

# Gloria smithson essay sample

[Economics](#), [Consumer](#)



What elements are necessary for a valid contract to exist? Define what constitutes a “ valid offer.” Evaluate each proposal and discuss whether each of the offers constitutes a valid offer. Why or why not? A valid contract meets all the necessary fundamentals to establish a contract. A valid contract can be enforced by law. Below are the essential components: Agreement. All parties must agree on all major issues. This requires an offer by the offeror and an acceptance of the offer by the offeree. Consideration. A promise must be reinforced by a bargained-for consideration that is legally sufficient. Common types of consideration include real or personal property, a return promise, some act, or forbearance. Contractual capacity. The parties to a contract must have a minimum mental capacity required by law for a party who enters into a contractual agreement. Lawful object. The object of a contract must be lawful. Most contracts have a lawful object. However, contracts that have an illegal object are void and will not be enforced. A valid offer must clearly specify any term and circumstances that are pertinent to making an agreement.

The offer must only provide the recipient with a clear opportunity to accept or reject the contract. No contract can come into existence if the terms of the offer are unclear or loose and indefinite. Each proposal involves a different country. What are the particular concerns for Gloria in doing business in other countries? What contract provisions does she need to include in any business contract in order to protect her business? Gloria’s business is doing well. Expanding her business has help her open up new markets. However, the cost for the raw material has increased 200% with her current supplier. Gloria needs discipline, and that require annual budget,

spending targets and regular tracking of her sales and expenses. Some contract provisions are conditions rather than agreements. A conditional promise is not as definite as a covenant. A legal clause or condition contained within a contract that requires or prevents either one or both parties to perform a particular requirement by some specified time.

There are three types of contract provisions or conditions: Conditions precedent: in a contract, an event, which must take place before a party to a contract must perform or do their part. Conditions subsequent: refers to conditions, which occur after the creation of a contract. It refers to an incidence that terminates the duty of a party to achieve or do his/her part. Concurrent conditions: is a condition, which should occur or be performed simultaneously with another condition, the performance by each party separately, operating as a condition precedent. How can Gloria continue to protect herself and her family from personal liability if she obtains her widgets from a foreign manufacturer? Use your textbook and library references to answer these questions. Evaluate each proposal. Does it constitute an offer?

## REFERENCES

Cheeseman, Henry R. Contemporary Business Law, 8th Edition. Pearson Learning Solutions, 12/2013. VitalBook file. Nickels, B., Mchugh, J. and Mchugh, S. eds. (2012). Understanding business. 10th ed. McGraw-Hill/Irwin, pp. Chapter 1-2. Cheeseman, Henry R. Contemporary Business Law, 8th Edition. Pearson Learning Solutions, 12/2013. VitalBook file.