

## FAIR USE TRANSCRIPT

Attaching to **Notice of Acceptance of Constitutions and of Oath of Office**

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**3.3. Offer and Acceptance.** The outward appearance of the agreement process, by which the parties satisfy the requirement of bargain imposed by the doctrine of consideration, varies widely according to the circumstances. It may, for example, involve face-to-face negotiations, an exchange of letters or facsimiles, a transaction between computers, or merely the perfunctory signing of a printed form supplied by the other party. Whatever the outward appearance, it is common to analyze the process in terms of two distinct steps: first, a manifestation of assent that is called an *offer*, made by one party (the *offeror*) to another (the *offeree*); and second, a manifestation of assent in response that is called an *acceptance*, made by the offeree to the offeror. Although courts apply this analysis on a case-by-case basis, depending on the circumstances, it gives a reassuring appearance of consistency.

**Meaning of offer** What is an "offer"? It can be defined as a manifestation to another of assent to enter into a contract if the other manifests assent in return by some action, often a promise but sometimes a performance. By making an offer, the offeror thus confers upon the offeree the power to create a contract. An offer is nearly always a promise and, in a sense, the action (promise or performance) on which the offeror conditions the promise is the "price" of its becoming enforceable. *Offer*, then, is the name given to a promise that is conditional on some action by the promisee *if* the legal effect of the promisee's taking that action is to make the promise enforceable. Empowerment of the offeree to make the offeror's promise enforceable is thus the essence of an offer.

**Meaning of acceptance** What is an "acceptance"? It can be defined as the action (promise or performance) by the offeree that creates a contract (i.e., makes the offeror's promise enforceable). *Acceptance*, then, is the name given to the offeree's action if the legal effect of that action is to make the offeror's promise enforceable.

**Freedom to revoke offer** Because of the requirement of mutuality of obligation, both parties are free to withdraw from negotiations until the moment when both are bound. This is the moment when the offeree accepts the offer. It therefore follows, as we shall see later in more detail, that the offeror is free to revoke the offer at any time before acceptance.

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