners unless otherwise stipulated in the articles of association. It may be provided in the law referred to that one or more partners or non-partners are appointed as managers, or this appointment may be made by subsequent contract."

From this text, it is clear that the default in managing Joint Company (Al-Tadamun Company) belongs to all partners. In cases where partners overlook the appointment of a

1- Fouzi Mohamed Sami, General Provisions of Commercial Companies - A Comparative Study, Dar Al-Thaqafa for Publishing and Distribution, 2006, p. 108.

2- Decree No. 75-59 dated September 26, 1975, concerning the Commercial Law, amended and supplemented, Official Gazette No. 101 dated December 19, 1975.

manager, all partners are considered agents for each other in managing the company's affairs<sup>1</sup>. This is based on the premise that each partner is authorized by the others to manage the company. Therefore, each partner has the right to directly manage the company's affairs, which are in the interest of the company. However, this right remains restricted by the right of objection by any partner to any action another partner wishes to undertake. In this regard, Article 431 of the Algerian Civil Code states: "If there is no specific provision on the management method, each partner is considered authorized by the others to manage the company, and he may carry out the company's activities without consulting others. However, partners have the right to object to any action before it is completed, and the majority of partners have the right to reject this objection<sup>2</sup>."

However, it is permissible for partners to appoint one or more managers for the company, whether from among the partners or from outsiders, provided that they have full legal capacity.

If the manager is appointed in the articles of association of the company, whether from the partners or from outsiders, he is called a regular or contractual manager in this case. The company's articles of association may be silent about the appointment of the manager, in which case the partners, upon the formation of the company or thereafter, appoint him in a separate contract from the company's founding contract. In this case, he is called an irregular or non-contractual manager.

The essence of the distinction between the contractual manager and the non-contractual manager is that the position of the contractual manager is considered part of the company's articles of association and requires an amendment to the company's articles of association to change it. This is unlike the non-contractual manager, who is appointed by a separate contract, and his position can be amended without the need to amend the company's articles of association<sup>3</sup>.

The default is that the appointment of the manager, whether contractual or non-contractual, is made with the consent of all partners unless otherwise stipulated in the articles of association. Partners may include a clause specifying the necessary majority for the appointment of the manager, whether by a majority of partners, by a majority of shares, or by both<sup>4</sup>. Regardless of the appointment of the manager - whether regular or irregular - this appointment must be registered and recorded to inform third parties. Additionally, it is necessary to determine his remuneration for his services and his performance of management duties for the benefit of the company, whether he is a partner or not.

If he is a partner with a cash or in-kind share, he receives a fee for his management duties in addition to his share of profits. If he is a partner with a share of work, his share of profit is in exchange for management and representation of the company against third parties, unless it is agreed to grant him a fee for management in addition to his share of profits<sup>5</sup>. In this case, the fee is considered project expenses and deducted from profits before distribution.

1- Nadia Foudil, Provisions of the Company According to Algerian Commercial Law 'Personal Companies', Dar Huma for Printing and Publishing, Algeria, 2004, p. 122.

2- Decree No. 75-58 dated September 26, 1975, concerning the amended and supplemented Civil Law, Official Gazette No. 78 dated December 31, 1975.

3- Ahmed Mohamed Maherz, The Mediator in Commercial Companies, Maktabat Al-Ma'arif, Alexandria, 2nd ed., 2004, pp. 305-306.

4- Nadia Foudil, Op. Cit., p. 123

5- Samiha Al-Qalyoubi, "Commercial Companies 'Personal Companies'", 2nd ed., 1992, p. 284.

### 1.1.2- Dismissal of the Manager

The general rule for dismissing the manager is that it should be done in the same manner as the appointment, as evident from Article 559 of the Algerian Commercial Code. The circumstances of dismissing the manager vary depending on the strength of his position derived from his status and how he was appointed. This is detailed as follows:

#### A. Dismissal of the Regular Partner Manager

The regular partner manager, as previously defined, is the one appointed in the articles of association of the company. He cannot be dismissed as a general rule during the company's existence unless all partners unanimously agree. Logically, this implies that he is practically irremovable because a decision to dismiss him would lead to the dissolution of the company, as he is considered part of it<sup>1</sup>. Changing his position would require amending the articles of association of the company, according to Article 559 of the Algerian Commercial Code, unless the other partners decide to dissolve the company or agree to its continuation in the articles of association.

If the partners decide to dismiss this manager, another manager must be appointed in his place, with the obligation to notify this change so that objections can be made regarding any modifications to the company<sup>2</sup>. In this situation, the withdrawn or dismissed partner manager may request compensation for his rights in the company, valued on the day the dismissal decision is issued, by an accredited expert appointed by the remaining partners. In case of disagreement, the competent court for urgent matters appoints this expert.

Although it is not permissible for the contractual partner manager to resign from management without the consent of all partners, if strong reasons arise justifying his resignation, it must be accepted, such as in cases of chronic illness, old age, etc<sup>3</sup>. However, the partner always retains the right to request the dismissal of the manager through legal means if there is a legal reason justifying it.

#### B. Dismissal of the Non-Regular Manager

The non-regular manager is one who was not appointed in the articles of association of the company, whether from among the partners or from outsiders. Article 559 of the Algerian Commercial Code allows his dismissal according to the provisions specified in the contract or by a decision unanimously issued by the partners, whether they hold positions in the management or not. This is in cases where there is a provision in the articles of association regulating the dismissal of the non-contractual partner manager.

The non-regular manager is allowed to resign from management according to agency provisions, provided it is done in a timely manner<sup>4</sup>; otherwise, it is considered a breach of his obligations, and he must compensate the company for any damages that may result from his resignation at an inappropriate time.

In general, the dismissal or resignation of the non-regular manager does not lead to the dissolution of the company because he is not considered part of the company.

### 1.2- Authority of the Manager and His Responsibility

1- Abbas Mustafa Al-Masri, "Regulation of Commercial Companies 'Personal Companies - Capital Companies'", Dar Al-Jami'a Al-Jadida for Publishing, Alexandria, 2002, p. 125.

2- Nadia Foudil, Op. Cit., p. 125.

3- As his misuse of the company's activity or his inability to manage efficiently, or his commission of fraud or breach of trust... with the discretionary power of the subject judge remaining. See: Ahmed Mohamed Maherz, *ibid.*, p. 308.

4- Abbas Mustafa Al-Masri, *ibid.*, p. 125.

Defining the manager's authority in the company's articles of association or in his appointment contract serves to reduce the difficulties that may arise regarding determining his responsibility because there is a complementary relationship between authority and responsibility.

### **1.2.1- Authority of the Manager**

The manager acts as a legal representative of the company as a legal entity<sup>1</sup>, empowered by the law to perform two fundamental roles: representing the company in dealings with third parties, whether before the judiciary or by signing on its behalf, on one hand, and managing the company's affairs on the other hand.

Regardless of his role, it may vary somewhat depending on whether he operates individually or as part of a group, and also depending on whether his authority is defined or not.

#### **A. In the Case of Individual Management**

##### **a. When Authority is Defined**

The norm is for the company's articles of association or the manager's appointment contract to specify his authorities and limits. This usually prevents difficulties in determining the manager's responsibility and ensures the soundness of his actions, especially by delineating those actions and transactions that the partners have authorized him to perform independently versus those for which he must consult them<sup>2</sup>. If the manager exceeds his authorized powers and performs actions that harm the company or conflict with its interests, he bears the responsibility. The partners do not have the right to interfere in the company's management or object to the manager's actions if they fall within his authorized powers. Otherwise, there would be no benefit in appointing a manager for the company<sup>3</sup>.

##### **b. When Authority is Not Defined**

If the company's bylaws or the manager's appointment contract overlooks the specification of his authorities, then the company's purpose becomes the axis around which the manager's authorities in managing the company are determined. According to Article 554 of the Algerian Commercial Code, the manager is entitled to carry out all legal actions that serve the company's purposes, whether they are management or transactional activities. Therefore, the manager's exercise of his authorities must aim to achieve the company's purpose as determined by the partners<sup>4</sup>.

The manager's authorities in the absence of specification include all administrative tasks he is permitted to undertake and acts of disposal, provided they are within the scope of the company's subject matter. These include taking precautionary measures to safeguard the company's assets, such as registering mortgages, renewing them, concluding guarantees, leasing agreements, settling the company's debts, entering into employment contracts on its behalf, issuing commercial bonds, representing the company in lawsuits, buying and selling goods and equipment owned by the company, executing contracts related to its operations, and so on<sup>5</sup>.

1- Fouzi Mohamed Sami, Op. Cit., p. 144.

2- Ahmed Mohamed Maherz, Op. Cit., p. 310.

3- Mostafa Kamal Taha, Commercial Companies, Dar Al-Matbu'at Al-Jami'a, 2005, p. 101.

4- Aziz Al-Akili, The Mediator in Commercial Companies A Comparative Jurisprudential Study of General and Special Provisions, 1st ed., Maktabat Al-Thaqafa for Publishing and Distribution, Amman, 2007, p. 126.

5- Elias Nasseif, Encyclopedia of Commercial Companies, Shirkat Al-Tadamun, Al-Halabi Legal Publications for Distribution, Beirut, 2009, p. 120.

The manager is prohibited from engaging in actions that exceed the intended purpose of the company. He cannot sell or mortgage the company's properties without the partners' permission. He is also prohibited from donating the company's funds except for customary donations. Furthermore, he cannot contract with himself on behalf of the company without the partners' authorization, nor can he delegate his duties to others without their consent<sup>1</sup>.

### **B. In the Case of Multiple Managers**

The management of a joint company may be entrusted to several managers, whose authorities and powers may be explicitly specified in the company's articles of association or in their appointment contract or not. The law may also allow for joint action.

#### **a. When Managerial Authorities are Specified**

If the company's articles of association specify the competencies of each manager, such as appointing the first manager as the commercial manager for purchases and sales, the second as the manager for factories, and the third as the administrative manager, then each manager must adhere to the boundaries of their jurisdiction<sup>2</sup>. Their responsibility for the actions they undertake only applies within these jurisdictions.

#### **b. When Managerial Authorities are Not Specified:**

In cases where managers are appointed without specifying their competencies and when the company's bylaws do not provide for collective action, and without stipulating how decisions are made, each manager may independently carry out all management tasks. However, the right to object to his actions before their completion remains with the other managers. They can resolve this by convening to vote on the matter, typically following the majority rule.

The objection to these actions has no effect on third parties unless it is proven that they were aware of it. This is stipulated in Article 428 of the Algerian Civil Code, the first paragraph of Article 554 of the Algerian Commercial Code, and the second and third paragraphs of Article 555 of the Algerian Commercial Code.

#### **c. In the Case of Collective Management:**

The company's articles of association may provide for collective management, where the managers convene as a single board<sup>3</sup>. Decisions are made collectively or by majority vote. In such cases, no manager can act independently in any management task without first presenting it to the partners for voting according to the required majority.

Voting on decisions is done by numerical majority based on the number of individuals, unless otherwise stipulated in the company's articles of association, such as decisions being made by the majority of shares presented in the capital, according to Article 429 of the Algerian Civil Code<sup>4</sup>.

While the general rule in collective management requires managers to work collectively, each manager may, according to the second paragraph of Article 428 of the Algerian Civil Code, undertake management tasks independently without the need to satisfy the other managers. This is allowed in cases of urgency where failure to act would result in significant

1- Mostafa Kamal Taha, Op. Cit., p. 102.

2- Ahmed Mohamed Maherz, Op. Cit., p. 312.

3- Nadia Foudil, Op. Cit., p. 128.

4- Ahmed Mohamed Maherz, Op. Cit., p. 312.

loss that the company cannot compensate for. For example, one manager may sell perishable goods or renew a mortgage registration for the company before its expiration, etc<sup>1</sup>.

### **1.2.2- Manager's Responsibility**

The manager must exercise the care of an ordinary person in managing the company, with his judgment likened to that of a paid agent<sup>2</sup>. Consequently, he is liable both civilly according to the contract binding him to the company and possibly criminally. In both cases, the issue arises regarding the extent to which the company is bound by his actions towards third parties.

#### **A. Civil Liability of the Manager**

The manager can be held civilly liable for errors committed while managing the company. If he mismanages or causes harm to the company, exceeds his authority, or deviates from the purpose for which it was established, his civil liability arises (this type of civil liability is contractual according to the contract binding him to the company). He is then obliged to compensate the company for any damage caused. If there are multiple managers, they are jointly liable to the company for their joint errors, as is the case with multiple agents. The same applies if the manager delegates the execution of a task without proper authorization<sup>3</sup>.

As the representative of the company, the manager signs on its behalf for all actions and transactions. If the address is not mentioned, there is a presumption that the contract was made for his benefit. Even if this is a simple legal presumption that can be rebutted, it can lead to his civil liability.

#### **B. Criminal Liability of the Manager**

In addition to civil liability, which involves compensating for damages, the manager may incur criminal liability for committing certain crimes while performing his duties. This includes crimes like breach of trust, misuse of his position, fraud, bankruptcy resulting from his deception or mistake, and other crimes committed in the course of his work<sup>4</sup>.

For example, if the manager misuses the company's address, such as contracting with a third party for his personal benefit using the company's address within the apparent scope of his authority<sup>5</sup>, he may be held criminally liable for breach of trust.

#### **C. Extent of the Company's Liability for the Manager's Actions towards Third Parties**

The manager represents the company in all its dealings and signs on its behalf. Therefore, the company, as a legal entity, is bound by all legal actions related to managing the company, as long as they fall within the company's purpose. If the manager does not exceed the authority granted to him by law and the contract, the company is bound by his actions. This is in accordance with the first paragraph of Article 555 of the Algerian Commercial Code.

However, the Algerian legislator somewhat retreated from this position by recognizing the company's liability in all cases. The fourth paragraph of Article 555 of the Algerian Commercial Code states: "A third party cannot object to the specified conditions of the managers' authorities resulting from this article<sup>6</sup>."

What can be inferred from this text is that the Algerian legislator expanded the scope of this liability and conditioned that third parties cannot object to the limits of the managers'

1- Mostafa Kamal Taha, Op. Cit., p. 103.

2- Ibid., p. 107.

3- Nadia Foudil, Op. Cit., p. 132.

4- Elias Nasseif, Op. Cit., p. 134.

5- Mostafa Kamal Taha, Op. Cit., p. 105.

6- Ahmed Mohamed Maherz, Op. Cit., p. 314.

authority. Therefore, the company's liability remains intact in all cases to ensure the stability of legal transactions and protect third parties acting in good faith. Often, third parties do not have sufficient time to refer to the articles of association or the manager's appointment contract to know his authorities and rely in good faith on the apparent situation, especially as commercial transactions are characterized by speed and credit<sup>1</sup>.

The company's responsibility as a legal entity for the manager's actions, even if he exceeds his authority or misuses it, is either contractual or tortious. The company can be held tortiously liable for any damages resulting from the manager's errors during the performance of his duties or because of them, as long as these errors cause harm to third parties. For example, if an explosion occurs in a factory and the manager fails to take necessary precautions to prevent it or engages in unfair competition<sup>2</sup>.

## 2. Monitoring and Evaluation of the Joint Company's Activity

Running a joint company by one or more directors, coupled with the significant responsibility of the partners, requires ensuring these partners are not arbitrary and do not deviate from the company's purpose through exercising their rights granted by the legislator. This includes the right of supervision, established for non-managing partners.

Given that the primary goal of any commercial company is profit, it's essential to evaluate its activity to determine its financial position for the purpose of profit and loss distribution.

### 2.1- Company Monitoring

Exercising the right of supervision within a joint company differs from how this right is exercised in financial companies, especially joint-stock companies, which are supervised by specialized bodies such as the supervisory board in the case of adopting modern management methods. Additionally, the mandatory appointment of an accountant should not be overlooked, nor the role of shareholder associations in supervision.

The legislator has recognized the right of non-managing partners in joint companies to monitor the company's management. This monitoring includes:

#### 2.1.1- Right of Access

Non-managing partners are prohibited from intervening in management because their intervention may hinder the company's operations and impede the manager from performing his duties properly. However, they are allowed, according to Article 558 of the Algerian Commercial Code, the right of access twice a year at the company's headquarters to inspect the company's books and documents, such as trade registers, accounts, contracts, invoices, correspondence, and minutes. Generally, any document issued by the company or received from third parties related to its activities and for the purpose of achieving its objectives<sup>3</sup>.

The right of non-managing partners to access is coupled with their right to obtain copies of the documents they have inspected. Moreover, each partner has the right to seek assistance from an accounting expert to exercise their right of supervision and oversight of the company's activities. This is because allowing partners to access the company's books alone may practically hinder the right of supervision, as it is difficult for non-specialists to understand the actual restrictions recorded in the company's books and discover any manipulation.

1- Ibid., p. 315.

2- Nadia Foudil, Op. Cit., p. 131.

3- Ahmed Mohamed Maherz, Op. Cit., p. 317.



### 2.1.2- Consultation

Partners may include in the company's articles of association some restrictions on certain actions, requiring non-managing partners to consult with the manager on certain administrative matters. This consultation must be in writing to enable them to make those decisions. If none of the partners requests a meeting of the company, this is in accordance with the second paragraph of Article 556 of the Algerian Commercial Code.

### 2.1.3- Partners' Assembly

The law requires the manager to prepare an annual report on the company's activity, as per Article 557 of the Algerian Commercial Code. This report should include all operations of the financial year, inventory procedures, general exploitation accounts, results, and budget.

All these documents, as well as proposed decision texts, must be sent by the manager to the other non-managing partners fifteen (15) days before the partners' assembly meeting. If these conditions and provisions are not respected, their deliberation is null and void.

This assembly is the one that approves the prepared report referred to earlier within a period of six (06) months from the financial closure.

The company's accounts are deposited within one month after their approval with the Commercial Register, where the deposit serves as an advertisement, as stipulated in the last paragraph of Article 717 of the Algerian Commercial Code.

Finally, the appointment of the accountant in the joint company remains optional, as partners have the freedom to appoint him or not. This can represent an additional external control over the management of the joint company.

## 2.2- Evaluation of the Joint Company's Activity

Regardless of its type, the company's aim is to achieve profits resulting from the investment of its funds. However, while the company may have achieved profits, it may also have incurred losses at varying intervals<sup>1</sup>.

The company's basic contract regulates, among its provisions, the distribution of profits, which refers to the surplus resulting from deducting the company's liabilities from its assets. However, these profits cannot be distributed entirely; it is necessary to deduct amounts from them to maintain the financial position of the company. This becomes evident at the end of each financial year when the company's management prepares its written report on the company's status and activity, along with inventorying its assets and liabilities as of that date, as well as calculating losses, profits, and the budget (Article 716 of the Algerian Commercial Code).

### 2.2.1- Distributable Net Profits

According to Article 720 of the Algerian Commercial Code, net profits are constituted by the net income from the financial year after deducting general expenses and other company costs, including all consumptions and provisions.

Consumptions refer to a proportion of the value of the machinery and tools used by the company equal to the proportion of their usage during the year. If these machinery and tools become defective or permanently cease to be usable due to a malfunction, the company should have sufficient funds to repair or replace them without resorting to external loans or compromising its capital<sup>2</sup>.

1- Ahmed Mohamed Maherz, Op. Cit., p. 318.

2- Mohamed Fareed Al-Areini, Commercial Law Commercial Companies, Dar Al-Matbu'at Al-Jami'a, Alexandria, 1999, p. 328.

As for provisions, they refer to the potential costs of various types, such as the prices of raw materials, labor wages, salaries, and building rents, etc<sup>1</sup>.

It is worth mentioning that the formation of reserves is mandatory by law in financial companies, but it is optional subject to the partners' approval in joint companies<sup>2</sup>.

The reserve is an amount deducted annually by the company from the total profits to save and create a fund used to face crises encountered during its activities, expand these activities, or distribute them in years where the company does not generate profits. This reserve serves as accumulated and frozen profits, and the partners in the joint company have the right to approve or cancel it<sup>3</sup>.

### 2.2.2- Profit Distribution Method

The default method for profit distribution is as stated in the company's articles of association, and the law only intervenes to prevent the presence of the lion's share clause<sup>4</sup>. However, if not regulated in the articles of association, the general rules in the Civil Code should be consulted (Articles 425 and 426 of the Algerian Civil Code).

Profit payments must be made within a maximum period of nine (09) months from the date of closing the financial year, and an extension of this period is permitted by a judicial decision<sup>5</sup>.

Once net profits have been distributed to the partners and become acquired rights, they cannot be reclaimed from them even if the company incurs losses thereafter. However, if the profits distributed to the partners are nominal, meaning they do not represent net profits but are rather a portion of the company's capital set aside for distribution as profits to the partners, then the partners do not acquire rights to these profits. In this case, the company's creditors may demand the partners to return these amounts, which are part of the company's capital and serve as general security for its creditors, in accordance with the principle of capital stability, which must not be compromised.

### Conclusion

Joint companies are considered the optimal model for personal companies. They are among the most important tools of business activity in the country because they provide legal and regulatory frameworks for efforts and funds. Moreover, they are among the most significant commercial entities capable of undertaking and managing economic projects.

The Algerian legislature has granted joint companies a degree of specificity, whether in terms of management or supervision. We find that their management is conducted as a general principle for all partners unless otherwise agreed upon in the articles of association.

The legislature also recognized the right of non-director partners to supervise the company's management through exercising their right to access information, providing consultation, and the right to attend partners' meetings.

One of the most important recommendations reached is the necessity to review the wording of Article 554 of the Commercial Law regarding the partiality of multiple directors and each of them enjoying authorities that grant them the right to opposition, which hinders the smooth operation of the company.

1- Ahmed Mohamed Maherz, Op. Cit., p. 319.

2- Mostafa Kamal Taha, Op. Cit., p. 109.

3- Nadia Foudil, Op. Cit., p. 134.

4- Mohamed Fareed Al-Areini, Op. Cit., p. 328.

5- See: Paragraph Two of Article 724 Algerian Commercial Law.

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