

4.10 BILATERAL CONTRACTS

E. EXPRESS OR IMPLIED CONTRACT (Approved 5/98)

A contract may be expressed or implied or may be a mixture of the two. An express contract is one in which the parties have shown their agreement by words. Express contracts include those in which the parties have orally stated the terms to each other or have placed the terms in writing.

An implied contract is one in which the parties show their agreement by conduct. For example, if someone provides services to another under circumstances that do not support the idea that they were donated or free, the law implies an obligation to pay the reasonable value of services.

Thus, an implied contract is an agreement inferred from the parties' conduct or from the circumstances surrounding their relationship. In other words, a defendant may be obligated to pay for services rendered for defendant by plaintiff if the circumstances are such that plaintiff reasonably expected defendant to compensate plaintiff and if a reasonable person in defendant's position would know that plaintiff was performing the services expecting that defendant would pay for them.¹

¹See *Wanaque Borough Sewerage Auth. v. West Milford*, 281 N.J. Super. 22, 30 (App. Div. 1995).