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Investigating the Effects and Credibility of Permissible Contracts' Dissolution Condition in Iran's Laws

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Abstract: *Contracts are sometimes dissolved for numerous reasons. Dissolving condition is a reason of contracts' dissolution. Based thereon, the parties set as a condition that the contract is revoked when a certain thing occurs or when a certain action is done or left undone. In this case, the actualization of the pending condition provides for the contract cancellation. The revocation cause is volitional in these cases but it appears in an obligatory form resultantly. There are doubts regarding the accuracy of dissolving condition the accuracy of which can be concluded based on the principle of authenticity, famous prophetic HADITH and narratives pertinent to conditional sales. The term of the dissolving condition should be clear and specified. Moreover, it is not possible to insert it in all contracts. The parties should avoid doing anything contradicting the other party's rights during the period of time the dissolving condition holds. In Iran's laws, article 264 of civil law expresses the means of obligations' termination but it has not made any reference to the cancellation condition while paragraph 8 of article 1334 of France's civil law points out this provision as a means of obligations' termination and, apparently, the aforesaid article, has been the source of Iranian civil law compilers in codification of article 264 of civil law.*

Keywords: *Revocation, Rescission, Permissible Contract, Dissolving Condition, Contract Dissolution*

INTRODUCTION

Since the time mankind started living in societies, he engaged in transaction and dealing with others for the elimination of his needs and supplying of his life needs. Transactions underwent variegation and evolution in keeping pace with the change in the other life aspects and parallel to the change and proliferation of the human needs following which various sorts of contracts and obligations came about. After a contract is signed, each party is required and bound to the contents thereof and s/he cannot willingly relieve himself or herself from the resulting obligations so that the other party might ensure that s/he will achieve the outcomes and interests of the contract. This necessity is interpreted as the "requirement axiom" and it dates back to long ago and it has also been reflected in jurisprudential texts. In Iran's laws with its huge and rich jurisprudential background, as well, it is amongst the important and essential axioms governing the transactions and contracts. In line with this, the contract dissolution effects and verdicts are inter alia the topics with such problems.

The contract ceases striving with its being dissolved by means of a revoking tool (revocation, rescission and annulment) meaning that the contract that enjoyed a credible existence and possessed certain outcomes

before dissolution loses its authenticity afterwards and it is evident that it becomes devoid of any effect, as well.

1. Revocation Conceptualization:

Revocation means dissolution or termination of transaction, whether spontaneously or obligatorily, and the source of such dissolution is either agreed a priori by the parties within the format of a contract or ruled by law such as when the parties set it as a condition in the contract that if, saying, the price of dealing is not paid till a certain time then the transaction will be automatically revoked. In other words, any sort of compulsory and involuntary dissolution of contract is called revocation such as the death of a lawyer after an agency contract was signed that causes the compulsory dissolution thereof and/or when it is set as a condition in a binding contract that the contract is revoked if the transaction price cheque is returned in which case the contract is annulled with no will of the parties as soon as the cheque is returned. The condition that provides for compulsory dissolution of contract is called the "dissolving condition" (Katouziyan, 1990, 5: 117).

In comparison to cancellation and rescission, revocation has been less attended to by the jurisprudents and jurists. An explicit reference to revocation is also missing from the civil law but article 954 of the civil law provides for an inference thereof: "all of the permissible contracts are revoked by the death of any of the parties and also by the incapacitation of any of the parties due to insanity in cases that growth is a prerequisite to the contract". Furthermore, unlike rescission and cancellation option and cancellation right, revocation applies to both binding and permissible contracts.

1.1. The Nature of Revocation:

The nature of revocation might be perhaps not as popular as that of cancellation right and, if used in a transaction, a non-jurist person might not be able to distinguish the different effects of it from those of the cancellation right. This is probably due to its large deal of similarity to cancellation. Undoubtedly and considering the texted cases of options, cancellation should be justified as having an independent nature in line with the governance of article 10 of civil law (Katouziyan, 1990, 5: 14).

1.2. Law-Induced Revocation:

Civil law points to the law-induced revocation in numerous cases, including the one in which the contract is dissolved when the ownership subject is wasted in commutative contracts. It has been stipulated in articles 387, 483, 481, 527 and 545 in various cases including in permissible contracts in case of a party's death or incapacitation following which the contract is dissolved. In this regard, it is specified in civil law in article 954 that "all of the permissible contracts are revoked by the death of a party as well as by incapacitation of a party in cases that growth is a prerequisite thereto". Of course, in this article, there is only made reference to death and insaneness but, according to the other cases like paragraph 1 of article 551 and article 678 of civil law, dementia is also a case of permissible contract revocation (Katouziyan, 1995, 1: 256).

Also, a marriage contract is revoked when a husband curses his wife because the husband does not intend dissolving the marriage contract but, the marriage contract is dissolved by the law (canonical ruler) and this has been pointed out in articles 882 and 1052. Besides cursing of the couples, blasphemy also causes the revocation of the marriage contract. According to article 1059 of the civil law, the marriage of a Muslim woman to a non-Muslim man is not permissible. In case that the woman and the husband are both Muslims and the husband becomes a Kaffir after marriage contract or in case that the husband and the wife are both Kaffirs and the wife becomes a Muslim while the husband remains in his blasphemy, the marriage contract is revoked (Katouziyan, 1995, 1: 258).

2. Rescission:

In the beginning of the Islamic period, although the prevalence of rescission in transactions can be perceived from some narrations, in the prophetic tradition, the verdicts related thereto are not extensively dealt with. There are numerous narrations regarding the recommendation of rescission. It has been found by some related to sale of the constructed edifices and to preemption right by some others. Since rescission is not

specific to any certain contract and it holds for the majority of the contracts and because it is substantially applicable to sale contracts, the majority of the jurisprudents generally mention it as being relevant to the rest of the topics on sales but the truth is that it has to be considered apart from sale in an independent chapter because the same way it is not specific solely to preemption it cannot be specific to sales, as well (Najafi, 1983, 24: 357).

Imam Khomeini (may Allah sanctify the honorable soil of his tomb), in Tahrir Al-Wasileh, believes that rescission is not specific to sale rather it holds in all of the contracts (binding and permissible), except in marriage contracts. The use of the term contract in the statement by Imam Khomeini (may Allah consecrate the honorable soil of his tomb) is questionable as to whether his highness knows rescission allowable in permissible contracts or not? This needs to be investigated further.

2.1. The Nature of Rescission from the Perspective of Jurisprudents:

1) Maleki jurisprudents know rescission as a sort of "new sale" to which sales verdicts apply; in their opinions, the contract parties sign a new contract in rescission the same way they sign a contract based on agreement based on which the price should be returned to the customer and the sale object should be transferred to the seller and, since rescission is considered as a new contract, then, all the conditions and characteristics that are required for a contract, should be observed and rescission is subject to all the effects of a contract; hence, from the perspective of Maleki jurisprudents, rescission is the reaching of an agreement by both of the parties for transferring a property for a certain exchange (Tusi, 1987, 3: 205).
2) Emamiyyeh and Shafe'eiyyeh jurisprudents know rescission as an absolute revocation of sale contract both in respect to the transacting parties and third parties (Tusi, 1987, 3: 118).

2.2. The Reasons for Rescission's Being of a Revocation Nature:

The most important reasons posited by Emamiyyeh and Shafe'eiyeh and Hanbaleh indicating the rescission's being of a revocation nature are listed below:

Literally, rescission means revocation of transaction not the signing of a new contract.

A) If attention is paid to the intentions of the two parties of a contract, it can be understood that they tend to dissolve and terminate the contract and not to create and compose a new contract and the intention of the two parties of a transaction should be taken into account for perceiving the nature of a legal action; because, it is the two parties' intentions that specifies the nature of a legal action. So, if the rescission is considered as a sale contract, it holds for persons other than the seller as well as for things other than the price of rescission for the other parties (Ja'afari Langarudi, 1991, 3: 101).
B) There is no need for a special expression in actualization of rescission and it is objectified by any word implying the revocation while there is a need for the expression of certain words for the actualization of sale.
C) It is generally agreed as a precondition to rescission that the price should not be smaller or larger than what has been set in the primary transaction while there is no fault in specifying lower or higher prices in case of rescission being considered as a new sale and not of a revocation nature (Mohaqqeq Korki, 1989, 1: 187).

2.3. The Nature of Rescission in Iran's Civil Law:

Iran's civil law proposes rescission as a means of obligations' termination. Article 264 of civil law stipulates that "obligations are terminated by any of the following ways:

1) Non-performance
2) Rescission
3) Exemption
4) Obligation conversion
5) Bargain
6) Taking possession of the promised item".

In criticizing the article, it has to be stated that the termination of obligation is intended in the title of the aforesaid article and the cases of obligation termination, mentioned in the article, have their own specific meanings, except for rescission which is more general. In this regard, one of the jurists writes that "rescission should not be considered as means of obligation termination. Rescission is the means of contract dissolution and revocation and this primary effect is subsequently becoming occasionally the means of obligation termination. So, such an extensive provision should not be used in such a limited position (the cause of contract annulment), especially because the majority of the rescission cases do not annul a contract" (Najafi, 1983, 24: 353).

All of the jurists' state in justifying the article that "this way, the innovation of the civil law compilers in specifying the position of rescission, does not seem justifiable unless it has been taken by them as meaning shouldering of responsibility and synonymous to a contract".

The contract parties can revoke a contract and rescind it the same way they conclude one based on agreement; article 283 of civil law states that "After transaction, the parties can rescind or revoke the contract based on agreements". According to the article, it becomes clear that rescission is not a new transaction rather it dissolves and prevents the continuation of the effects of a contract that has been previously signed by the parties; therefore, civil law, following the lead of Emamiyyeh jurisprudents, knows rescission as the revocation of sales that "is more consistent with the governance of volition and the necessity of following the parties' wants" (Katouziyan, 2001, 3: 312).

Thus, according to the abovementioned explanations, it has to be stated that rescission is a legal action taking place by the parties' agreement and aiming at dissolution of contract and restoration to a prior state. Although article 264 of civil law pinpoints rescission as an obligation termination case and an obligation can be revoked by rescission, it is the cause of a contract annulment and dissolution and it is not directly related to obligation rather it renders devoid of effect the contract that is regarded as the source of obligation following which the obligations are waivered while, in other cases of revocation means, commitment and requirement is eliminated and the source and origin of commitment remains in force; therefore, rescission should be naturally known as means of contract dissolution and its domain should not be limited to obligation termination (Taheri, 1997, 4: 254).

3. Revocation of Permissible Contracts:

Article 186 stipulates that "permissible contract is the one in which each party can revoke it whenever s/he wishes so" (Civil law, 1991).

To revoke a contract, the parties do not need to have a reason. Unlike binding contracts, permissible contracts, as ruled in article 954 of civil law, are revoked by the death or insanity of a party as well as by the dementia of each in cases that growth is a precondition to the contract (civil law, 1991).

The permissible contracts can be rendered irrevocable via its insertion in a binding contract in the form of a proviso of a type in which case each party against whom the condition is being set cannot revoke the contract as long as the binding contract holds but the other party with whose request the proviso of a binding condition has been made, to wit the party in whose favor the condition is being set, can at any time refrain the condition and dissolve the contract. But, if the permissible contract is inserted by the want and in favor of both parties within the format of a binding proviso, none can revoke the contract unless by the agreement of them both because the aforementioned condition has been set to the benefit of both of them in the contract (Faiz, 2008, 19: 23).

It has to be added that the permissible contract inserted in a binding contract is revoked by the death or insanity of any party and dementia of a party in certain cases.

3.1. Solidification of a Proviso in a Permissible Contract:

Solidification of a conditional contract in terms of authenticity is the necessitation of its own credibility and the stabilization of the proviso set therein. In other words, the credibility and solidification are closely interlaced with the necessity and permissibility of the contract. If the conditional contract is of a binding contract type, the proviso subsequently remains following the case of the contract and till the time that the contract is authentic and is not disordered by rescission or an option of a type and the person against

whom the proviso is being set is bound to stay committed thereto. But, if the primary contracts take the form of a permissible contract of a type, the proviso cannot exceed in its duration beyond the term thereof because each party can revoke the permissible contract at any time s/he wishes so (arti9cle 186 of civil law). Now, if agency, as a permissible contract, is set as a proviso in a permissible contract and takes the form of an in-contract condition, the agency holds as long as the conditioned permissible contract has not been revoked and it is not revocable till then. But, because the permissible contract cannot be easily revoked, the agency contract is restored to its preliminary state by doing so, to wit revocation of conditional contract, hence it becomes revocable. It has to be mentioned that the permissible contracts, as well, enjoy the principle of contracts' necessity and the obliged is required to fulfill certain duty and the committed person in a permissible contract cannot revoke the agency contract before the revocation of the permissible contract rather s/he is required to firstly revoke the conditional contract and then take steps towards revoking the agency contract and one cannot keep the permissible contract and revoke the condition (Emami, 1985, 1: 208).

3.2. Kinds of Proviso in Permissible Contracts:

Agency contract can be set as a condition in the form of an advocacy, non-deposition and non-resignation in a permissible contract. Each of these conditions might take the form of action or result and they may even be conditions in favor of any of the parties or both or the third parties and, as it was mentioned in the apportionment of the binding contract conditions, agreement can be reached regarding the annulment or delegation of the right to perform the agency subject. Or, the parties can keep a silent position in this regard. However, the verdicts of these presumptions are the same as what was mentioned in the first chapter with the difference being that permissible conditional contracts can be readily revoked. Thus, disregarding the form of the contract and the quality of agreement reached by the parties within a permissible contract, that is subjectively discussed herein, the result would not be that attained in non-deposable agency in substantive and practical terms and the violator can have his or her goal achieved via revoking the permissible contract (Emami, 1985, 1: 218).

3.3. The Fate of the Revoked Rights Following Permissible Contract Annulment:

As it was mentioned, the permissible conditional contract (agency contract) can be revoked. The question that is raised in regard of this assumption is that whether the permissible contract resiles to its prior state after revocation of contract and does the person against whom the condition is being set acquire his or her right of deposition or resignation in a case-specific manner or not? The answer is yes. That is because such a permissible contract as agency acquires a relative credibility by the virtue of conditional permissible contract and enjoys the "originality of necessity" till the revocation date and the permissible contract creates an impediment to the use of revocation right as long as it holds and, now, that the conditional contract is being annulled and the impediment is being removed, the prohibited condition is released. Some professors, as well, know the necessity of condition as suspended on the necessity of contract (Ibid).

Another question is that is a right of a type restored when the revocation right of an agency is annulled following the revocation of a permissible contract? It might be said that this is like the previous presumption and the prohibited right is restored following the elimination of the barrier but, in this latter assumption, the right is revoked and considered as totally lost hence non-restorable while, in the previous presumption, the right is not revoked rather the permissible contract acted as a barrier to the investment of right. Of course, this primary point has to be considered that what the parties have agreed on? Have they agreed the non-usability of the right and know the permissible contract as barring it from being restored or have they agreed on the divestment of the right following which the subject of agency is to be also considered vindicated or delegated. The principle of volitional governance holds that the agreement of the parties, in a way or another, rules and their wills, as stated explicitly in the contract, governs the

conditions; in case of doubt, the right is divested and the parties' agreement should be taken as indicating the former case (Mamaghani, 1937, 1: 297).

4. The Realm of the Dissolving condition:

The dissolving condition can be applied, besides to the sales contract, to the other possessory contracts such as peace, exchanging donations, oblation or any other title. Due to the same reason, the jurists recall it as "contract with restitution right" so that it can incorporate other transactions, as well. The jurisprudents have categorized the legal actions into three sets in terms of the capability of options (Faiz, 2008, 19: 136).

A) Some transactions are irrevocable like marriage, endowments, exemptions, divorcement and emancipation. Therefore, the dissolving condition cannot be taken into consideration in them (Kolaini, 1986, 8: 96).

B) Some contracts are permissible and revocable such as agency, borrowing, bailing and donation. The mentioning of dissolving condition in these contracts is useless for their being permissible and returnable. Some believe that the dissolving condition is authorized in all transactions except marriage, donation, exemption, divorcement and emancipation (Najafi, 1983, 4: 568).

C) There is a discrepancy between the jurisprudents in regard of dissolving condition in such other contracts as settlement, sale, rent and the other commutative contracts. Finally, sheikh Ansari knows commutative contracts as capable of being conditioned and finds commutative contracts as not fitting conditionalization. This idea of the sheikh can be criticized in that he seems to have realized conditionalization limited to the returning of the exchanged items while dissolving condition does not solely signify the returning of the transaction price and the parties can set doing or leaving undone of an action as the dissolving condition (Shahid Sani, 1989, 2: 260). Nowadays, lack of making the payment or lack of proving presence in a notary public office and other conditions of the type are set as dissolving conditions. Of course, sheikh Ansari does not intend it to be the returning of the price because the conditional sale is a type of sale wherein the exchange of the sale subject is made conditional to the payment of the price otherwise such conditions are correct and indispensable in terms of the jurisprudential principles and regulations (Shahid Sani, 1989, 2: 266).

4.1. The Legal Nature of Dissolving condition:

There are discrepancies regarding the dissolving condition as to whether it is suspending of a transaction to the performing or non-performing of an action or it is a conditional option conditioned to the doing or leaving undone of an action? To further analyze the issue, the probabilities and aspects posable in this regard are pointed out below (Ameli, 1998, 5: 145):

1) Option cancellation right is pendent over returning of the price to the customer. The option is suspended in this assumption and it does not exist before the condition on which it is suspended is obtained and the option is always independent of the contract. Such an opinion entails accepting option suspension because the option is not created by only setting of a condition in practical and definite form rather it is obtained in a suspended and potential form (Ansari, 1990, 6: 89).

2) As for the topic discussed herein, i.e. dissolving condition, the parties intend specification of revocation right but the enforcement of such a right is made dependent on an incident. In other words, the intended is suspended here and the intention is specified. But, if the parties make the composition of revocation suspended on the doing or leaving undone of a certain action, the condition is invalid for the suspension of composition. The idea holds where the parties intend the expression of such an agreement. As a specimen, if the parties state in a contract of sale that "I have the right to revoke the contract if you do not attend the notary public office", the revocation right is considered suspended meaning that the option is per se composed in a pending manner to

the presence of a party in a formal notary public office in which case composition of revocation is invalid (Ansari, 1990, 6: 101).

3) Returning of the price as the dissolving condition: according to this aspect, revocation is composed in the course of contract conclusion and the returning of price is set as the automatic revocation of the contract. The contract is annulled by revocation. Mohaqqeq Khou'ei states that "this aspect is not contradictory to the other aspects". In his mind, "the fourth aspect of this discussion that knows the optional sale revocable like the other aspects thereof is identical to the other aspects; but, its substantial difference with the other aspects is that all three previous aspects know revocation composition right suspended on the returning of the price" (Mohaqqeq Korki, 1993, 4: 292).

4.2. Legal Effect of Dissolving condition:

As for the nature of the composition of dissolving condition, some jurisprudents know the foresaid condition as being invalid and invalidating the contract (Sabzevari, 2015, 2: 44). In their ideas, there is either of the following states in sale contracts conditioned to the contract revocation by the returning of the price:

1) Contract Revocation without Revocation Composition:

2) Causality of Contract Existence Implying its Absence.

If by condition, the exclusive effect of achieving the dissolving condition to which the contract is suspended, to wit the returning of the price, is intended, the aforesaid revocation lacks the canonical cause and because the contract dissolution and ownership conveyance from the seller to the buyer has been predicted without composing a dissolving condition and a canonical cause, this dissolving condition is hence in opposition to the holy Quran and condemned to invalidity (Taheri, 1997, 3: 263). If the intention in the insertion of the aforementioned condition in the course of concluding a contract is composing revocation suspended on the returning of price along with the conclusion of the contract in whole, the condition set in the course of contract conclusion causes the revocation of the contract since the time it is composed. Therefore, there is no such a thing as sale so that its revocation can be conditioned to the returning of price. In other words, composing the contract revocation is in conflict with the contract itself and this conflict causes the contract and the condition to be both vindicated. Some others of business expositors announce the aforesaid condition and contract as authentic and state, in proving this idea, that: the composition of revocation is the very volition of the parties at composing in-contract proviso. Thus, returning of the price does not cause revocation. The revocation cause is to be agreed during the course of contract conclusion and the condition, in regard of price, is as ruled by the revocation principles. It seems that the contract dissolving condition via returning of the price might be inserted in a contract without any of these two aforesaid objections (Kolaini, 1986, 8: 116). First of all, by inserting the dissolving condition in the course of contract conclusion, it cannot be anymore stated that the revocation concept has not been composed at all rather it is stated implicitly. Secondly, a contract is to be only composed in definitive terms.

A) Vienna's 1980 Convention on the International Sales of Goods: corresponding to Act 25 pf the convention, essential flaws provide for the contract revocation and the seller's release of the contractual obligations and this is considered as a condition giving rise to contract vindication and loss compensation claims. The criterion in essential defectiveness is the sustaining of damage (loss), of course, not the loss in real terms rather in its extended sense (legal damage) meaning loss of anything over which a person has right and doing a thing over which a person does not have the right (Darabpour, 1995, 15: 203). Customer, as well, does not have the right to withdraw making transaction payment because doing so deprives the seller of the thing s/he deserves. As ruled in article 26, sending of a revocation declaration suffices the vindication of contract. Therefore, if the announcement can be omitted by the contract and if the dissolving condition can be predicted by the contract, it can be stated that the dissolving condition is the one accepted by

the convention. The revocation regulations have been stated in articles 49 and 64 of the civil law. Article 64 puts forth the revocation resulting from failure in paying the transaction price and insisting thereon by requesting extra respite.

Based on this statutory provision, buyer's default in making the transaction price payment provides the seller with the right to revoke. Of course, the revocation right should be declared. However, convention system is in such a way that the contract violation (including default in paying the price) causes the enforcement and creation of revocation right and demanding of compensation by the seller. These regulations satisfy the seller's need of specifying dissolving condition to a large extent. Although the mere violation of the contract does not cause the automatic vindication of the contract, the parties to a contract can, based on article 6 of the convention, make agreements unlike what has been specified in the conditions and they can also set it as a condition that the lack of paying the transaction price at a due data provides for the automatic revocation of the contract (Ibid). It has to be pointed out that the revocation right stemming from contract violation does not bar one from demanding the objective fulfillment of the contract (Darabpour, 1995, 15: 203).

B) France's Law: the dissolving condition, as ruled in article 1234 of France's civil law, is a means of obligation termination. In fact, the dissolving condition has been specified in this article of the same rank of rescission and it seems that the French legislator, like the fifth aspect of jurisprudential statements, realizes agreement on vindication as a sort of suspended rescission with the difference being that revocation causes the invalidation of contract in France's laws butit causes the dissolution thereof in Islamic jurisprudence. There are both judicial and consensual revocation in the laws of this country and, this way, the seller's rights have been safeguarded against the buyer .

C) Iran's Law: sales are possessory contracts in Iran's legal system. Judicial revocation is missing from Iran's laws and the court's sentences are indicative of the large number of the contracts' revocation. The principle of such contract's being of required and possessory nature has overshadowed the transaction system to the extent that seller is not given an opportunity against a violating buyer (Katouziyan, 1995, 1: 249). Such an option as price deferral pertains to the present sales and it is of no use in forward sales while the common problem of the society is the buyer's violations in long-termed and installment sales. Therefore, the insertion of dissolving condition in future transactions is of a great importance. Jurists have performed considerable analysis regarding the nature of this condition. The jurists' notions can be summarized as below:

   1) Unlike in France's laws that the contract invalidation is suspended on a certain dissolving condition the occurrence of which renders all contract outcomes ineffective, the suspension of invalidation is not drawn on jurisprudential and legal premises in Iran's laws and the thing that is intended by the jurisprudents and jurists is the suspension of contract dissolution not the suspension of invalidation (Shahidi, 32).
   2) Dissolving condition has been realized as an independent provision by some jurists who assess it corresponding to general rules and the nature of contract. Dissolving condition is effective in contract dissolution wherever rescission is effective (Katouziyan, 2003, 5: 161). Of course, these same jurists believe that in case of dissolving condition being suspended on the occurrence of a certain incident at the discretion of a party, it is very much close to condition option (Ja'afari Langarudi, 2009, 3: 130).

5. Conditions of Contract Dissolution:

Dissolution means disintegration of a contract and preventing it from continuation and persistence followed by its loss of its existential credibility the legal effects of which take different forms. Dissolution is a general concept and a contract is deemed dissolved in any form that the ground is set for its being stripped of its

credibility following which its legal outcomes cease from taking effect and it does not matter if it is a binding or permissible contract, promissory or possessory contract, commutative or non-commutative contract or signed by real or legal persons (Shahidi, 2007, 1: 315).

5.1. Forms of Dissolution:

The dissolution of any contract takes different forms, including the followings:

1) Revocation
2) Natural Cancellation
3) Mutual Vindication
4) Rescission
5) Term expiration
6) Giving up of the remaining period (husband's refrainment of taking pleasure in the wife for the remaining period in temporary marriage)
7) Death of a contract party (in such permissible contracts as agency)
8) Factiousness of the contract
9) Void contract

5.2. The Difference between Contract Invalidation and Dissolution:

Invalidation is an example of contract dissolution. It is sometimes the case that the contract is divided into two separate contracts by virtue of its subject such as the option of partial authenticity of sales contract in which case the sales object transaction is invalid in parts respect to certain aspects and valid in parts in respect to some other aspects. In such sales contracts, the buyer can deny making payment for the sale object in whole or accept the sale by subtracting the price for the part the transaction of which is valid. The contract dissolution can be administrative like the use of revocation right in binding contracts and/or compulsory like the death of a party in such permissible contracts as agency (Emami, 1985, 1: 93).

5.3. The Difference Between Revocation and Rescission:

Revocation is the right of withdrawing from a contract that has authentically taken place hence indispensable such as sale, rent, exchange of goods, hiring individuals, mortgage, lending and so forth. Revocation applies to the binding and permissible contracts but rescission and mutual cancellation and legal options like option of defection, option of loss and option of condition violation cannot be applied in permissible contracts (Mamaghani, 1937, 1: 348). The revocation right can be inserted by the will and agreement of the parties in binding contracts after which it is to be called optional contract and a contract can be signed by the annulment of all the option in which case the revocation right is to be ruled by the law and the revocation causes of such a contract are called legal options. The possessor of revocation right is the person who can refer to the judicial authorities and demand revocation of a binding contract or transaction but any beneficiary can request the invalidation in case of a void contract whether be it in conflict to the society's public order or be it featuring an aspect opposed to the public interests of the society (Shahidi, 2007, 1: 403). To revoke any binding contract, an ordinance should be issued by a judicial authority (judge). Before any measure, the judicial authority should verify the dissolving conditions in the articles stipulated in the contract because it is often the case that the possessor of a revocation right, such as the option of price deferral or option of loss, imagines that s/he can end the contract based on such a reason as delay in price payment but the judicial authority happens not to verify such a cause hence rule the authenticity of the contract (Katouziyan, 2001, 2: 492).

Note 1: unenforceable contracts cannot be revoked because they are defective in parts. Therefore, such a contract should be firstly completed by means of delegation and then demanded for revocation and/or rejection. The revocation right can be obtained by the parties' will and/or by law and based on a judge's sentence. The revocation right granted based on the contracting parties or transacting parties' will comes about under the title of the option of condition and/or condition of option at the same time with the occurrence of the contract but there are some legal options that are obtained after the conclusion of a

contract and find it opportunistic to be developed such as the option of price deferral and the option of condition violation (Kolaini, 1986, 8: 204).

Note 2: the transacting parties might set it as a proviso during the conclusion of the contract that the seller or the buyer or both or the other parties (third or external) be granted the revocation right for a given period of time. The noteworthy point is that some transacting parties imagine that no condition should be set in contract of sale because it (setting of condition) provides for the dissolution, weakening and/or revoking of the contract and, of course, this idea is both wrong and right! This is the point that has to be taken into consideration (Kolaini, 1986, 8: 354) that no invalid and void condition should be set in a contract because doing so provides for the invalidation and revocation of contracts but the mentioning and insertion of correct and legal conditions does not cause any flaw and shakiness in the contract. The other issue is that there is a need for specifying a certain period of time when determining and agreeing on the correct and authentic conditions. The conditions that cause invalidation of the contract are:

1) Setting conditions against the expediency of contract: it incorporates the condition set against and contradictory to the contract in its essence such as when, in a renting contract, the tenant is not granted the right to reside and/or take advantage of the rented object and/or when, in a mortgage contract, the mortgagee is not granted the right to sell the mortgaged object in case of the mortgager's failure in fulfilling his or her duties. In other words, the effect constituting the primary goal of contract such as transferring of the sale item and price as the essential goal of a contract of sale is barred from coming about (Sabzevari, 2015, 7: 384).
2) An uncertain condition the ignorance of which causes the negligence of parties in respect to the exchanged items; it is the condition the subject of which is unknown such as when it is set as a condition in a sale contract that the customer should make the payment after returning from a pilgrimage to Mecca during the year following the conclusion of the contract. Here, because the return data is not known, it is evident that the date of the price payment becomes uncertain, as well, and such a condition provides for the dissolution and invalidation of contract (Sabzevari, 2015, 7: 387).
3) When a condition set in the course of contract conclusion is of a characteristic type and it becomes clear that it does not exist, the beneficiary is granted the right to revoke the transaction: it means that when each contracting party promises the existence of a certain characteristic in the subject of transaction, the subject and the item of the transaction should definitely match the characteristic being specified and even when a property or a thing is sold for a certain area and it becomes clear later on that the sold land does not feature the specified area, whether be it larger or smaller than what has been specified, the other party is given the revocation option. It is well clear that in case of the land being smaller in area than what has been specified, the customer is granted the right to revoke the contract; as for the larger areas, the seller should be granted the revocation right. Even if the sale item is promised to be similar to a sample, the entire sale object has to be offered corresponding to the sample otherwise the customer has the right to revoke the contract (Kolaini, 1986, 8: 375).
4) Void condition: insertion of void conditions in contracts is generalized to the credibility of them following which they are rendered invalid and revoked (Shahidi, 2007, 4: 117). The following conditions are considered void:
    A) Conditions the fulfilment of which is impossible;
    B) Conditions the setting of which does not have any advantage (value)
    C) Illegitimate conditions

Conclusion:

The study and the basics of dissolving condition indicates that such dissolving conditions as rescission are laid on the foundation of the governance of the parties' volition and it is this same common premise that makes their realms overlap in such a way that the dissolving condition is devoid of effect wherever rescission is not effective in dissolution such as in marriage and endowment that when the influence of rescission is an area of discrepancy, the influence of the dissolving condition is also doubted as an example of which the case of a third party and surety can be pointed out. This same common premise and territory makes the dissolving condition become a sort of suspended rescission in terms of legal nature that is composed at the same time with the contract itself but its effect is postponed to the time when another issue is actualized. Although the dissolving condition can be justified according to the extent of article 10 of civil law, the investigation of the dissolving condition indicates that the cancellation of a transaction by this condition is postponed to a time in future but this does not impede the parties' agreement on the specification of the condition's effectiveness since the commencement of the contract and in respect to a past incident. A group believes that the civil law absolutely invalidates any suspension in a contract and the ones holding a second idea do not accept the invalidity of the suspended contract except in cases that it is explicitly considered so in the law hence the rest are envisaged authentic by them.

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