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| **TEXAS CTE LESSON PLAN**  [www.txcte.org](http://www.txcte.org) | |
| **Lesson Identification and TEKS Addressed** | |
| **Career Cluster** | Business Management & Administration |
| **Course Name** | Business Law |
| **Lesson/Unit Title** | Termination of Offers in Business |
| **TEKS Student Expectations** | **130.134 (c) Knowledge and Skills**  (7) The student researches negotiable instruments:  (A) The student is expected to explain the nature of negotiable instruments;  (B) The student is expected to identify the essentials of negotiability;  (C) The student is expected to explain promissory notes and drafts;  (D) The student is expected to distinguish between negotiation and discharge;  (E) The student is expected to assess the liabilities of the holders in due course;  (F) The student is expected to identify the defenses in dealing with negotiable instruments; and  (G) The student is expected to research cases dealing with negotiable instruments using appropriate online technology. |
| **Basic Direct Teach Lesson**  (Includes Special Education Modifications/Accommodations and  one English Language Proficiency Standards (ELPS) Strategy) | |
| **Instructional Objectives** | Upon completion of this lesson, the student will be able to explain termination of offers.   * Students will describe the various ways to end offers. * Students will explain how an offeree can ensure an offer will remain open. |
| **Rationale** | Termination of offers is an important concept for business lawyers to understand. This lesson provides an overview of this concept including terms, such as counter offer, option, firm offer, and revocation. The lesson also includes case studies for reinforcement. |
| **Duration of Lesson** | When taught as written, this lesson should take approximately 1 ‐ 2 days to teach. |
| **Word Wall/Key Vocabulary**  *(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * Counteroffer ‐ a change the offeree makes to the offeror’s terms. * Option ‐ a binding contract in which the offeree gives the offeror something of value in return for a promise to keep the offer open. * Firm offer ‐ a contractual proposal in writing by a merchant stating how long the offer is to stay open. * Revocation ‐ the right to withdraw an offer before it is accepted. |
| **Materials/Specialized Equipment Needed** | * Internet * “Case Study” Assignment * “Creating Cases” Assignment * Rubric for “Creating Cases” Assignment * Construction paper * Scissors and glue * Poster board * Computers for students to complete projects * Projector for student presentations |
| **Anticipatory Set**  (May include pre-assessment for prior knowledge) | * Ask students to research college football coach’s contracts. What could be reasons for termination of the offers made to the college football coaches? * Survey the class to determine how many students have been offered a job and have a deadline to respond to the offer. Then explain how time was the element that determined the termination of the offer. |
| **Direct Instruction \*** | A store has a one‐day sale, offering 50% off prices that have already been marked down. Explain how the store has set a definite timeline for termination of the offer.  **Introduce Option**: Ask students to explain how leasing a car is different than buying a car. Then explain howmost automobile leases have the option to purchase the car at the end of the lease.  **Survey** students to determine how many thinks they will rent an apartment, dorm room, or house in theirfuture. Then explain why it is so important to read the terms of the contract to determine if there is an opportunity to terminate an offer.  Instructors can use the presentation, slides, handouts, current events, the Internet, and note pages in conjunction with the following outline.  II. How Can Offers Be Ended? A. Revocation by the Offeror   * + - 1. before the offer is accepted by the offeree       2. revocation ‐ right to withdraw an offer before it is accepted   1. Time Stated in the Offer      1. Reasonable Length of Time      2. Rejection by the Offeree      3. Counteroffer      4. Death or Insanity of Either the Offeror or Offeree   G. Destruction of the Specific Subject Matter   1. How Can an Offer Be Kept Open?    1. Options       * 1. offeree gives the offeror something of value in return for a promise to keep the offer open         2. offer may not be withdrawn during the period of the option    2. Firm Offers       1. term stating how long the offer is to stay open   Uniform Commercial Code (UCC) makes firm offers binding for the time stated, but not more than three months   1. Offers can be revoked by the offeror if they do it before the offeree accepts the offer. 2. If an offer is open for three months, the offer no longer exists after the three months are over. 3. A counteroffer ends the original offer. 4. Death or insanity of either party obviously ends an offer. 5. If you offer to sell a car to someone and the car is destroyed in a wreck before you close the deal then the offer is officially ended.   A If you pay a home builder $3,000 for a new home lot, their offer must remain active. The $3,000 is an option.   1. Binding offers are open for no more than three months. When a friend makes an offer to you in August, it is too late for you to accept the offer in December unless the terms of the offer stated that it was available until December. |
| **Guided Practice \*** | Using the Outline**,** the teacher will explain the termination of offers. Ask students why it is a good idea to state a time available for acceptance when making an offer. To avoid misunderstanding, a time period should be stated for an offer. Give students an example of an offer and the termination of the offer. A family that has been relocated is shopping for a home. The realtor advertised a home for $325,000. The family offered $295,000 for the home. This offer was terminated when it was rejected by the seller. |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | **Case Study Assessment (See Handouts)**  **Informal Assessment**   * Instructor will observe students during Independent Practice. * Instructor will assist students as needed. |
| **Lesson Closure** | **Review**   1. How can offers be terminated? 2. Offers can be terminated for the following reasons: revocation, time stated in offer elapses, reasonable length of time elapses, rejection, counteroffer, death or insanity, destruction of specific subject matter. 3. How could an offeror insure that an offer will stay open for a set period? 4. An offeree who is a merchant will be assured that an offer stays open for the time indicated in writing or the offeree can buy an option to keep the offer open. 5. What happens to an offer that the offeree clearly rejects? 6. The offer is terminated. 7. What is a counteroffer? 8. A counteroffer occurs when an offeree changes the offeror’s terms in important ways. |
| **Summative / End of Lesson Assessment \*** | **Formal Assessment**  Independent Practice Assignment #1 will be evaluated for the correct answer to the legal case. Use the assigned rubric to evaluate project #2 assigned for Independent Practice. |
| **References/Resources/**  **Teacher Preparation** | * Local newspapers * Television Network Newscasts and the Internet |
| **Additional Required Components** | |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** | 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 for sustained periods of time.  **Economics**  118.4(c)(17)(A). The student understands the role of financial markets/institutions in saving, borrowing, and capital formation. The student is expected to explain the functions of financial institutions and how they affect households and businesses.  **Occupational Correlation (O\*Net –** [**www.onetonline.org/**](http://www.onetonline.org/)**):**  **Job Title: ‐ Agents and Business Managers of Artists, Performers, and Athletes**  **O\*Net Number: 13‐1011.00**  **Reported Job Titles:** Talent Agent, Agent, Booking Agent, Theatrical Agent, Athlete Marketing Agent  **Tasks:** Collect fees, commissions, or other payments, according to contract terms.  Negotiate with managers, promoters, union officials, and other persons regarding clients' contractual rights and obligations.  **Soft Skills:** Persuasion, Speaking, Active Listening, Negotiation, Social Perceptiveness, Time Management |
| **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) | **Extension**  An offer can be terminated in a variety of ways. Interview a contract lawyer or individuals who frequently enter into contracts as part of their career. Ask them to give examples of contracts that were terminated. Then classify the examples as revocation by the offeror, time stated in the offer, reasonable length of time, rejection by the offeree, counteroffer, or death and insanity of either the offeror or offeree.  **Pictionary**: Play Pictionary using the legal terms learned in this lesson. Split the class into two teams. Eachteam sends a member to the board to draw pictures representing the legal term shared by the teacher. The first team that has a member who stands and gives the correct answer, earns the point. Then teams will continue to rotate new drawers for additional terms. Terms to include in this game include: revocation, terminated, counteroffer, option, firm offer, Uniform Commercial Code, insanity, capacity, and offer. |
| **Family/Community Connection** |  |
| **CTSO connection(s)** | Business Professionals of America  Future 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)