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| **TEXAS CTE LESSON PLAN**[www.txcte.org](http://www.txcte.org) |
| **Lesson Identification and TEKS Addressed** |
| **Career Cluster** | Business Management and Administration |
| **Course Name** | Business Law |
| **Lesson/Unit Title** | Creation of Offers |
| **TEKS Student Expectations** | **130.134 (c) Knowledge and Skills**(4) The student identifies the principles of contracts in business. 1. Thestudent is expected to explain the classes of contracts
2. Thestudent is expected to cite methods of offer and acceptance
3. Thestudent is expected to explain the different capacities to contract

(7) The student researches negotiable instruments. 1. The student is expected to explain the nature of negotiable instruments
2. The student is expected to identify the essentials of negotiability
3. The student is expected to explain promissory notes and drafts
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| **Basic Direct Teach Lesson**(Includes Special Education Modifications/Accommodations and one English Language Proficiency Standards (ELPS) Strategy) |
| **Instructional Objectives** | **Performance Objective**Upon completion of this lesson, the student will be able to distinguish a legal contract.**Specific Objective*** Students will list the elements required to form a contract.
* Students will describe the requirements of an offer.
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| **Rationale** | When it comes to business transactions, you should have written contracts for every important relationship, including those with suppliers, distributors, retailers, parties providing professional services and key employees. If you are starting a business, a written agreement among partners or shareholders can be critical for the company's long-term survival. This lesson will help students distinguish between a legal and illegal contract in today's business environment. |
| **Duration of Lesson** | 1-2 days |
| **Word Wall/Key Vocabulary***(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * **Offeror** - the party who communicates a serious, definite offer.
* **Offeree**‐the party to whom an offer is made.
* **Offer**‐a proposal by an offeror to do something, provided the offeree does something in return.
* **Contracts** ‐ agreements between two or more parties that create obligations.
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| **Materials/Specialized Equipment Needed** | **Instructional Aids:*** Internet
* “Requirements for Contracts Flash Card Assignment” Assignment
* Rubric for “Requirements for Contracts Flash Card Assignment”
* “Write a Case” Assignment
* Rubric for “Write a Case” Assignment

**Materials Needed:*** Construction paper
* Scissors and glue
* Poster board

**Equipment Needed:*** Computers for students to complete projects
* Projector for student presentations
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| **Anticipatory Set**(May include pre-assessment for prior knowledge) | **Ask** students to list the things they think they would need to have in a contract to be valid.**Ask** students to describe a contract they have been in, or one that they have heard about. What made it a contract? |
| **Direct Instruction \*** | 1. Essential Elements for a Contract
	1. Offer and Acceptance
		1. Offeror--the person who makes the offer
		2. Offeree—the person to who the offer is made
		3. Contracts must have a legitimate offer and acceptance.
	2. Genuine Assent—the agreement must not be based on one party's deceiving another, on an important mistake, or on the use of unfair pressure exerted to obtain the offer or acceptance. Any deception or unfair pressure will make a contract void.
	3. Legality—agreement cannot involve a crime or tort. The offer and acceptance for a contract must be legal.
	4. Consideration—both sides receiving what the law considers value in some form because of the transaction. Both parties to the contract must be getting something.
	5. Capacity—parties must have the legal ability to contract for themselves. Minors, individual sunder the influence, and individuals without the mental capability do not have the capacity to legally enter into a contract.
	6. Writing—some agreements must be placed in writing to be fully enforceable in court. Ask students why it is importance for contracts to be in writing.
2. Requirements of an Offer
	1. Contractual intent must be present
		1. Jests—the law is not concerned with what is in the mind of a person making what might be considered an offer (jokes may not be offers). Jests are examples of puffing and not legitimate offers.
		2. Statements made in anger or terror—Contracts are void if the offer is made in a state of anger.
		3. Preliminary negotiations
			1. Communication to induce someone to initiate bargaining
			2. Not seen by the law as an intent to contract—striking a conversation does not equal an offer.
		4. Social agreements—to go to the movies or on a dinner date. Breaking a social date is not breaking a contract.
	2. Offer must be communicated to the offeree
	3. Essential terms must be complete and definite—Terms of a contract must be thorough.
		1. Complete
			1. A proper legal description of the real estate
			2. Price
			3. Full terms for payment
			4. Date for delivery of possession
			5. Date for delivery of the deed
		2. Definite

*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:** This lesson may be modified to accommodate your students with learning differences by referring to the files found on the Career & Technical Special Populations page of this website (<http://cte.unt.edu/>).
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| **Guided Practice \*** | Using the lesson outline**,** the teacher will explain legal offers for a contract. Read examples to the class and ask students if an offer exists. Make sure to give examples of legal offers, jests, statements made in anger, social arrangements, and preliminary negotiations. Ask students what distinguishes a contract from other agreements. The court of law will enforce contracts. |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | * **Requirements for Contracts Flash Card Assignment:** Ask students to design a set of six flash cards that represent the six major requirements for a legally enforceable contract. One side of the flash card should have the requirement written on it and a definition. The other side of the flash card must show a picture that represents the concept. This project will be evaluated with the associated rubric.
* **Write a Case:** Split the class into teams with two members. Each team must write two case studies ‐ one that represents a legal contract and one that doesn’t meet the requirements of a legal contract. All cases will be compiled, and students will look at each case to see if it has the six elements necessary for a legally enforceable contract. Their cases must include extensive information for the rest of the class to determine if all essential elements of a contract exist. This project will be evaluated using the associated rubric.
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| **Lesson Closure** | **Q.** What elements are required to form a legally enforceable contract?**A.** The elements are offer and acceptance, genuine assent, legality, consideration, capacity, and writing.**Q.** What are the requirements of an offer?**A.** The offer must have contractual intent, be complete and definite, and in some fashion, be communicated to the offeree by the offeror.**Q.** Can a joke be enforced as an offer?**A.** Yes. See above.**Q.** How can a minor enter into an enforceable contract?**A.** With a co-signer who does meet the legal age requirement.**INVITATION vs. ACTUAL OFFER**Most advertisements are not complete and clear because they do not address the question of having limited merchandise to offer for sale.Instead, they invite a consumer to make an offer to buy one of the limited items. Analyze five television commercials and explain why each commercial is an invitation and not an offer. Design a newspaper advertisement for a department store that represents an invitation.Explain how the advertisement is an invitation. |
| **Summative / End of Lesson Assessment \*** | Use the assigned rubric to evaluate the projects assigned forIndependent Practice. |
| **References/Resources/****Teacher Preparation** | **References*** Local newspapers
* Television Network Newscasts and the Internet
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| **Additional Required Components** |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** | **College Readiness and Study Skills*** 110.48(b) (2) (A). The student is expected to expand vocabulary through wide reading, viewing, listening, and discussion.
* 110.48(b) (2) (F). The student is expected to use context to determine meanings of words and phrases such as figurative language, idiomatic expressions, homonyms, and technical vocabulary.
* 110.54(b) (4) (D). The student is expected to summarize texts by identifying main ideas and relevant details.
* 110.47(b) (7) (A). The student is expected to read silently or orally such as paired reading or literature circles.
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| **Recommended Strategies** |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy****Presentation Slides + One Additional Technology Connection** |  |
| **Graphic Organizers/Handout** |  |
| **Writing Strategies****Journal Entries + 1 Additional Writing Strategy** |  |
| **Communication****90 Second Speech Topics** |  |
| **Other Essential Lesson Components** |
| **Enrichment Activity**(e.g., homework assignment) | Videotape one or more television commercials. Show the commercial in class and ask students to identify words that make the commercial appear to be either offers or invitations to make offers.Flash the following words during a presentation: art gallery, museum, university, literature, lyrics to a popular song, peaceful demonstration.Then ask students if any of these activities might be offensive to certain groups. How would the standard of obscenity be determined? |
| **Family/Community Connection** |  |
| **CTSO connection(s)** | Business Professionals of AmericaFuture Business Leaders of America |
| **Service Learning Projects** |  |
| **Lesson Notes** |  |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)