|  |  |
| --- | --- |
| **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** | Duress and Undue Influence |
| **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;  (C) The student is expected to explain the different capacities to contract;  (D) The student is expected to examine the concepts of consideration;  (E) The student is expected to describe defective agreements;  (F) The student is expected to describe illegal agreements; and  (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 define how duress and undue influence void a contract.   * Students will recognize when genuine assent is not present. * Students will identify the two key elements in undue influence. |
| **Rationale** | Use mediation techniques to facilitate communication between disputants, to further parties'understanding of different perspectives, and to guide parties toward mutual agreement.  Confer with disputants to clarify issues, identify underlying concerns, and develop an understanding of their respective needs and interests.  Prepare settlement agreements for disputants to sign.  Apply relevant laws, regulations, policies, or precedents to reach conclusions. |
| **Duration of Lesson** | 1 to 2 days |
| **Word Wall/Key Vocabulary**  *(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * Genuine assent ‐ agreement to enter into a contract that is evidenced by words or conduct between the parties. * Voidable ‐ a contract that can be withdrawn from because it lacks genuine agreement. * Rescission ‐ backing out of a contract by asking for the return of what you gave in the transaction and offering to give back what you have received. * Ratification ‐ conduct suggesting that you intend to be bound by a contract. * Duress ‐ using an improper threat or act to obtain an expression of agreement. * Undue influence ‐ when one party to a contract is in a position of trust and wrongfully dominates the other party. |
| **Materials/Specialized Equipment Needed** | * Construction paper * Scissors and glue * Poster board * Current Newspapers * Computers for students to complete projects * Making a Brochure: Fraud Alert Assignment Business Law ‐ Duress and Undue Influence Independent Practice Assignment #3 Rubric |
| **Anticipatory Set**  (May include pre-assessment for prior knowledge) | Ask students to give examples of individuals who are more powerful or stronger who take unfair advantage of other people. Examples might include taking unfair advantage of the elderly, uneducated, or uninformed. These situations are examples of undue influence.  Describe an info commercial to the students. Some of these advertisements are very deceptive. The price mentioned in the advertisement may be only one of several future payments for the item. Usually the advertisements are for a limited time only; however, the commercial continues for days. Shelby orders a new piece of exercise equipment advertised on television for $500.00 and charges it on her credit card. Normally this type of exercise equipment sells for $800.00 in stores. Shelby is upset when she receives her credit card bill and a charge of $780.00 for the exercise equipment. The additional $280 was for shipping and handling. This information was in fine print at the end of the advertisement on television and stated very quickly. Does Shelby suffer “caveat emptor” (let the buyer beware)? Use this case as a topic introduction. |
| **Direct Instruction \*** | **Case Scenario:** Mr. and Mrs. Brown were unfortunately killed in a serious automobile accident, leaving fourchildren, ages 16, 17, 18, and 21 years old. At the time of the parents’ death, the children became close to a family friend known as “Uncle Bill” who offered to help the children with the maintenance of the house. He also offered to keep off their property people and family members who were harassing the children and trying to take over the family because they lived in the parent’s house alone after the automobile accident. In exchange, Uncle Bill had the children sign a paper, which he called a peace bond, in his lawyer’s office. Bill explained that this document would give him the right to kick people off their property. When the lawyer tried to explain to the children, what they were signing, he was interrupted by Uncle Bill who assured the attorney that he and the children had discussed the document and they were in agreement. Later, when one of the children went to pay taxes on the property, she learned that the paper they signed was a deed transferring their property to Uncle Bill. The children filed suit to set aside the transfer, alleging undue influence. Uncle Bill claimed that the property was transferred to him because he fell and was injured while on the property and that the transfer was in settlement of his claim. The children indicated that when they signed the paper, it was blank with six lines on it. Should the court permit Uncle Bill to take the children’s property? Explain your answer.  **Answer:** No. Uncle Bill will not be allowed to take the property, and a jury must determine if there was undueinfluence on the children by Uncle Bill. Undue influence is the exercise of an improper influence over the mind and will of another to such an extent that action taken is not that of a free agent. Uncle Bill developed a relationship trusted by the children and used undue influence based upon that relationship. |
| **Guided Practice \*** | **Guided Practice**  The teacher will explain duress and undue influence. After giving students examples of undue influence and duress, break the class into teams consisting of two students. Each team must write a situation that involves undue influence or duress. Students should use the Internet to research the topic when writing their scenarios. |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | Divide the class into teams.  **Ask** students to use the Internet to research the following topics: undue influence, duress, prenuptialagreements and postnuptial agreements. Each team must report their information to the rest of the class.  **Ask** students if they think that politicians could have undue influence over other people. Then ask students togive examples of politicians who have illegally used their political clout over other individuals. What eventually happened to the politician?  **Review Cards Assignment:** Give students the following legal terms: rescind, ratification, voidable,unfair persuasion, crime, duress, mutual assent, undue influence, genuine assent, threats and alternatives. Give each student in the class a flash card with a legal term. The student must clearly write the correct definition of the term on the back of the card. Now you are ready to play the review game “Flash Word.” Each team has an equal number of cards. The team can flash a term, definition for a legal term and the opposing team must either give the correct definition for the term, or the term for the definition presented. Teams will earn one point for each correct answer.  **Review Cards Assignment:** You will receive a flash card with one of the following legal terms: rescindratification, voidable, unfair persuasion, crime, duress, mutual assent, undue influence, genuine assent, threats and alternatives. You must clearly write the correct definition of the term on the back of the card. Now you are ready to play the review game “Flash Word.” Each team has an equal number of cards. The team can flash a term or definition for a legal term and the opposing team must either give the correct definition for the term or the term for the definition presented. Teams will earn one point for each correct answer.  **Independent Practice Assignment #2**  **“What’s Your Verdict?”**  **What’s Your Verdict**? Janice and Becky both work at a popular department store. Janice found outthat Becky was stealing clothing and selling it at a discount rate to her friends. Janice approaches Becky and threatens to go to the police unless Becky shares the profits with Janice. Becky agrees, but after two months of cooperating with Janice, Becky refuses to pay Janice any more money. Janice threatens to sue Becky for breaking the contract. Does Janice have a defense?  **Independent Practice Assignment #3**  **Fraud Alert Brochure**  Design a brochure that will serve as a guide for individuals to avoid fraud, undue influence, and duress. The booklet must define each of these terms, give examples, and explain ways for individuals to protect themselves from becoming victims. The booklets should be helpful for senior citizens and others who are frequently targeted. This assignment will be evaluated using the associated rubric. |
| **Lesson Closure** | **Review**   1. List forms of legal duress. 2. These forms include threats of illegal or tortious conduct directed against a person’s immediate family, economic harm. All of these examples would result in the contract being considered voidable by the party threatened. 3. What are the key elements in undue influence? 4. The elements are a dependent relationship based on trust in, confidence in, or authority of the dominating party, and wrongful persuasion to enter into an unfair contract. 5. What occurs when one party backs out of a transaction by asking for the return of what they gave and offering to give back what they have received? 6. Rescission 7. What is ratification? 8. Ratification is conduct suggesting the intention to be bound by a contract.   **Informal Assessment**  Instructor will observe students during Independent Practice. |
| **Summative / End of Lesson Assessment \*** | **Formal Assessment**  Project #1 and project #2 assigned for Independent Practice will be evaluated for completion according to directions. Answers for project 2 must be legally correct. Use the assigned rubric to evaluate project #3 assigned for Independent Practice. |
| **References/Resources/**  **Teacher Preparation** | **References**   * 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. |
| **Recommended Strategies** | |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy**  **Presentation Slides + One Additional Technology Connection** | Instructors can use the handout, current events, the Internet, and note pages in conjunction with the following outline.   1. Genuine Assent and Duress 2. Genuine Assent ‐ true and complete agreement    1. Voidable duress, undue influence, mistake, misrepresentation, and fraud can make a contract voidable.    2. Rescission – injured party can cancel the contractual obligation and has the legal right to get back what has already been put into the contract 3. Duress – one person uses illegal apprehension and pressure when negotiating a contract    1. Threats of illegal or Tortious Conduct    2. Threats to Report Crimes – you have a commitment to report a crime    3. Threats to Sue    4. Economic Threats   Examples of duress include threats and undue influence due to financial and political stature. |
| **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**  You have learned that undue influence occurs when one party to a contract is in a position of trust and wrongfully dominates the other party. News reports frequently are full of stories where this type of case occurs ‐ an attorney or financial advisor takes unfair advantage of a client by fleecing their savings; an agent or parent misuses the funds of a minor‐age entertainer child; a caregiver convinces an elderly and possibly senile patient to sign over stocks. Find this type of case by reading magazine, newspaper, or Internet articles and answer the following questions:   * What was the relationship between the parties to the contract? * What was the evidence of unfair persuasion being claimed by the disadvantaged party? * Was the contract proven to be fair? Why or why not?   **WRITE YOUR REPRESENTATIVE IN CONGRESS**  You work at an assisted care center and have become increasing upset by individuals who take unfair advantage of the elderly. You are concerned about residents not receiving the care that has cost them a lot of money. Some insurance agents and investment representatives have befriended the residents to their financial advantage. You want Congress to pass tougher punishment laws for individuals who practice undue influence over the vulnerable elderly. Write a letter to state your concern and a suggested plan of action for your representative in Congress. |
| **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)