

CHAPTER 86
MANNER OF CREATING CONTRACTS

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§ 86101. Contracts: Express or Implied.

A contract is either express or implied.

SOURCE: CC § 1619.

§ 86102. What is an Express Contract.

An express contract is one, the terms of which are stated in words.

SOURCE: CC § 1620.

§ 86103. What is an Implied contract.

An implied contract is one, the existence and terms of which are manifested by conduct.

SOURCE: CC § 1621.

§ 86104. What Contracts may be Oral.

All contracts may be oral, except such as are specially required by statute to be in writing.

SOURCE: CC § 1622.

§ 86105. Fraud: When Oral Contracts Enforced.

Where a contract, which is required by law to be in writing, is prevented from being put in writing by the fraud of a party thereto, any

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other party is by such fraud led to believe that it is in writing, and acts upon such belief to his prejudice, may enforce it against the fraudulent party.

SOURCE: CC § 1623.

§ 86106. What Contracts must be Written.

The following contracts are invalid, unless the same, or some note or memorandum thereof, is in writing and subscribed by the party to be charged, or by his agent:

1. An agreement that by its terms is not to be performed within a year from the making thereof;

2. A special promise to answer for the debt, default, or miscarriage of another; except for the cases provided for in §31203 of this Title [Promise to Answer for the Obligation of Another];

3. An agreement made upon consideration of marriage other than a mutual promise to marry;

4. (Repealed)

5. An agreement for the leasing for a longer period than one year, or for the sale of real property, or of an interest therein; and such agreement, if made by an agent of the party sought to be charged, is invalid, unless the authority of the agent is in writing, subscribed by the party sought to be charged;

6. An agreement authorizing or employing an agent or broker to purchase or sell real estate for compensation or a commission;

7. An agreement which, by its terms, is not to be performed during the lifetime of the promisor, or an agreement to devise or bequeath any property; or to make any provision for any person by will.

SOURCE: CC § 1624: Item (4) repealed by P.L. 13-150:1 and replaced by appropriate parts of Title 13 of this Code (UCC).

CROSS-REFERENCES: For the law relating to wills and estates of deceased persons and the passing of property after death, see Title 15 of this Code, *Estates & Probate*.

COURT CASES: See *J & G Co. v. Smith*, 292 F.2d 815 (1961).

§ 86107. Effect of Written Contracts.

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The execution of a contract in writing, whether the law requires it to be written or not, supersedes all the negotiations or stipulations concerning its matter which preceded or accompanied the execution of the instrument.

SOURCE: CC § 1625.

COURT CASES: *T.S.S. Sportswear, Ltd. v. Swank Shop*, 380 F.2d 512 (CA9 1967); *Atoigue Gogo v. Cruz Ada*, 128 F.Supp. 92 (D.C.Guam 1955); *Cruz Flores v. Duenas*, 318 F.2d 87 (CA9 1963).

§ 86108. When Written Contracts Effective.

A contract in writing takes effect upon its delivery to the party in whose favor it is made, or his agent.

SOURCE: CC § 1626.

CROSS-REFERENCES: For the rules governing contracts with the Government of Guam, see 5 GCA Chapter 22, Article 6.

§ 86109. Provisions Applicable; Transfer of Real Property.

The provisions of [[the Chapter on transfers in general, concerning the delivery of grants, absolute and conditional], apply to all written contracts.

SOURCE: CC § 1627.

§ 86110. Corporate Seal; How Affixed.

A corporate or official seal may be affixed to an instrument by a mere impression upon the paper or other material on which such instrument is written.

SOURCE: CC § 1628.

CROSS-REFERENCES: 1 GCA §710, same subject.

§ 86111. Provisions Abolishing Seals Made Applicable.

All distinctions between sealed and unsealed instruments are abolished.

SOURCE: CC § 1629.

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