This chapter analyses the key elements traditionally required for the formation of a bilateral contract. Contracts are bargains. The natural way to make a bargain is for one side to propose the terms and the other to agree to them. So contracts are almost invariably made by a process of offer and acceptance. However, the lack of offer and acceptance does not necessarily preclude the existence of a contract, if a bargain can be discerned from the facts in some other way. The chapter begins by explaining what constitutes an offer, and discusses various common scenarios. It then examines the requirements of acceptance, since this is what is required for a contract to be concluded. It considers the possibilities that an offer might be revoked by the offeror; or rejected by the offeree; or the offeree might ask for further information; or the offer might lapse.
3. Formation of bilateral contracts