

Confirmation of termination of contract due to death, disability and bankruptcy



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Legal basis of the application

The contract of participation in the construction is considered a necessary part of the contract and is not terminated with the death, bankruptcy or disability of one of the parties to the contract.

On the other hand, in the event of conditions such as the above conditions for one of the parties, especially the manufacturer in most cases the execution of the contract is stopped and this suspension harms the other party. For this reason, it may be stipulated in the contract that in case of death, bankruptcy and failure of one of the parties, the other party can terminate the contract.

If any of the parties terminates the contract based on the right of termination stated in the contract and participation and after the occurrence of one of the above conditions, he can request the court to confirm the termination of the contract.

Litigation parties:

Each of the owners or builders who terminated the contract as a plaintiff, and in return for the lawsuit, as the case may be, to the heirs, trustees or the liquidation and bankruptcy department of the other party to the contract.

Competent reference for consideration

Due to the fact that the contract for participation in the construction is related to real estate and property, these lawsuits will be heard in the court where the property is located.

How to vote:

The votes related to the approval of termination are only declaratory and do not need to be issued by the executive.

Some key points related to the lawsuit:

The nature of such a right of termination is a conditional option and is subject to the provisions of the conditional option and is different from the option of violating the condition.

The authority to terminate the contract may be delegated to a third party such as an arbitrator.

Instead of the right of termination, a condition may be included in the contract that in case of death, bankruptcy, disability of one of the parties to the contract, the contract will be terminated, in which case one of the above cases, the contract automatically and without the need to declare a new will dissolved, although the inclusion of this condition in the construction participation contract is not recommended.

If the subject of the contract has been done, its termination

no longer makes sense.

In addition to these disputes, other demands can be made.