

Chapter 27

1. Eddie Stewart, vice president of Exclusive International Pictures, Inc., contracted with K.A. Green, president of the Radio Picture Show Partnership, for the exclusive right to promote the film entitled "The Radio Picture Show". Green breached the contract and Stewart sued. After filing the suit, Stewart learned that 3622 Limited, a Texas limited partnership headed by John Brown, was a limited partner in the Radio Picture Show Partnership. Stewart amended his complaint, adding 3622 Limited as a defendant. The Radio Picture Show Partnership had never filed a certificate of limited partnership. Brown argued that neither he nor anyone associated with 3622 Limited had ever exerted any control over the management of the Radio Picture Show Partnership and, therefore, retained status as a limited partner. Is Brown correct? *Radio Picture Show Partnership v. Exclusive International Pictures, Inc.* 482 N.E.2d 1159 (IN).
2. Anderson negotiated a loan for \$14,662.59 from Ettinger for B.A.T. Leasing. Ettinger believed that B.A.T. was a partnership and that Anderson was a partner. In actuality, B.A.T. was a sole proprietorship owned and operated by Anderson's wife, Barbara. Barbara knew and consented to Anderson's role in obtaining the loan. Also, Anderson used the same office with Barbara and frequently signed B.A.T.'s checks. When Ettinger tried to collect on the loan, Anderson argued that Ettinger could not collect from B.A.T. because he was not a partner. Is Anderson correct? Explain your answer. *Ettinger, Inc. v. Anderson*, 360 N.W..2d 3894 (MN).