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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** | What is Required of an Acceptance? |
| **TEKS Student Expectations** | **130.134. (c) Knowledge and Skills**(4) The student identifies the principles of contracts in business(A) The student is expected to explain the classes of contracts(B) The student is expected to cite methods of offer and acceptance(G) The student is expected to research contemporary cases dealing with contract law 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 acceptance to an offer.* Students will discuss the requirements of an effective acceptance.
* Students will determine at what point I time an acceptance is effective.
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| **Rationale** | This lesson will help students to understand acceptance of contracts. This is an important skill for business professionals. |
| **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)* | * Mirror image rule ‐ the rule that the terms in the acceptance must exactly match the terms contained in the offer.
* Bilateral contracts ‐ contracts in which the offer implies that it can be accepted by giving a promise instead of performing the contracted‐for act.
* Unilateral contracts ‐ contracts in which the offeror requires that the offeree indicate acceptance by performing his or her obligations under the contract.
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| **Materials/Specialized Equipment Needed** | * Construction paper
* Scissors and glue
* Poster board
* Current Newspapers
* Computers for students to complete projects
* Internet
* “Bilateral vs. Unilateral Agreement Poster” Assignment
* “Bilateral vs. Unilateral Agreement Poster” Assignment Rubric
* “Creating the Legal Case Flash Card Game” Assignment
* “Creating the Legal Case Flash Card Game” Assignment Rubric
* Construction paper
* Scissors and glue
* Poster board
* Current Newspapers
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| **Anticipatory Set**(May include pre-assessment for prior knowledge) | **Preparation*** Read the following scenario to the class: “Brad makes an offer to Ashley. Ashley is not interested, but Ashley’s friend who was standing nearby, hears the offer and says she accepts. Has a contract been formed?” Ask for a show of hands of students who think a contract has been formed. Then explain that an offer can only be accepted by the person(s) to whom it has been made.
* List the following requirements for acceptance to create an enforceable agreement on the board:

(1) Acceptance must be made only by the person(s) to whom the offer was made. (2) The acceptance must match the terms in the offer. (3) The acceptance must be communicated to the offeror. Acceptances for offers for services and realty (the mirror image rule) than for offers for goods. The mirror image rule requires that the acceptance must exactly match the terms contained in the offer. If an attempted acceptance does not fulfill these requirements, it is treated as a counteroffer.**Read the following cases and ask students to write their answers.*** **Case Scenario:** Austin was vacationing at a Caribbean resort when he lost a valuable watch. He put anotice in the local newspaper that promised a $500 reward for finding and returning the watch. Austin had to leave the resort two days later, so he included his home address and telephone number in the ad. Two months later, Judy found the watch and contacted Austin. Austin told Judy he would give her only $300 for returning the watch since he had to wait so long for it. Can Austin revoke his $500 offer for this reason? Explain your answer.

**Answer:** Austin made a unilateral contract that allows the offeree a reasonable amount of time toperform the act of finding the watch. Two months is not an unreasonable amount of time in this case. Austin cannot revoke his offer of $500.* **Case Scenario:** Jonathan offers to sell his collection of baseball cards to Geoffrey for $500. Geoffreytells Jonathan that he wants to think the offer over. Geoffrey later calls Jonathan and says, “I think $500 is too much for the baseball cards. I’ll give you $300 for them.” Jonathan tells Geoffrey that he’ll think about it. Geoffrey later learns that the baseball cards are worth more than $500 and he calls Jonathan back and accepts the original offer. Is Jonathan legally obligated to sell the cars to Geoffrey for $500? Explain your answer.

**Answer:** Jonathan is not obligated because Geoffrey made a counteroffer of $300 terminating theoriginal offer made by Jonathan.* **Case Scenario**: Gourmet Affair sponsored a baking contest in which the first prize was advertised as anew stainless steel self‐cleaning oven valued at $1,200. After verifying with Gourmet Affair that the prizes advertised were correct, Marcella entered the contest and won. When Marcella went to collect her prize, she was told that there had been a mistake and was offered a $500 cast iron oven as first prize. Marcella sued, alleging that she had a contract for the prize offered. Should Marcella get the $1,200 stainless steel self‐cleaning oven? Explain your answer.

**Answer:** Yes, Marcella gets the $1,200 stainless steel self‐cleaning oven. The issue is whether Marcellaaccepted the unilateral offer to perform by performing as requested, thus creating a contract. By winning the contest in which the $1,200 oven was offered, Marcella performed the requested act and simultaneously accepted Gourmet Affair’s offer, creating an enforceable contract. |
| **Direct Instruction \*** | What is Required of an Acceptance?1. Only Offerees May Accept- Acceptance can only take place by the person who receives the offer.
2. The Acceptance Must Match the Offer
	* + 1. mirror image rule ‐ acceptance must exactly match the terms contained in the offer
			2. UCC ‐ acceptance of an offer for a contract for a sale of goods can be valid even if it does include new or conflicting terms
				1. If a party is a consumer, not a merchant, then the new or changed terms are mere proposals and not a part of the contract unless agreed to by the original offeror.
				2. If both parties are merchants, the new or changed terms are not a part of the contract if the original offeror objects, or in the absence of an objection, if the terms are material.
				3. If the parties are merchants, the new or changed terms are part of the contract if the original offeror is silent and the terms are minor (not material).
	1. Acceptance Must Be Communicated to the Offeree
		1. Silence as Acceptance ‐ doesn’t work- Silence cannot work as acceptance of an offer.
		2. Bilateral Acceptance – requires that the offeree accepts by communicating the requested promise to the offeror- Bilateral acceptance involves offeror making an offer and the offeree communicating a promise in return.
		3. Unilateral Acceptance- the offeror promises something in return for the offeree’s performance and indicates that this performance is the way acceptance is to be made. Unilateral acceptance means that the offeree must perform to receive what he/she has been promised by the offeror.
		4. Modes of Contractual Communication- Acceptance of an offer can be communicated by a wide array of methods. The offeree must be certain that the offeror knows which form of communication will be used.
3. In person
4. Telephone
5. Text messaging
6. Mail
7. Delivery service
8. E-mail
9. Fax
10. Other methods
	* 1. When Acceptances are Effective
11. according to required means of acceptance by the offeror
12. next‐day delivery
13. no specified or customary method for communicating acceptance ‐ courts say the acceptance is effective when sent by the same means used for the offer or by faster means
14. oral acceptances when the words are spoken
15. telegraph when it is handed to the clerk at the telegraph office

A good rule of thumb is to communicate acceptance through the same communication channel that the offer was made.*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Guided Practice \*** | The teacher will explain acceptance for offers. Acceptance must occur within a reasonable amount of time after the offer. Ask students what they think is an unreasonable amount of time to respond to an offer for selling a house or an offer for a new career. Accepting an offer within an appropriate amount of time is important. Also, the means of communicating the acceptance should match the form of communication used to make the offer. A good rule of thumb is to have an offer and the acceptance in writing.*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | * **Bilateral vs. Unilateral Agreement Poster:** Ask students to design a poster that shows pictures andexplanations for four bilateral agreements and four unilateral agreements. This project will be evaluated using the associated rubric.
* **Creating the Legal Case Flash Card Game**: Split the class into teams with two members. Each teammust design a collage with an activity that involves an agreement. When the teams show their flash card to the class, students must state if the agreement is unilateral or bilateral. Students must also state what is involved in the agreement and if the agreement should be in writing. All answers must include specific explanations. This project will be evaluated using the associated rubric.

*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Lesson Closure** | **Review**1. What are the requirements of an effective acceptance?
2. An effective acceptance must come from the intended offeree, match the terms of the offer, and becommunicated to the offeror in a proper and timely fashion.
3. Who may specify the method used to communicate the acceptance to an offer?
4. Offeror
5. What are the new or changed terms called in an acceptance made by a consumer?
6. Proposals
7. What is mirror image?
8. Mirror image requires that the terms in the acceptance match the terms in the offer.

**BAIT AND SWITCH?**Barbara ordered a box of pears and a box of Yellow Granny Apples from the DECA fundraiser at school. When the order arrives, Red Delicious Apples had been substituted for the Yellow Granny Apples due to a lack of supply. Does Barbara have to accept this substitution? What should she do?Answer: Barbara does not have to accept the substitution and unless the company indicated in the initial paperwork for the fundraiser that they had the right to send substitutes, the school can refuse the substitution. |
| **Summative / End of Lesson Assessment \***  | * Project #1 will be evaluated for the correct answer to the legal case.
* Use the assigned rubric to evaluate project #2 assigned for Independent Practice.

*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:***Accommodations for Learning Differences:** It is important that lessons accommodate the needs of every learner. These lessons may be modified to accommodate your students with learning differences by referring to the files found on the Special Populations page of this website.    |
| **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 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.
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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) | Ken had a verbal agreement with the Terrence brothers to paint the outside of Ken’s home for a specified amount of money. The agreement was for half the money to be paid up front so supplies could be purchased and the other half to be paid when the work was completed. After one week of work, the Torrence brothers never returned. Can the verbal agreement be a binding contract?**Answer:** Yes. The money and work already completed indicate acceptance and genuine assent.Trading Cases: Divide the class into teams with two students on a team. Each team has 30 minutes to write a legal case involving acceptance. The legal case must describe the transaction and ask a question about acceptance. Students must provide the answers to their cases to the teacher. Groups will trade their cases with other groups. Each group must answer the case they receive. Then the cases will be generally discussed in class. |
| **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)