

Revision Summary Chapter 6

The formation of the contract

- An offer is a willingness to contract on specified terms that will become binding once accepted by the person to whom it is addressed.
- Treitel defined acceptance as 'a final and unqualified expression of assent to the terms of the offer'.¹¹³ It can be spoken, in writing, or by conduct.
- As soon as the offer is accepted and (generally) communicated, a contract is created. The requirement of communication of acceptance does not apply to unilateral contracts.
- Acceptance that varies a term of the offer or adds a new term will amount to a counter-offer. A counter-offer destroys the original offer and creates a new offer capable of acceptance by the former offeror.
- A contract will only be binding if it is sufficiently certain.
- Consideration can be simply defined as the price for which the promise of the other is bought and (unless executed by a deed) all parties to a contract are required to provide consideration.
- A contract will only be valid if both parties have an objective intention to create legal relations.
- Where the agreement is social or domestic, there is a rebuttable presumption that there is no intention to create legal relations.
- Where the agreement is commercial, there is a very strong rebuttable presumption that the agreement was intended to create legal relations.

113 . Edwin Peel , *Treitel on the Law of Contract* (14th edn, Sweet & Maxwell 2015) 19.