

A," "Schedule B," etc. Example: Contracts for the erection of large structures are usually accompanied by plans and specifications marked A, B, etc., which are attached to and form part of the agreement.

71. A Seal should be placed on all important contracts.

Anything affixed after the name will answer for a seal as well as a regular seal bought for the purpose.

All corporate bodies and joint stock companies are required by law to have a corporate seal, which the officers must attach to or impress on all contracts signed by them. Promissory notes and bills do not require a seal.

All instruments under seal are good for twenty years, except a mortgage on real estate. (See Section 248.)

72. Requisites of a Contract.—From what has been given, the requisites of a valid contract may be summed up as follows: (1) It must be possible. (2) It must be lawful. (3) It must be made by persons who are competent to contract. (4) It must be assented to by each and all the parties. (5) It requires a consideration, except for those under seal and for negotiable instruments. (6) It must be without fraud. (7) Some may be verbal, others must be in writing, and some under seal.

73. Interpretation of Contracts.—Although it is supposed that parties entering into a contract fully understand its terms, and will use language in expressing them that will explicitly give their meaning, yet it often happens that such is not the case; hence certain rules have been adopted to interpret them when ambiguity occurs. The following are those of chief importance:

1. THE INTENTION of the parties at the time the contract was made is considered, rather than the literal meaning of the words.

2. CUSTOM AND USAGE of that particular business and place will be regarded when the wording of the contract is doubtful.

3. THE TECHNICAL WORDS AND PHRASES used will be given the meaning in which they are employed in that particular business.

4. VARIATIONS BETWEEN WRITING AND PRINTING.—When one part of a contract is written and another printed, if they disagree the written portion will be accepted. The same is true with a note or cheque.

5. LIBERAL CONSTRUCTION.—Where the wording of a contract is ambiguous it is the rule of the courts to construe it liberally, so as to give effect to the common sense of the agreement, even sometimes rejecting objectionable clauses and supplying omissions. But where the Statutes fix a definite meaning to words, they will invariably be construed in that sense.