- 50 Drunken Persons.—A person merely strongly under the influence of liquor is not legally, although he may be mentally, incompetent to contract. To be relieved from liability on a contract he may have entered into, he must be wholly intoxicated, so as to be unable to use his reason, unless the other party furnished the liquor. Drunkenness will not relieve from criminal prosecution.
- 51 Indians.—Our Indians living on their reservations are wards of the Crown, and thus protected from fraud and deception by being placed in a similar position to minors, and rendered incapable of bindig themselves in a contract. A person who makes a contract with them is bound, but the Indian is not bound, not even for necessaries.
- 52 Alien Enemies.—According to International Law all commerce between nations at war is suppressed, and contracts entered into (even bills of exchange), after the declaration of war are illegal and void, unless the Crown gives a special license. Contracts made before the war commenced are suspended during its continuance, but may be enforced after peace is declared.

Aliens in Canada in times of peace may own property and contract as freely as natural-born subjects or those who have taken the oath of allegiance, but they cannot vote at any municipal or parliamentary election.

- 53 Parts of a Formal Contract. A formal contract will include:
- 1. Date
- 2. Names of all parties in full.
- 3. Recitals or explanations, and reasons, if any.
- 4. The consideration.
- 5. The subject-matter.
- 6. All the several agreements between the parties.
- 7. Signatures of all parties, as they usually sign their names.
- 8. Seals, if any.
- 9. Signature of witness.

In drawing contracts be specific in naming all the terms and conditions of the agreement. State accurately the names in full, residence and occupations of the parties to the contract, and the different promises each one is to perform. If a person has several Christian names, include them all. A person who has no trade or profession is usually called a "gentleman." In giving the residence of the parties the smallest municipality must be mentioned first, as a township, or village, or town, or city, then the county, and lastly the Province.

The person agreeing to do work or to sell an article is usually called "the party of the first part," and the party paying the money "the party of the second part"; but there is really no difference which comes first.

54 Signing of Contracts.—The instrument if to be registered should be signed in the presence of a disinterested witness. If the instrument has already been signed it will be sufficient for a person to acknowledge his signature in the presence of the witness, when words like the following may be used: "I acknowledge this to be my hand, and seal" if a seal is used. Some contracts require to be under seal.

In all documents to be registered, as deeds, mortgages and bills of sale, it is necessary for the witness to verify his witnessing and signature by an affidavit, which is written on or attached to the document.