

The Effect of the Dissolution of the Principal Contract on Its Dependent Contracts in Imami Jurisprudence and Iranian Law

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Abstract

This study examines the effect of the dissolution of a principal contract on its dependent contracts within Imami jurisprudence and Iranian law. The central issue arises when the principal contract (such as a sales contract) is dissolved due to the realization of a condition subsequent or the exercise of the option of termination arising from breach of condition, while prior to dissolution, the subject matter of the transaction has been transferred to third parties. Using a descriptive-analytical method and library-based research, the findings indicate that the governing rule is not absolute and depends on the nature of the cause of dissolution. The Uniform Judicial Precedent No. 810 of the Supreme Court of Iran serves as the focal point of the analysis and confirms that in contractual options (*khiyārāt*), the dissolution of the principal contract extends to dependent contracts, enabling the original owner to reclaim the property from any possessor. This is because the first buyer's ownership was unstable and conditional upon the non-occurrence of the condition of termination. Conversely, this effect does not apply to statutory options. Moreover, the effect of dissolution is prospective and does not retroactively extend to the past. By examining the foundations of this distinction, the article emphasizes the necessity of greater clarity in the Civil Code and enhanced public legal awareness.

Keywords: Dissolution of the principal contract, dependent contracts, option for breach of condition, condition subsequent, Imami jurisprudence, Uniform Judicial Precedent No. 810

Received: 07 August 2025

Revised: 15 December 2025

Accepted: 23 December 2025

Initial Publication 24 December 2025

Final Publication 01 September 2026



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Citation: Bagheri, M., Molai Kandelos, F., & Karimpour Alehashem, S. M. T. (2026). The Effect of the Dissolution of the Principal Contract on Its Dependent Contracts in Imami Jurisprudence and Iranian Law. *Legal Studies in Digital Age*, 5(3), 1-9.

1. Introduction

As humanity advances in the fields of progress, technology, and the conquest of the unknown, the complexity of human interactions and obligations also increases. Without exaggeration, it can be said that every individual in society lives within a dense web of legal acts and obligations, which expands daily. Therefore, the law, as a system of rules governing life, must

regulate these relationships and obligations—an aim achievable only through the accurate and proper performance of such obligations. Any disruption or delay in this regard becomes the source of numerous legal disputes ([Kātūzīān, 1997](#)).

Among the most important and common covenants concluded between individuals throughout history are contracts and conditions. A condition, like a contract, takes diverse forms and arises in many configurations. Natural and legal persons frequently encounter conditions in their contractual dealings. Conditions play significant roles not only in domestic legal relations but also in international agreements and have undergone various transformations over time. One of the conditions increasingly used today is the *condition subsequent*, which may be incorporated not only into traditional nominate contracts such as sale and lease but also into modern, innominate contracts, where it can perform a decisive function. Despite its widespread use, the condition subsequent has not been independently examined as a distinct subject in Iranian law ([Khumaynī, 2013](#)).

Today, it is common for most sales contracts—especially real estate transactions—to be conducted on credit, with at least part of the price payable at the time of executing the final notarized transfer deed. The usual instrument for fulfilling such financial obligations is the bank check. Buyers issue several checks to the seller and undertake to ensure their payment on the designated dates. To safeguard the seller against potential issues—such as difficulties in recovering the price, the buyer's insolvency, inaccessibility of the buyer's property, depreciation of the national currency, or increasing real estate values—sellers often stipulate within the sale contract that, if any installment of the price remains unpaid, they may terminate the contract, or the contract will automatically dissolve. Accordingly, such a condition may appear in two forms: (1) an affirmative condition requiring the buyer to pay the installments on time, the breach of which gives rise to the option of termination; or (2) a condition subsequent producing automatic dissolution of the contract upon non-payment ([Anṣārī, 2001](#)).

The central question is whether the legal justification for undoing the contract rests on the option for breach of condition or the condition subsequent. Within Imami jurisprudence—which forms the foundation of the Civil Code concerning sale and options—scholars hold differing views ([Muhaqqiq Hillī, 1972](#); [Najafī, 1988](#)). Moreover, the Civil Code itself follows no single, unified approach. On the one hand, Articles 454 and 455 indicate that termination of the initial contract does not automatically dissolve subsequent contracts. On the other hand, Articles 460 and 500 suggest that in a conditional sale—a type of option contract—the buyer lacks the authority to dispose of the property during the seller's option period, and upon dissolution of the conditional sale, the buyer's dispositions become ineffective ([Ja'farī Langarūdī, 2007](#)).

A further issue arises because although the stipulated condition protects the seller's interests, it may harm third parties. It is possible that, after conclusion of the principal sale and before any delay in the buyer's payment obligations, the buyer transfers the property to another person. The asset may change hands multiple times, and then, due to non-payment of one installment, the seller terminates the original contract or the contract dissolves automatically. In this situation, it must be determined whether the termination or dissolution of the first contract affects subsequent contracts: do these later transfers remain valid, or do they also become void or dissolved upon the undoing of the primary contract?

To clarify, imagine that a property owner sells an apartment to Buyer A, who issues several checks as the price. Before these checks are honored, Buyer A sells the property to Buyer B. Under the option for breach of condition, Buyer A would be obliged to return the property to the original seller. According to Uniform Judicial Precedent No. 810 of the Supreme Court of Iran, concerning restitution of the sold item to the seller due to non-payment of the price, even where the property has been transferred to others, the seller retains the right to reclaim it ([Supreme Court of Iran, 2021](#)). Although a sale is inherently a proprietary contract that immediately transfers ownership to the buyer, such ownership may be rendered unstable or conditional where the parties have attached certain conditions. In such cases, once breach is proven, the option of termination becomes exercisable, because in the option for breach of condition, the presumption is that the obligor fails to honor the obligation, compulsion is not feasible, and no alternative remedy is available. Hence, the beneficiary of the condition gains the right to terminate the contract ([Shahīd Thānī, 1992](#)).

As is apparent, considerable ambiguity exists regarding the effects of the option clause and the condition subsequent. As a general rule, the mere existence of an option does not prohibit the buyer from transferring the subject matter, a principle reflected in Article 363 of the Civil Code. However, distinctions must be made. In the option of condition, the buyer does not possess an unrestricted right to transfer the asset because ownership has not fully stabilized and remains unsettled. If the buyer nonetheless transfers the property, such transfer is deemed ineffective, given that the seller's interest in reclaiming the property

through termination remains intact. However, where the parties have concluded a normal sale and then appended a condition independent of the sale, the situation differs. For example, where the buyer transfers the asset with the seller's knowledge, the transaction is valid and cannot be annulled by the seller. But where the buyer transfers the asset unconditionally without the seller's knowledge, the transaction is ineffective, as it infringes the seller's right. If the seller does not exercise the option within the specified period, the transaction becomes valid; otherwise, its validity depends on the seller's approval ([Shahīdī, 2007](#)).

Uniform Judicial Precedent No. 810 (May 25, 2021)

The Supreme Court held that where the sale contract stipulates the seller's right to terminate upon non-payment of price installments, the seller retains the right to recover the property even if the buyer has transferred it to another person. The subsequent buyer's lack of awareness is irrelevant because the condition was included in the original contract and constitutes constructive notice. Therefore, the decision of the Mazandaran Court of Appeal aligning with this principle was upheld ([Supreme Court of Iran, 2021](#)).

Advisory Opinion No. 317/1400/7 (August 22, 2021)

According to Article 363 of the Civil Code, the existence of an option or a deferred payment term does not bar transfer. In Imami jurisprudence, as the source of Iranian contract law, the contract itself is the complete cause of transfer, and the existence of an option does not negate ownership. Jurists such as Muhaqqiq Qummī and Sayyid Yazdī have stated that termination remains possible even when one of the exchanged items is destroyed, in which case its substitute or value must be returned ([Imām Khumaynī, 2006; Najafī, 1988](#)). The hypothetical scenario discussed in the advisory opinion illustrates this principle.

The import of Uniform Judicial Precedent No. 810 is that when multiple successive transactions occur over the same property, and the first transaction is dissolved due to breach of condition, the seller may recover the property from later possessors, provided the buyer was actually or constructively aware of the condition. Conversely, where the first contract was oral, or the condition was added later without being part of the initial agreement, dissolution of the first contract does not affect subsequent contracts. Likewise, rescission by mutual agreement (*iqālah*) does not invalidate later transfers. Moreover, the precedent is not confined to sale contracts or the option for breach of condition; it applies to all contracts and all contractual options as well as conditions subsequent. However, in statutory options, dissolution of the first contract does not void later transactions—an outcome supported by many Imami jurists and legal scholars ([Anṣārī, 2001; Ja'farī Langarūdī, 2007](#)). In contractual options, later transactions should be considered "conditional," and upon dissolution of the first contract, the subsequent transfers become void from that date.

This study, by elucidating the jurisprudential foundations of these doctrines and clarifying the ambiguities associated with them, will also examine their legal implications in detail.

2. Theoretical Foundations and Research Framework

2.1. Theoretical Foundations of the Dissolution of the Principal Contract

2.1.1. Conceptualization of Dissolution

Linguistically, "dissolution" (*inhilāl*) means opening, untying, and disappearing. In legal terminology, it denotes bringing to an end a contract that has been validly concluded. In other words, dissolution is the severing and disintegration of a contract that was properly formed but subsequently comes to an end due to a particular cause ([Kātūziān, 1997](#)). Dissolution is thus one of the effects of a valid contract and must not be confused with "nullity," which signifies the lack of legal effect of a contract from the outset ([Shahīdī, 2007](#)). The causes of dissolution may be voluntary (such as rescission by mutual agreement and unilateral termination) or automatic/by operation of law (such as destruction of the subject matter of the contract) ([Anṣārī, 2001](#)).

2.1.2. Concept of the Principal Contract

Linguistically, "contract" ('*aqd*) means covenant, undertaking, and tying a knot. The "principal contract" stands in contrast to an accessory or subordinate contract and refers to an agreement that, in itself, produces an independent legal effect and

directly realizes the parties' primary purpose, such as a contract of sale, lease, or compromise. This type of contract constitutes the foundation of the legal relationship between the parties, and other agreements (interrelated or accessory contracts) derive their meaning from, and are structured around, it ([Muhaqqiq Hillī, 1972](#); [Najafī, 1988](#)).

2.1.3. *Meaning of the Dissolution of the Principal Contract*

By dissolution of the principal contract is meant the termination of the obligations and legal effects arising from a principal agreement. This process may occur consensually (rescission by mutual agreement) or by operation of law (unilateral termination, automatic dissolution). Upon dissolution, the legal relationship created by the contract is extinguished and the parties, in principle, are restored to the *status quo ante*, except where the law has provided otherwise. As [Ja'farī Langarūdī](#) explains, dissolution of the principal contract signifies the extinction of the legal relationship arising from the contract, whether this occurs voluntarily or automatically ([Ja'farī Langarūdī, 2007](#)).

2.2. *Theoretical Foundations of Interrelated Contracts*

2.2.1. *Meaning of Interrelated Contracts*

Interrelated contracts are a set of agreements that are, in one way or another, connected with each other and exert mutual influence on one another's fate. These contracts may have direct or indirect effects on each other and, in many cases, the existence of one depends on the existence of another ([Shahīdī, 2007](#)).

Interrelated contracts are generally divided into two main categories: dependent contracts and complementary contracts. Dependent contracts are those whose existence is contingent upon another contract. For example, in a sale transaction, a financing agreement may be regarded as a dependent contract because without financing, the sale may be delayed or may not occur at all. In such a case, non-performance of one contract can lead to non-performance of the other ([Kātūzīān, 1997](#)).

On the other hand, complementary contracts are those concluded for the purpose of completing or reinforcing the effects and results of a principal contract. For instance, in a construction project, several contracts may exist for the supply of materials, hiring contractors, and arranging finance. These agreements operate as complementary contracts and are mutually dependent for the realization of the project. In such situations, each contract is, to some extent, tied to the success or failure of the others ([Ja'farī Langarūdī, 2007](#)).

The concept of interrelated contracts also encompasses the examination of the legal and financial effects of these contracts upon one another. For example, if one of the related contracts is breached, the other contracts may also be affected, and the parties may be required to compensate resulting losses. This issue is particularly important in commercial and economic relations, because neglecting the interconnections among contracts can lead to serious difficulties and financial damages ([Kātūzīān, 1997](#)).

Ultimately, understanding and analyzing interrelated contracts helps parties pay due attention to their mutual effects at the time of contracting and thereby prevent future disputes and complications. This is especially important in commercial and economic contexts, where relationships are more complex. Hence, seeking legal advice and carefully examining the terms and conditions of interrelated contracts can assist the parties in making better decisions and protecting their interests ([Shahīdī, 2007](#)).

2.2.2. *Types of Interrelated Contracts*

- **Dependent Contracts:** These are contracts whose existence and continuation depend on the principal contract, such as a mortgage contract that is concluded as an accessory to a loan agreement. If the loan is void, the mortgage also loses its effect ([Muhaqqiq Hillī, 1972](#)). Shaykh Anṣārī explains in *al-Makāsib* that accessory contracts are valid only so long as the principal contract exists, and any dissolution of the principal contract directly affects the accessory contracts ([Anṣārī, 2001](#)). Imām Khumaynī also maintains that accessory contracts (such as mortgage or guarantee) subsist only where the principal contract (such as sale or loan) is valid and existing, and dissolution of the principal contract entails dissolution of the accessory contracts

as well (Imām Khumaynī, 2006). Najafī, however, introduces a nuanced view, holding that if the principal contract is terminated (as in rescission of a sale or marriage), such termination automatically leads to the dissolution of other related contracts; for example, when the contract of sale is rescinded, the guarantee or mortgage concluded in connection with it becomes suspended (Najafī, 1988). In legal doctrine, dependent contracts are similarly described as agreements whose existence is conditioned upon another contract—for instance, a financing agreement attached to a sale, where non-provision of finance may delay or entirely prevent the sale (Kātūzīān, 1997).

- **Complementary Contracts:** These are contracts concluded in order to complete the effects and outcomes of a principal contract, such as a collateral compromise agreement intended to avert potential disputes following a sale (Najafī, 1988). In Islamic jurisprudence, complementary contracts are those established to complete or secure the legal effects of the principal contract. They are placed as accessory or secondary agreements alongside the principal contract to stabilize or guarantee its outcomes. In other words, if a condition is added after the conclusion of the principal contract, the validity of the principal agreement may itself be affected, a discussion that reflects the relationship between the principal contract and complementary contracts (Muhaqqiq Ḥillī, 1972). Although Shaykh Anṣārī does not address this topic explicitly due to the limited number of practical cases in his time, his discussions contain principles that can be extended to this field (Anṣārī, 2001). In legal writings, complementary contracts are likewise defined as agreements concluded to complete one another, designed so that each contributes to the success of the others (Ja'farī Langarūdī, 2007). For example, in a construction project, there may be separate contracts for supplying materials, hiring contractors, and arranging finance; these contracts function as complementary agreements and are interdependent for the realization of the project.

- **Reciprocal Contracts:** This refers to a situation in which the existence or continuation of one contract is dependent and conditional upon another, with this dependency being mutual (Shahīd Thānī, 1992). In legal doctrine, reciprocal contracts denote agreements in which the parties assume mutual obligations toward one another. For instance, in a lease agreement, both the landlord and the tenant are bound by specific obligations. In such contracts, non-performance by one party may lead to non-performance by the other (Shahīdī, 2007).

- **Chain Contracts:** These are a series of contracts linked together in a chain-like structure—for example, a supply chain involving multiple agreements among suppliers, manufacturers, and distributors (Khumaynī, 2013). Analysis of chain contracts, based on the general principles expounded by Imām Khumaynī, shows that in such arrangements the proper linkage and mutual consent of the parties at each stage must be preserved. If one contract within the chain is void or subject to a condition, the entire chain may be affected and the whole set of contracts may be corrupted (Imām Khumaynī, 2006). By the same token, Najafī emphasizes the need for continuous connection among contracts; if in a contract or a group of contracts any essential element—such as intent, offer and acceptance, or other conditions of validity—is defective, that contract or set of contracts may be void or contingent upon rectification. If one link in a chain contract suffers from a defect (for instance, regarding validity conditions or the parties' intent), the entire set may be compromised. He stresses that in all contracts, a sound and logical relationship between offer and acceptance must exist. In particular, in reciprocal or chain contracts involving multiple interlinked agreements, it is crucial that each contract be validly and timely concluded (Najafī, 1988).

2.3. *Jurisprudential and Legal Foundations of the Condition Subsequent*

2.3.1. *Nature of the Condition Subsequent*

A condition subsequent is a stipulation incorporated within a contract by virtue of which the parties agree that, upon the occurrence of a specified event in the future, the contract shall automatically dissolve without the need for any further action. This condition has a suspended and contingent nature (Muhaqqiq Ḥillī, 1972).

2.3.2. *Elements and Pillars of the Condition Subsequent*

- Existence of a valid contract
- Possibility of dissolution of a valid contract

- Mutual agreement within the contract regarding potential dissolution
- Existence of a contingent event
- No conflict with the essential nature of the contract
- The condition must be time-bound and non-ambiguous ([Shahīdī, 2007](#))

2.3.3. *Jurisprudential Bases for the Validity of the Condition Subsequent*

- **Qur'anic foundations:** “Fulfil your contracts” (Qur'an 5:1); “Unless it be trade by mutual consent” (Qur'an 4:29)
- **Narrative foundations:** Prophetic tradition: “Believers are bound by their conditions unless the condition renders lawful what is unlawful or unlawful what is lawful.”
- **Rational foundations:** Presumption of validity, presumption of bindingness, and the principle of dominion (*taslīt*) ([Anṣārī, 2001](#)).
- **Customary foundations:** Established commercial custom and practice within contracts ([Kātūzīān, 1997](#)).

2.4. *Analysis of Uniform Judicial Precedent No. 810*

Uniform Judicial Precedent No. 810 (May 25, 2021) of the General Assembly of the Supreme Court of Iran constitutes the connecting link between theoretical foundations and judicial practice. The ruling states:

“If, within a sale contract, it is stipulated that in the event of non-payment of price instalments on the specified dates, the seller has the right to terminate and reclaim the sold property, then upon fulfilment of the condition and exercise of the right of termination—even if the buyer, without regard to such right, has transferred the property to another person—the property must be returned to the seller.” ([Supreme Court of Iran, 2021](#)).

This ruling rests on several principles:

- Constructive knowledge of the buyer regarding the condition subsequent
- Priority right of the original owner
- Principle of contractual fidelity
- Autonomy of the parties' will ([Supreme Court of Iran, 2021](#))

3. Conditions and Effects of the Dissolution of the Principal Contract on Interrelated Contracts

3.1. *Conditions for the Dissolution of the Principal Contract*

In Imami jurisprudence, dissolution of the principal contract requires specific conditions, the most important of which are:

- Classification of the contract as binding or non-binding
- Existence of a legitimate cause for dissolution (termination, rescission by mutual agreement, automatic dissolution)
- Capacity of the parties to exercise the right of dissolution
- Absence of any alienating disposition with respect to the subject matter
- Persistence of the object of obligation ([Imām Khumaynī, 2006](#))

3.2. *Effects of the Dissolution of the Principal Contract on Interrelated Contracts*

- **Automatic dissolution:** Upon fulfilment of the condition subsequent, the principal contract dissolves automatically.
- **No retroactive effect:** The effect of dissolution is prospective and does not extend backward.
- **Restitution of the property:** If the property still exists, it must be returned to the original owner.
- **Allocation of benefits:** The benefits obtained before dissolution belong to the lawful holder.
- **Liability in case of destruction:** If the property is destroyed, liability rests with the possessor ([Kātūzīān, 1997](#)).

3.3. Case Study and Comparison with Statutory Provisions

A review of judicial decisions shows that Iranian courts, following Uniform Judicial Precedent No. 810, generally order the restitution of the sold property from successive buyers in similar circumstances. This approach can be observed in the following cases:

- File No. 82/3204/6 of the Supreme Court
- Case No. 1549 of the Tenth Court of Appeal of Isfahan
- Advisory Opinion No. 2546/7 of the Legal Department of the Judiciary

4. Conclusion

The findings obtained from the research conducted in this study may be summarized as follows:

Based on what has been discussed under the headings of the extinction of obligations arising from termination (option of condition) and automatic dissolution, accessory contracts are dissolved following the dissolution of the principal contract, and the conditions return to their pre-contractual state. This position is adopted in light of the following results:

1. The explicit holding of Uniform Judicial Precedent No. 810 dated May 25, 2021, of the General Assembly of the Supreme Court is that whenever multiple transactions are concluded successively over the same property and the first transaction is dissolved through the exercise of the option for breach of condition (non-payment of price instalments on the specified dates), the seller may reclaim the property from subsequent transferees. This is due to the implied condition requiring preservation of the property or prohibiting its alienation, the operation of custom—treated as part of the contract—and the fact that the buyer is actually or presumptively aware of the seller's right of termination and the possibility of the property's return. From the reasoning of the decision and its negative implication, it follows that if the first contract was oral and the buyer had no means of knowing of the option for breach of condition, or if after the initial contract the parties agreed independently or by a supplementary clause to allow termination for breach of certain obligations without expressing this within the original contract, then the dissolution of the first contract has no effect on subsequent contracts. Moreover, mutual rescission of the first transaction does not invalidate subsequent transactions. The precedent is not limited to contracts of sale or the option for breach of condition; rather, it applies to all transactions and all contractual options as well as conditions subsequent. However, in legal (statutory) options, dissolution of the first contract does not render subsequent contracts void or dissolved. Additionally, although the precedent does not expressly specify the status of later transactions in the event of dissolution of the first contract, in contractual options such transactions must be regarded as conditional, and upon dissolution of the first contract, the later contracts become void as of that date with the seller's repudiation.
2. In Iranian law, suspension is interpreted as suspension in the formation of the contract through suspension in the cause, not as suspension in the dissolution of the contract or in the condition subsequent. One possible reason for the legislature's failure to refer to suspended dissolution is that Article 264 of the Civil Code considers the concept of mutual rescission sufficient to express this idea, treating suspended dissolution or the condition of automatic termination as a form of conditional rescission. Therefore, the condition subsequent constitutes an example of conditional rescission and automatic dissolution that is effected by the parties' mutual agreement within the contract.
3. The condition subsequent has a nature distinct from similar institutions such as the option of condition, the condition of result, the suspensive condition, mutual rescission, destruction of the object before delivery, and other related institutions.
4. In most contemporary transactions, the price is paid in instalments or in several deferred payments. In such contracts, the condition subsequent is necessary and even may constitute the primary motive for concluding the contract. Inserting a condition subsequent strengthens the parties' obligations and provides a mechanism ensuring compliance with contractual duties. In other words, the purpose of including this condition is to equip the parties with a tool that both preserves their rights and guarantees the performance of contractual obligations.
5. Considering the meaning of certain Qur'anic verses and narrations, jurisprudential and legal principles, analogical reasoning based on various articles of the Civil Code, legal doctrine, judicial precedents, prevailing custom, and the opinions of scholars and religious authorities, the condition subsequent is consistent with the foundations of conditions

in Iranian law and Imami jurisprudence. There is no text in scripture, tradition, jurisprudence, custom, or statutory law prohibiting or invalidating the condition subsequent. Therefore, the dissolution of a contract may be suspended upon a probabilistic and uncertain event in such a way that, upon occurrence of the contingent event, the contract automatically dissolves from that moment.

6. If the legislature is presumed to act deliberately, it not only accepts the condition subsequent but has even identified exceptional instances of its invalidity, such as in marriage contracts. Just as the Civil Code does not permit suspension in the creation of a marriage (Article 1068), it also does not permit suspension in its dissolution (Article 1081). Moreover, the condition subsequent satisfies all requirements for the validity of conditions within contracts, as set forth in jurisprudence and law, and it is not included among the invalid conditions enumerated in Articles 232 and 233 of the Civil Code.
7. The principal reason for the objection of some jurists in analogous cases and the primary basis for the opposition of certain religious authorities, scholars, and courts to the condition subsequent is the belief that automatic dissolution under a condition subsequent occurs without a lawful basis. However, the lawful basis of the condition subsequent is the parties' mutual agreement at the time of contract formation, formulated as a contractual condition. In essence, the same wills that create the contract also, by means of the condition subsequent, create its dissolution, subject to the occurrence of a contingent event. Thus, a single contract embodies two juridical acts: one creating the substance of the contract, and the other establishing its dissolution. These two acts, according to the parties' intention, occur at different times—the contract at its formation and its dissolution upon the occurrence of the contingent event.
8. The condition subsequent is permissible in all binding contracts except marriage and waqf, and there is disagreement concerning guarantee contracts. In non-binding contracts, because either party may terminate the contract at any time, the inclusion of a condition subsequent is meaningless. Conditions subsequent also do not apply in unilateral juridical acts.
9. Automatic dissolution of the contract through a condition subsequent takes effect from the time the contingent event occurs and is prospective, not retroactive. Benefits and separated increments arising between the formation of the contract and its dissolution belong to the buyer, while attached increments belong to the seller. Likewise, any modifications affecting the value of the property belong to the buyer.
10. The condition subsequent, in addition to dissolving the contract, also extinguishes the obligations and terminates the contract's effects. Thus, the legislature may classify it both under the causes for extinction of obligations in Article 264 of the Civil Code and under contractual conditions, as one of the mechanisms for dissolution.
11. The legislature must adopt rules corresponding to the needs of each era; otherwise, the resulting difficulties will not produce desirable outcomes. The judiciary and the legislature can, by creating uniform practice and codifying suitable laws, reduce existing difficulties concerning the condition subsequent. Jurists also need to address contemporary needs and develop solutions for new forms of contracts and conditions.
12. If the Iranian legislature formally recognizes the condition subsequent as one of the causes of automatic dissolution of contracts, many existing cases and their related problems will be resolved. Such recognition would also reduce case backlogs and the number of similar disputes brought before the courts. However, any formal legislative recognition must occur with caution and with full consideration of all aspects, including preventing potential misuse, so that comprehensive laws may be developed in this field.

It is advisable that in the terms of preliminary sale agreements for both movable and immovable property, provisions concerning termination and automatic dissolution arising from contractual options and the condition subsequent be expressly included. This prevents parties from falling into confusion or uncertainty when they have paid part of the price and wish to determine whether the property may be transferred to a third party.

Uniform judicial precedents should be communicated to all civil court branches so that judges are not perplexed when issuing divergent or inconsistent rulings. At the same time, the legislature should consider enacting a single statutory article on this subject with reference to judicial opinions.

Public education of citizens in this field is essential. It is appropriate for national media, with the assistance of legal experts, professors, and researchers, to prepare educational programs on this topic and make them available to the public.

Ethical Considerations

All procedures performed in this study were under the ethical standards.

Acknowledgments

Authors thank all who helped us through this study.

Conflict of Interest

The authors report no conflict of interest.

Funding/Financial Support

According to the authors, this article has no financial support.

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