

FATAWA MISCELLANEOUS 2000-2021

From: Wassim

Sent: Sunday, July 11, 2021

Subject: Advice regarding car payment after divorce

Question:

Assalamu Alaikum Ustath Monzer

My name is Wassim, and I am not sure what to do in terms of who is responsible for the car payment after the divorce. My wife did khal' and three years before that I financed our first car in California under her name and my ex-wife was my cosponsor, since at the time I didn't have enough credit established with banks. I paid for half the amount of the car, and about a year ago she asked for khul', and she has been paying for the car since then since she has a good paying job. My question is she sent me a text message telling me that I should be paying for it since it was a present to her (We had problems and I was trying to make her happy by buying the car). Am I financially responsible in front of Allah for taking over the monthly payments of the car? We do have two daughters 17 and 5 years old.

Please advice

Jazak Allah Khair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Wassim

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I like you to please think again of your past action when you bought the car; if it was gift to her and you put it in her name, although you both were using it; then at time of Khul' you did not make a condition that she should return it to you, YOU ARE THEN REQUIRED TO TAKE FUTURE PAYMENTS OF THE CAR AND REFUND HER THE PAYMENT SHE MADE BETWEEN THE DATE OF KHUL' AND THE DATE OF TAKING UP PAYMENTS.

But if you are sure you did not give it as a gift, you owe nothing.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Umer

Sent: Monday, March 29, 2021

Subject: Rent/sale

Question:

Asalam u alaikum

Further to my email below, also if taking this rent offer I am legally bound not to sell this property to anyone else or I need return the rent if I do sell it to someone else, then what is the permissibility then.

My main concern in the sale contact is conditional sale as per Islam which is not allowed. It's essentially like I will buy your house if I sell my house. This is common practice in UK. Does it

make the contract invalid due to Gharar involved of time taken or whether the buyer may not be able to sell his house?

Kindly advise me in detail as I want to do the sale soon..

thanks a lot

Regards

Also: Assalam u alaikum Dr monzer

I hope you are well.

I need an urgent reply if you can please.

I am in process of selling house in UK. I have an offer of of sale. However,, the buyer is involved in selling his house and there is chain of houses below to be sold. So,, there can be few months before actual sale contract can happen.

I don't want to wait that long as I am paying too much mortgage on the property and property is vacant for few months.

The buyer is expected to finish sale of his house on 31/5 but it can change due to circumstances. He has offered me to cover my rent till 31/5 and then he can do sale contract if his house is sold or can continue paying rent until he sells his house. He will have the option of not continuing with rent after 31/5 and withdraw his offer and I will also have an option not to sell him for any reason after that.

Is this arrangement permissible?

Thanks in advance for your valuable opinion

Regards

Umer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Not all conditions are invalid and not all promises are not permissible.

A contract of renting with a condition to sell at the end of the rent period is permissible and is practiced today by all Islamic banks.

By same token, rent become deserved only if you deliver the usufruct because rent is its price.

Beside the above, you may rent without a promise to sell. Also, a promise to buy at a given amount if I sell my house within a given period of time is permissible and promises should be fulfilled although they are not contracts. A promise may be binding or not binding depending on its language and context not all promises are the same.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

Reply

Many thanks for your answer Dr Monzer.

Actual scenario in my case is buyer is not doing rental contract with me.

He has agreed to buy my house at certain price when he is able to sell his house. The actual

sale contract will happen then. Before the actual sale contract both buyer and seller can pull out of agreed sale and there is no legal obligation.

I wanted to sell my house to someone who can buy quicker, or I was planning to rent it out if I don't find any quick buyer because property was vacant for many months. I had another buyer who was paying cash for my property and there was also someone who was interested in renting the property.

The buyer didn't want me to sell my house to anyone else or rent it (because in that case he might not be able to buy it until the rental contract ended) so, he offered me monthly payment of amount equal to my rent which I could get by renting property until he sell his home and buys my home so, that I don't lose money in not renting it. So, actually, it's not the rental contract between us as I still be responsible for property utility bills and taxes etc.

We have agreed to following terms by mutual consent which is fair for both
(contract wordings below)

I can confirm that I am happy to accept the offer from Mr. Moore on the conditions. Kindly ask if he is happy with this.

- 1) upfront rent payment of 5000 pounds to cover till 31/5
- 2) then payment of 2500 pounds on 1st of every month until sale completes.
- 3) If Mr Moore wants to withdraw from sale offer at any time, rents paid will not be returned
- 4) If I withdraw from sale at any point then I will return all the rents paid to that date.
- 5) I understand that buyer has been told in detail about previous survey report and previous dispute with neighbors. The price will not be negotiated if new survey reports the same issues. However, I am happy to negotiate if the new survey points any new major issues as a matter of being fair in the sale. But in the scenario. we don't reach any agreed price after that, sale can be withdrawn by mutual consent and the rental paid will not be returned.
- 6) this arrangement is for the period of 6 months till 30/9. If after that sale is not completed, I will be free to either rent it out or put it on market and rent in this case will not be refunded.

If Mr Moore wants to add anything let me know and we can discuss.

Kindly let me know whether this arrangement is permissible. If this monthly payment arrangement is not permissible, does it affect the actual sale contract validity later or will that still be valid?

I know it's long email but I want to make sure I sell my house in permissible way..

Many thanks in advance

Regards

Umer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

These conditions may be permissible in a rental agreement. Please add to them: 1. Make it a lease contract for six month and put in it that the lessee grants an agency to the lessor authorizing him to keep the key with him and keep the property locked, 2. Make it clear that these rents for the six month period are not going to be deducted from the price of sale when and if it is ever concluded and 3. make it very clear that after 30/9 each party is very free to do whatever he pleases.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

Reply

Asalam u alaikum Dr Monzer

Hope you are doing brilliant. As per your previous advice, buyers did not do the rental agreement at that time but as the time has passed and they are still not able to sell their house they are now agreed to do rental agreement for 3 months.

I am doing the agreement on below points. Kindly let me know if they are permissible

- 1) rental agreement for 3 months with each fixed rent for each month with the intention/promise of buy/sell house after that but both buyer and seller has no obligation to do that. There will be separate sale contract then. (price has already been decided). There can further rental contract if buyer still need more time to sell his house
- 2) during the rental contract buyer will have keys of the house and full access to use. It's up to them if they want to use it or just keep it vacant.
- 3) the equipment failure/ maintenance wear tear cost will be mine. However, all the running costs like council tax, bills, garden maintenance/ lawn cutting and any other damage or loss due to negligence will be their liability and there will be deposit taken as per rental contract to cover for that.

Kindly advise if I need to add or remove anything. Waiting for your prompt response as always.

Regards

Umer

My Answer:

I see all the conditions mentioned in your email in compliance with shariah.

Monzer kahf

Sent from my iPhone

From: Saeed

Sent: Wednesday, March 17, 2021

Subject: Rent and then sale

Question:

Asalam u alaikum Dr Monzer

Hope you are well.

I want to ask you about sale and rent.

I had a sale agreement with someone in UK for my house subject to condition. (there is no exchange of contracts which mean that either party can withdraw till exchange of contract takes place). The buyer was selling his house to buy my house which is taking long time due to covid 19 situation.

So, I have decided to rent the house for 3-6 months in the interim.

The buyer is interested to rent house during that period. Is it permissible? There will be separate rent contract and at the end of the rental agreement buyer will have option to

purchase house/ go into sale contract or he may decide not to buy house. Similarly, I will have option of selling him or not.

To me it is permissible in Islam as there are 2 separate contracts. Just wanted to confirm your opinion on this please.

Many thanks

Regards

Dr. Saeed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saeed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This kind of arrangement, as described in your question is permissible. It is also permissible in it to agree from now on the sale price and to have the clause of sale and its price binding of one of the two parties while it is left optional for the other. There is a resolution by the OIC Fiqh Academy in this regard in its fifth meeting in the year 1985.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net; www.kahf.com/blog

From: Umer

Sent: Wednesday, March 10, 2021

Subject: Re: Selling without possession

Question:

Asalam u alaikum Dr Monzer

There is one related question regarding selling without possession. There are many people involved in dropshipping etc.

Is the prohibition for this from Ahadeeth only for the sellers or the buyer also? Because Hadith say that do not sell what is not in your possession and didn't mention about buyers.

If someone is involved in the sale, does it make the sale invalid for buyer and seller both and do they have to return the items?

Kindly clarify this query at your convenience.

Regards

Umer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Dropshipping is a different business model. It depends on already existing agreement between dropshipping seller and a supplier to make orders and shipping then to desired destinations.

The dorpsshipping seller then sells on description to his customers and send orders to his supplier\manufacturer to execute these sales. This is permissible as long as the seller on description has arrangement to make him fulfill his sale and made delivery.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net; www.kahf.com/blog

From: Umer

Sent: Monday, March 8, 2021

Subject: Selling without possession

Question:

Asalam u alaikum Dr Kahf

Hope you are well.

I want to ask you about the sale of item not in possession.

I bought a land over a year ago through estate agent who told me that someone is selling it. After the sale I came to know that estate agent took the deposit and then bought the land from seller and then sold to me under his name (estate agent name). So, he didn't have possession or ownership of land when he took deposit from me.

In this case as per Hadith sale is not valid. But is it sinful for the buyer also because I didn't know that estate agent has done that? I just came to know now. I am planning to construct house and the prices have gone up significantly.

Kindly give your valuable advice

Regards

Umer

My Answer:

Bismillah al Rahman al Rahim Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

What the agent did was inappropriate, and this may make him lose his license. From Shari'ah point of view, it seems that the sale of the agent to you happened after he Got the land in his name as you stated in the question itself. This means that the deposit he took from you was a kind of escrow not a part of a sale contract.

You also have to recall that in almost all countries real estate sale are recognized only when the are registered with the appropriate government office.

So, it seems although was the agent did was wrong, the sale to you was only done after the property was in his name.

Besides, any sin he may have or have not done is not yours. You have nothing to do with it and you were not part of it. Go ahead with your construction plans with fupp comfort and Barakah fro Allah.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
www.kahf.net; > www.kahf.com/blog

From: Nudgem
Sent: Sunday, February 14, 2021
Subject: Interchange fee

Question:

AAWRWB

I hope you are well,

Sheikh I have come across a lot of people who want to justify the taking of a cut between the merchant and the customer. It has caused me a lot of confusion.

Even the Westerners call this act - discounting of receivables but today's Muslims want to believe that the interchange fee is halal.

I could understand it would be halal if it was a flat fee for the use of infrastructure or a monthly/annual subscription for the technology.

I would like your understanding on interchange fees charged by Visa and MasterCard.

Some folk will argue it is a commission for bringing the customer to the merchant - but that is not even true because the merchant acquirer is usually some other company like Fiserv (who do take their cut of the interchange fee).

For me the best analogy is of the function of clearing houses - taking a margin for facilitating the transaction.

Am I being too harsh?

Regards

Nudgem

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nudgem

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

As explain I do not see this interchange fee problematic, whether it is a flat or % fee. It is part of the original fee about which the OIC Fiqh Academy ruled it is permissible. I kind of think you carried it too far, it is not like discounting receivables, even if someone thought so,! The latter is an exchange of a future debt for cash of a smaller amount in which the difference is purely Riba.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

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From: Alaa

Sent: Friday, February 12, 2021

Subject: Murabaha resale and 'Inah

Question:

السلام عليكم دكتور منذر.
معك د. علاء من فلسطين واحد طلابك في اليرموك...
اتمنى ان تكون امورك بافضل حال..
استشارة شرعية : لو ان احد المتمولين من البنك الاسلامي مرابحة تعثر بعد قسط او اثنين... هل يجوز للبنك الاسلامي ان يتعاقد مع طرف اخر لتمويله بنفس السلعه موضوع التعثر... وهل هذا يتعارض مع النص الوارد في معيار المرابحة "لا يجوز تجديد المرابحة على نفس السلعه" ام ان النص المقصود به فقط الامر بالشراء فقط للسلعة حتى لا تقع في بيع العينة مع الاحترام

My Answer:

الأخ المكرم علاء
السلام عليكم ورحمة الله وبركاته
بارك الله بك ورعاك وحماك في غزة هاشم
لا يجوز بيعها لآخر لأن السلعة ما تزال على ملك الأول. ويبدو أن المقصود التحايل على التواطؤ لتعديل الأقساط بربا!
فيأتي بصديق يكون البيع الجديد باسمه.
أما إذا استملك البنك السلعة بعد التعثر، وقبضها فله بيعها لآخر دون مفارقة العدل مع الأول من حيث السعر ويدفع للأول حقه بعد خصم الأضرار التعاقدية بسبب عدم الدفع لو وجدت.
مع أسمى التقدير وأعز التحية
أ. د. منذر قحف
تمويل واقتصاد إسلامي

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

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From: MAROOF

Sent: Friday, February 12, 2021

Subject: In Wkalah, buying goods from principal

Question:

Assalamu alaikum Warahmatullahi Wabarakatuhu

Dear Prof.,

Trust this email reaches you in good health and peaceful condition with your family.

We have a customer who want a finance from the Bank using intervention fund of Central Bank.

The dynamics of the transaction are as below;

1. CB has tone of maize to sell to a customer through our Bank but using CB fund via intervention scheme.
2. Under this scheme, CB will send money to the bank as Rabbul Maal or a Principal using Wakalah contract as case may be.
3. Our Bank uses the money sent by CB to buy the maize from the same CB.
4. Our bank sells the maize to the customer on behalf of CB.
5. Profit realizes from the transaction is shared between the Bank and CB.

6. What if CB has already delivered the goods (Maize) to the customer before our Bank conclude the credit assessment of the customer, although the customer did not consume the goods. Can it still be treated as Murabaha between the customer and Our Bank? We now seek for your humble guidance as to whether this arrangement is Shariah compliant? looking at the above arrangement of the transaction?

Jazakum Allahu khairan.

Maroof

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Maroof

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The Transaction excluding No. 6 raises no serious issue from Shari'ah point of view and can be then acceptable. The point that with money from CB we buy goods from CB is a thing I overlook. On one hand it is not 'Inah, and on the other hand CB is government and has departments that are, to a large extent, independent one from the other, one that holds the maize and one that runs the financing scheme. Besides, there is nothing that prevents the Wakil to buy goods from the principal and sell them to customers.

The inclusion of item 6 is problematic unless we are confidently assured that this delivery was not on sale basis, so, that the maize is still owned by the principal but simply stored at the customer. The fact that the goods are still intact helps in that.

But really I find no reason why CB would deliver the goods to X unless it was on sale basis (this is why I need strong assurance that it is not sale).

Now if it is delivered as sale, we cannot buy it from CB because it is already sold to the customer, can then the Wakalah we have become only to undertake the procedures...? Then it becomes: my agent Mr. Bank, make this paperwork and take your commission for it. I don't see it not permissible provided we do not make a Murabahah buy and sell (we can make paper work of sale only to customer) because goods are already sold (verbally, so, to speak, without a written contract) to the customer.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

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From: Imran

Sent: Wednesday, September 9, 2020

Subject: Mixing office space, Islamic and conventional

Question:

Salam, Professor Kahf,

I hope you are well. I was wondering if you could provide your esteemed opinion on the following issues.

X, a lawyer, owns a 2500 sq ft office. He advises 10 Islamic Banks and conducts a Shariah compliant business.

Y, another lawyer advises and represents 5 Islamic Banks and 5 interest bearing/conventional banks.

X and Y want to merge their business such that all 20 banks will be advised in X's office. There are 4 salaried junior associates who will be advising all 20 banks under the supervision of X and Y.

X wants to know what options are available in order for him to continue running his business in a Shariah compliant manner:

1. Should X accept any share of the fees received from the 5 conventional banks?
2. Should X accept any portion of the fees from the 5 conventional banks as rent payable by Y for the premises?
3. Is it permissible for a portion of the fees from the 5 conventional banks to be used to pay the salaries of the 4 associates?
4. Is it permissible for a portion of the fees from the 5 conventional banks to be used to meet common expenses such as lunch for associates/staff, electricity bills and other miscellaneous expenses of running an office?

Many thanks in anticipation.

Sincerely yours

Imran Siddiq

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina

Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Imran

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Legitimacy of giving advises to conventional banks depends on what kind of advice. Of course, advising them to provide Islamic finance and how to do it is not only permissible but advisable and rewarded by God InShaAllah. And also advising them on what better offices to rent and what conditions in that rent contract is also permissible while reviewing the legality of an interest contract is Haram and falls under the wrath (La'nah) of God as we are told by the Prophet, pbuh as it is part of drafting the contract.

I suppose that a considerable part of advising a conventional bank (by a lawyer) would fall under the Haram as I feel from your question. If so then a partnership between X and Y is not permissible unless you take out of it the 5 CBs. On the other hand, they can be hosted together in one office and under one roof and with staff who, with full knowledge, assign their time between the two jobs. This means X can rent to Y part of his office space. What is obtained by Y from the 5 CBs may be used by him as his income from which, along with other income can pay his expense she likes. None of the Haram income can be used by X for any of his expenses including those mentioned in the question. X and Y may agree on what space is assigned to Y and for what rent and X earn the rentals from Y with no question about from what source you got it. any staff who accept to work on the CBs may choose so but those who do not accept must not be forced to do so.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Imran

Sent: Monday, September 21, 2020

Subject: Criminal proceedings for bounced post dated checks

Question:

Assalamu Alaikum, Professor Kahf,

At the outset please let me say that I have benefited a lot from your opinions. I have another question:

In Bangladesh, it is very common for banks to secure their loan facilities through post-dated cheques. When the client fails to pay the loan instalments, the banks presents the post dated cheques for payment. If the cheque bounces back or is dishonored, bank institutes criminal proceedings against the client under the Negotiable Instruments Act 1881 for dishonor of cheque.

Sheikh, my question is:

1. Is it permissible to represent the conventional bank in instituting criminal proceedings against its client on account of cheque dishonor? Or
2. Would it be considered unlawful to represent the bank in this case as the cheque in question was issued to secure an interest bearing (haram) loan?

Wassalam

Thanking you in anticipation

Imran Siddiq

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Imran

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

First please accept my apology for the delay, it was my mistake..

Postdated checks are a big pain everywhere in the world. I once asked an experience banker who answered me: a postdated check is a defect-full check and I do not accept it as a banker (so he does not process it as a check without balance).

Also I am fully aware that many countries consider dishonoring a check or a check without balance criminal as in your country. This is unfortunate when it applies to postdated checks.

Now, you raised, two or rather three or four questions and their answers is as follows:

1. It is not permissible to represent any creditor in asking for interest on a loan or a debt.
2. It is permissible to represent any creditor of interest loan or debt for asking for the principal only (of course unless you know there is illegitimacy in that debt or loan).
3. It is not permissible to represent a bank, Islamic or Kufranic, in a criminal claim that you know it is incorrect, and it comes as a result of illegally acquiring post-dated checks; thus transforming a civil case into a criminal one. This opinion is based on lack of truthfulness.
4. It is permissible to represent a creditor, be it a bank, for truly un-honored check or a check without balance because a check, by law and by usual and customary practices, is considered a definite way of payment.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

Follow up

Assalamu Alaikum, Professor Kahf,

Just to clarify point no. 4 of your fatwa below:

“4. It is permissible to represent a creditor, be it a bank, for truly un-honored check or a check without balance because a check, by law and by usual and customary practices, is considered a definite way of payment.”

Am I correct in assuming that the permissibility of representing banks in this case (point no. 4 above) extends to Islamic as well as conventional banks?

Many thanks for your opinion on these complex commercial matters, which by the grace of Allah, has been very beneficial to me.

Massalam

Imran

My Answer:

Yes. Of course, with normal exception when you know that it's written for haram like gambling checks or written on it for interest.

Sent from my iPhone

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

Follow up

Assalamu alaikum and many thanks, Sheikh for your response.

Banks in Bangladesh take post dated cheques (which contains the principal amount + interest) from the customer (debtor) as security for the loan facilities.

Since the cheques are written for both principal and interest, then following your opinion, it would not be permissible to represent the bank in the criminal proceedings for dishonour of the cheque?

Thank you again.

May Allah reward you immensely for your contribution and assistance.

Massalam

Imran

My Answer:

I am sorry to say that I may have not been clear in the Fatwa:

1. A check without balance is not a crime between a debtor and a creditor. It is rather a civil case not a criminal case. If the government, when it knows that a check is issued without balance, wants to prosecute the issuer, it is a crime for the government but not between the debtor and creditor. You must not represent a bank in a criminal case for dishonored check.

2. If a check says interest and principal, you do not represent a bank or any other creditor for pursuing its payment because of the rule that “issues of Riba and intimacy are always treated with more reserve.”
3. But if the check does not show the word interest, you may represent the bank in collecting its amount because to you it is just a debt. Remember also that the farther away from Riba and its practitioners the better for you with God.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: A doctor

Sent: Friday 9 Oct. 2020

Subject: Kickback for patient referral

Question:

As Salaam.

As a doctor (private general practitioner) I sometimes have to refer my patients (understand request them to go and see) to specialists and surgeons or laboratories for follow ups, operations or testing to be done. I only do referral when there is a genuine reason in my opinion to warrant so or when I feel my competencies are insufficient or when I require further information to carry out treatment. Recently one of the surgeons I referred a patient to told me he would give me a little something for this as it is a supposed business practice. I initially declined but he again insisted asking how much I wanted. I declined again but from his insistence I told him just to give anything he felt like. He gifted me a packet of chocolate and a small amount of money. Neither was something much just a token chocolate and amount. However I would like to know what does Islam say about this matter. Is it okay for me to use the money and consume the chocolate?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This practice of referral giving or fee is in fact part of the system and spirit of bribery. Unfortunately, it exists in some countries, Muslim majority or not. It is Haran unless the customer is informed of it very clearly and of course referring a patient for the referral is also Haram. For you, as you said keep on the honesty side as you are doing and when this comes to you I rather suggest giving it to charity,, you do not to damage your relation with the giver....

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Li

Sent: Wednesday, September 16, 2020

Subject: Islamic LG from a Chinese student

Question:

Dear Dr. Monzer Kahf,

My name is Li, I am currently a doctoral student at the Institute of Comparative Law at the China University of Political Science and Law. My research focuses on L/C, L/G systems in Islamic countries.

Before pursuing my PhD, I studied Arabic for 7 years and I am also a university lecturer, teaching Arabic.

At present, no one in the Chinese academic community is studying the L/C, L/G systems in Arab or Islamic countries, so my research is difficult and I need the help of Islamic scholars like you.

I have the honor to read your paper on return on the letter of guarantee published in 2017. I recently devoted myself to introducing the guarantees of Arab countries to China, so as to promote the exchanges between China and Arab countries.

Since I am not academically accomplished, I am reading your article with some confusion and would like an answer to your question.

I have read studies on Islamic letters of credit before, and Islamic banks also use Islamic financial instruments such as Musharakah Murabaha in combination with letters of credit. In the case of the Musharakah, for example, the applicant and the bank end up sharing the profits from the sale of the goods, which I can fully understand.

But because a letter of credit is essentially a payment instrument and a LG is a security instrument, how does the bank end up sharing profits with the applicant in a Musharakah, Mudarabah LG? In the case of a performance bond, does the bank share in the applicant's project payments? But how does the bank share it if it is an advance payment bond, or a bid bond, where the subject matter of the bond itself is the return of the advance payment or the winning bid, and there is no profit?

Does it therefore mean that a Musharakah LG can only be used if the underlying contract between the applicant and the beneficiary generates profits, such as a performance bond for an infrastructure construction project? And the others can't be used because the underlying contract itself is not profitable?

I look forward to your reply.

Thanks!

yours sincerely

Li

My Answer:

Dear Mr. Li

Thank you for your kind email.

My answer is essentially the same conclusion you made. But also try to expand areas where an LG helps in generating profit such as LG for advance payment and a bidding LG. Of course, a court appearance bond does not accommodate Musharakah and can be given only on basis of Wakalah if it is fully covered.

One other point is competitiveness requires putting a cap on the share of LG provider to avoid exceeding return on LG offered by competitors.

Wa Allahu A'alam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Fathi
Sent: Sept. 24. 2020
Subject: Print on demand books

Question:

I want to know if this business model (Print on Demand) is halal or not. How it works is, I just upload designs on various products like clothing, mugs etc. in a Print on Demand website. And it's completely free for me to do so. And when a customer buys a specific item that I designed, the website takes care of everything, from printing the design on the items to sending it to the customer. I get paid a 20% commission by the website from the money the customer pays and the website keeps the rest. Is this business model halal? As I read somewhere that it is not permissible to sell what we don't own. Does 'Print on Demand' fall under this ruling?

My Answer:

Bismillah al Rahman al Rahim
Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in
Dear Br. Fathi
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh
This business model, as described in the question is Halal for both the designer who earns the 20% and the owner of the print website. There is no sale of what you do not own by either party. When a customer makes an order the website owner which manufacture (it is called print when you use three- dimension printer) the substance, of course using its printer and raw materials. (it is called in traditional Fiqh Istisna') and get the price and gives the designer a % of it as per prior agreement. If you design does not have any customer, you get nothing. This contract is also permissible (classically called Ju'ala as you do not provide any raw materials to the manufacturer.)

Wa Allahu A'alam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
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Professor, Islamic Finance & Economics
www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Farhan
Sent: Tuesday, September 8, 2020
Subject: Commissions on apps referral

Question:

AssamuAlaikum,
There are 1000 of app to refer and earn commission Money.

Is this kind of commission money haram or Hallal in Islam? Please guide me. thanks.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Farhan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It depends on the details, most of the details of such commission violate the Shari'ah principle, like write untrue testimonies about the company.

But when it is simply a commission given for helping the company build its mailing list and the main line of its activities is permissible, then this kind of commission is permissible.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Abdalhadi

Sent: Wednesday, August 26, 2020 3:17 PM

Subject: selling the case in virtual games

Question:

In a game called csgo we are given cases for free that need a key (which is bought using real money) to open and can contain an item of random real world value. this is indeed gambling, but can we sell the case that we got for free instead of opening it?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdalhadi

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The gambling problem is in the randomness of the content of the box, buying and selling it are the same in prohibition, rather, sale or purchase of un-known thing is prohibited in the Hadith itself, i.e., by the Messenger, pbuh.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: A questioner

Sent: Wednesday, August 26, 2020 3:17 PM

Subject: registration fee for competition

Question:

Competition/money

Is it halal to participate in a competition (like fantasy premier league) where there is an entrance/registration fee and prize money is given to top 3 contestants?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If prizes are paid from the collected registration fees, it is then a form of gambling, the fee becomes a price of the chance and this is the essence of gambling. If prizes are paid from some donors and the registration is just symbolic to the extent that it can't be a price of the chance, it is then permissible.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

Fro: A questioner

Sent: Friday, July 3, 2020

Subject: involved in Haram activities

Question:

I am an Islam scholar of another profession background-Accountant

At a point, I lost my job with a airline in Nigeria. This was followed with loss of life, poverty and depression. It got to an extent when I stopped praying and lost interest in recitation and reading of Holy Qur'an and Dhikr of Allah Though I observe Namaz but not with full devotion because of the problems that have taken over the hearth. it even lead me to finding help from other sources later on, I did Tauba and continue using Ibadah to solve my problem. Now the question:

I could observe there is acceptance in my prayer but it's not so strong. Take for instance, if I need help inform of money, I used to get the money when I borrow instead of assistance from someone. You know borrowing is a debt and must be paid back but I don't have a stable job for now. What may be hindering the strength of my Ijabah (acceptance)even when I refrain from haram.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is not my area of specialty.

All I can say is that the Prophet, pbuh, told us that one who is under Haram food, cloth, etc., then the prayer may not be answered.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Shabeer
Sent: Saturday, May 30, 2020
Subject: Getting loan from Father and pay charity

Question:

Hello I would like to know is giving from your father's money Sadaqah and Zakah on the basis it's loan from him without interest to me for business purpose but I love giving charity and I have intentions of paying him the money back is it haram and wrong my father also does charity and give Zakah but I also do without him knowing on my behalf but with his money on the intention I will pay his money back to him

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. SHABEER

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Your wording of the question confused me and does not allow me to give an exact answer. Ask a clear question; what you did or intend to do in simple words. Here are a few bullet points that may give some light on the issue:

- * Zakah is calculated on properties one owns at 2.5% and payable once a year (every 354 days), it requires intention when paid,
- * One may pay Zakah from own money on behalf of another person on request from the latter, it is considered voluntary on the part of the payer, like a gift from him to the person on whom Zakah is due,
- * Sadaqah can be given any time and in any amount,
- * Either of the business partners, including family members, may calculate and pay Zakah on all the business property when it is due provided there is explicit or implicit approval and/or authorization from other partners,
- * A wife, being a manager of household may give Sadaqah, in usual and customary amounts from properties of her husband with or without his knowledge, it is rewarded by Allah for both of them,
- * It is permissible to use borrowed money to pay own due Zakah and to pay Sadaqah too.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: A person

Sent: Saturday, May 30, 2020

Subject: advertisement with sexuality

Question:

A worker read a job description posted in public by the employer. In the job description, the employer described tasks related to making it easier for vulnerable adults to gain employment in a specific industry and consequently improve their economic outcomes. In the job description, the employer also listed a number of partners, but did not specify that one of the partners' mandate is youth sexuality. The tasks listed in the job description do not mention youth sexuality. In fact, in the job description, the words sex, sexuality or youth do not even appear.

After reading the job description, the worker was satisfied with the mandate of the employer as it was described on the job description and decided to send a CV. The employer called the worker for a job interview and during several hours they discussed the job, but the employer still did not mention that there were tasks related to youth sexuality. These words were not even spoken during the interview.

After going back and forth for several days, the worker and the employer signed an employment contract and set a start date. A couple days after starting to work for the employer, the worker receives the description of a campaign the employer is deploying in collaboration with the partner cited above. The worker discovers, right then and there, that the campaign does include employment for vulnerable adults AND activities to talk to youth and teenagers about sexuality and family planning. The worker deduced that family planning for teenagers probably means contraception for teenagers. How else can you plan a family? The worker does not have clear understanding of what type of conversations, medical products are involved in these activities since the employer never took the time to inform the worker.

The worker is well aware that youth - even Muslim youth - do have sex; that they can get pregnant; that they can have STIs; that all youth - including Muslim youth - need to have a better understanding of what is Informed Consent. As an individual, the worker is not against equipping youth with sex education provided that the curriculum be determined by the government of the country AND in accordance with the religious and cultural realities of the country and most importantly, the informed opinion of its citizens.

The worker feels that the employer was deceitful when a) he didn't include the words youth sexuality in the job description, b) focused 100% of the job description on employment of vulnerable Adults, c) didn't mention youth sexuality during the interview or during the many conversations held after the interview.

The worker is now being bullied by staff in the workplace to agree to work on the campaign. The employer has not said anything so far about this bullying. The worker is concerned about getting fired or having the staff convey false information to the partners and tarnish the worker's reputation in the sector, thereby jeopardizing the worker's chances of getting another job.

The worker thinks that a transparent conversation should happen with the employer during which the worker would communicate that even workers have a right to Informed Consent. The worker has the right to know about the full mandate of the employer, not parts of it and have the time to research to see if all the parts of the mandate correspond with the worker's view of an improved society for the country. The country is a Muslim majority country, the partners are most likely Non-Muslims as they are nationals of another country, the staff is Muslim and the employers, are both Muslim and Non-Muslim.

1. For an Islamic perspective, is the worker right in thinking that the employer took away the right to Informed Consent? Is there such a thing as Informed Consent in Islam?

Employment contract must be completed with all info and employer has no right to add duties not included in the job description, this is both in Shari'ah and in laws in all countries.

Exception is only in minute details as an employment contract may be in general terms and details are usual and customary.

2. If the worker is deprived of the right to Informed Consent and works on the campaign, is the worker committing a sin? If it is a sin, it seems impossible in today's world to earn a living that is 100% halal. If it is a sin, even the other Muslim staff are being forced to do so and they might not be aware of it or they're accepting this as the reality of life.

It is sinful to do sinful things. Most jobs and the greatest majority of them do not have any sin. Of course, distribution info and material about contraceptives to unmarried persons is not appropriate and may be very sinful when it makes the sin easier to commit. And whoever does that is making very wrong thing morally and Shari'ah wise too because this amounts to promoting sinful behavior and actions. Fornication is definitely Haram and supporting it, declaring it, helping it all are not permissible in Shari'ah. If a job requires you to do that you must quit this job and find others even if there are some Muslims who do it, there are many Muslims who do wrong things, this cannot be an excuse to do it.

3. Assuming that the campaign is indeed about contraception for youth, is it a sin in Islam to talk to teenagers about contraception?

It is sinful to talk to teenagers about contraceptive in any manner or approach that encourages directly or indirectly fornication and any man/woman or boy/girl rather recommended.

4. What does the scholar or counsellor recommend to the worker to stop the bullying and slender that the worker is being subject to?

For this you need social work expert, I am not a qualified specialist to answer this point.

Thank you for responding quickly to this question as the worker's job is threatened. If this question needs to be forwarded to a different team, can you please forward it as soon as possible?

Jazak Allah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please see my Answers in red under the questions.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Qureshi

Sent: Saturday, May 30, 2020

Subject: Prize with increased price

Question:

Salam,

I need some advice on a business I have come up with, to make sure I am not committing sin.

So, the general idea is:

I buy an item for £3000 which will become a prize for a competition.

I sell entry to the competition for £20 to 300 people.

Now is the tricky bit, I understand that picking a name out of a hat at random can be seen as gambling (haram).

So, I was wondering is there any halal way I can choose a winner? What are my options. I need to be able to select 1 winner.

JZK

Your brother

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Qureshi

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This kind of paying for prizes that you called competition is not permissible in Shariah. Find yourself another business. This is not a way of earning living in Shari'ah because payment is made for a chance, chances and risks are not objects of sale.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: A brother

Sent: Saturday, May 30, 2020

Subject: getting copy-righted application from cracks

Question:

I want to know that there are some applications like Adobe After Effects which need to be purchased for the full version. But if we get a crack for the application and without paying anything get access to the whole application then is this Halal or Haram?

I also have another question that websites like PDF Drive give away free books which are actually copyrighted. So, is it Halal to download and read those books or Haram?

Can you please explain in detail?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Making a crack in an application to get it free or to make it free for everybody on the internet is definitely sinful and not permissible in our Religion.

On the other hand if I go on the net and find a thing freely available I don't need to know where or how it came about in that form, using it for my personal use without making money of it is permissible.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

FATAWA MISCELLANEOUS 2019

From: Imran

Sent: Saturday, December 28, 2019

Subject: Wearing trousers

Question:

Salam, Sheikh

I was wondering if you could answer a question relating to men wearing trousers below their ankles. Is it a sin for a man to wear his trousers below his ankles if he does not do so out of pride?

Wassalam

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Imran

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In my opinion, this is not a sin and not Haram. BUT I AM NOT AN AUTHORITY ON SUCH ISSUES. Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net; www.kahf.com/blog

From: Junaid

Sent: Sunday, December 7, 2019

Subject: Free mixing

Question:

Hi I work in a company where I have to work with non-Muslim women of course they don't wear hijab but I have to look and talk to them for work I try to keep my niyyah as pure as possible is my earning from this work halal and is looking at a women without lust ok?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Junaid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

We are advised in the Qur'an to always lower our gaze when we see women, Muslim of otherwise. Try to always keep that attitude, but still that does not affect the purity of your income.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From:

Sent: Tuesday, December 3, 2019

Subject: CORPORATE GIFTS TO HIGH NET WORTH CUSTOMERS AND REGULATORS

Question:

Assalaamu alaikum Wa rahmatullahi Wa barakaatuh,

Dear Prof.,

Management wishes to give some fairly valuable corporate gift items to its high net worth customers and regulators.

We therefore seek your Shariah opinion/view on the permissibility or otherwise of the gifts to Customers and Regulators.

Regards.

MUHAMMED

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is a long subject that requires full discussion in a meeting. I am going to put some bullet points of importance and needs comments of my colleagues before we make a decision.

However, I suggest that we put this subject of the agenda of next meeting but here are some initial points:

- * We discussed this issue before and we determined in a previous decision that it is not permissible to give high valued gifts (anything more than 10000 Nair) to regulators, employees of customers and depositors, it is a bribe and the Jaiz bank should pioneer in changing this culture.
- * Gifts to customers (user of our finance) are permissible provided they reach the customer itself not its employees.
- * Gifts to holders of current account (these are defined as lenders to the Bank) are not permissible when they are of anything beyond the facility of allowing them to withdraw their money. The OIC Fiqh Academy has a new decision in this regard, please check it in the decisions of \Metting 23 in the Al Madinah al Munawwarah in November 2018.

- * Gifts to holders of Mudarabah investment of all kinds are permissible. They amount to giving away part of the Bank's share of profit.
- * In all cases gifts cannot be given to employees of depositors of customer but must be given specifically to owners of the account in order to avoid the culture of bribing employees so that they respond by favoring us in the future.
- * These are the few points that came quickly to my mind on this matter, may be in a discussion we may find some more important points.

I need input from other members including the shaikh in order to reach consensus on ACE view.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: ABDULRAHMAN

Sent: Monday, 2 December 2019

Subject: Fatwa on birthday congratulation

Question:

As-Salaam Alaikum,

Respected ACE Members.

Kindly find the attached for your opinion. The bank wants to wish a happy birthday to Mister President.

We are seeking your opinion on Shari'ah view on the issue of congratulating on the birthday ceremony the people at the helm of affairs be at the state-level or federal; like the above subject matter.

Thanks.

Abdulrahman

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdurrahman

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Personally, I do not object to congratulation on birth day if it is an acceptable social habit and done with good words encouraging the person to do more of the good deeds.

I understand it may be sensitive in some communities, so I like to hear from other colleagues before I give a final opinion.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: Majd
Sent: Saturday, October 19, 2019
Subject: Distributing donation to other than its objective
Question:

السلام عليكم ورحمة الله وبركاته
رجل جمع مبلغا لأحد الفقراء فهل يجوز له أن يعطي هذا المبلغ لمستحق آخر غير الذي جُمع له؟ وهل يجوز أن يأخذه لنفسه إن كان ممن يحق له أخذ الزكاة؟

My Answer:

الأخ المكرم
السلام عليكم ورحمة الله وبركاته
لا أرى جواز أي من ذلك فهو خيانة أمانة. ولا بد لأي من الفعلين من استئذان من أعطى هذه التبرعات مع أسمى التقدير وأعز التحية
أ. د. منذر قحف
تمويل واقتصاد إسلامي

Wa Allahu A'alam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
www.kahf.net <<http://www.kahf.net/>> ; www.kahf.com/blog <<http://www.kahf.com/blog>>

From: مجد
Sent: Tuesday, August 20, 2019
Subject: بيع لم يتم تسديد كامل ثمنه

السلام عليكم ورحمة الله تعالى وبركاته.
سيدي، بعث اغراضا لرجل ولم يدفع لي كامل المبلغ والاغراض بقيت معي، اعطاني رعبونا وقال لي غدا سآتي لأخذ الأغراض. والآن دفع لي أحدهم أكثر منه هل يجوز لي فسخ البيع مع الرجل الأول؟

My Answer:

لا أرى أن البيع الأول يفسخ إلا بموافقة المشتري. ومن باع فقد أخرج المبيع من ملكه. فلا يطمعن بما باع!

Wa Allahu A'alam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: مجد

Sent: Tuesday, August 20, 2019

Subject: بيع لم يتم تسديد كامل ثمنه

السلام عليكم ورحمة الله تعالى وبركاته.

سيدي، بعثت اغراضا لرجل ولم يدفع لي كامل المبلغ والاغراض بقيت معي، اعطاني رعبونا وقال لي غدا سآتي لأخذ الأغراض. والآن دفع لي أحدهم اكثر منه هل يجوز لي فسخ البيع مع الرجل الأول ؟

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Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Tuesday, August 20, 2019

Subject: stolen money retuned but what about the time period and people economic condition

Dear Prof. Monzer,

Hope you and your family are fine.

May Allah accept your good deeds.

Please take the time to answer this question:

Shazia

As Salam Wale Kum,

First of all thanks for having such beautiful place where we could ask ore questions and hope for a reply.

Jazak Allah Khair.

My question is when I was a teenager I have stolen money from my relatives and I was very away from Islam. Later by Allah mercy I became religious and realised my mistakes, I repented to Allah, asked indirect forgiveness from them and retired the amount to the best of my capacity that I remember.

My question is when I have taken their money at that time they were no well off and were really need of the sum I took. And when I returned their money by Allah grace they were well to do. Will my repentance be accepted or do I need to do anything else? What about the time span. Question keep crossing my mind like if I have not stolen and they would have invested in some ting and get some return and I have deprived them of that opportunity etc etc. Please help.

Jazak Allah Khair

Shazia

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shazia

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Let us say that this is a right to them that you are required to give. In a situation close to this when the Prophet, pbuh, was under debt to some one he asked his fund manager to pay the amount of debt and give more and he also said that the best among you are those who are best is paying their obligations.

In your situation, it is a result of wrong doing before realising its evil and repentance, give them some more in terms of gifts and other givings. It clears your conscience and will be goodness at fulfilling obligations. This is not a must because you already paid back what you took, but a good gesture with your repentance.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Majd

Sent: Tuesday, June 25, 2019

Subject: شخص من داخل الشركة يزودنا بمعلومات

السلام عليكم ورحمة الله وبركاته

سؤال : نحن مؤسسة مقاولات نعمل مع طرف معين وعند هذا الطرف شخص بإمكانه أن يزودنا بمعلومات أو مناقصات مطلوبة من قبلهم قد لأندرج عنها لو اعتمدنا على مصادرنا فقط. وهذا الشخص يطلب مبلغ مقابل هذه الخدمة ، وتجنباً لدخولنا في مسألة الحرام فإننا ننوي أن لا نزيد من أرباحنا لتغطية المبلغ المقدم لهذا الشخص مقابل معلوماته وإنما نخصص له مبلغ من أرباحنا المعتادة (تخفيض ربحنا بما يعادل نسبته) فهل عملنا هذا جائز؟ ولكم جزيل الشكر

My Answer:

الأخ المكرم مجد

السلام عليكم ورحمة الله وبركاته

لعن الله الراشي والمرتشي. هذا من كلام رسول الله صلى الله عليه وسلم. ولولا الراشي لما وجد المرتشي . هذه بالتأكيد رشوة طبق عليها متأخرو الفقهاء قواعد الضرورة فكانت النتيجة أن عمت الرشوة بلاد المسلمين ولو وقفنا منها موقف اتباع النبي بلعن كليهما لاجتثت من جذورها. لا فرق في الرشوة أن تخرج من أرباح الراشي أو من ثمن البيع فلماذا التفريق؟ ومن ترك معصية عوضه الله عنها في الدنيا والآخرة .

مع أسمى التقدير وأعز التحية

أ. د. منذر قحف، تمويل واقتصاد إسلامي

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: Majd

هذا جواب الشيخ احمد

لكم أن تزيدوا من أرباحكم برضا المتعاملين معكم، ولكم أن تدفعوا لهذا المساعد لكم أجرا معيناً لا نسبة من الربح .

My Answer:

الأخ المكرم مجد

هذا جواب من لم يفهم المسألة ولم يعرف أخلاق دينه .

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics
monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Tuesday, June 18, 2019

Subject: sale of ladies lingerie

As-salamu alaykum dear Prof. Monzer,
Hope you are fine.

Please take the time to answer this question.

As Salam Alaykum brothers,

If I was working for a company that sold lingerie, like Victoria Secret, and my job was to run their advertising that marketed to both men and women.

But some of the ads had images that featured women wearing lingerie, is what I'm doing Haram considering that men might see it and it could be a fitna for them?

Also, is it Haram for me to see images with women wearing lingerie?

I feel really confused by this and I worry that my earnings won't be halal.

As a Westerner, I've grown accustomed to seeing these sorts of commercials and ads. Bathing suits and clothes that aren't covering a women's awrah are normal where I'm from but since I'm now a Muslim and living in a Muslim country', I'm unsure if this is a proper way to earn money.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Making, designing or creating an advertisement which shows parts of the body that are required to be covered in Shari'ah is not permissible, so is publishing such an ad. The reason is two folds: 1) exposing parts of body that are supposed to be covered, and 2) and may be more important the misleading character of such ads which normally use the feminin (or masculin) beauty to lure potential buyers to the commodity on the ad. That is making a woman underpant desired because it is surrounded by beautiful legs or thies!

This is different from working in such a place which makes it unavoidable to look at pictures of uncovered parts of the body of men or women. This is, bad as it is, not exactly haram as long as one diverts one's sight as much as possible. This is certainly lesser of an evil than looking at uncovered parts of live persons. Also all these are considered small sins that can be matched by Duaa and Istighfar and good deeds such as helping others and charity to wipe them out. Wa Allahu A'alam

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Tuesday, June 18, 2019

Subject: Social Media Giveaways in Exchange for Followers

As-salamu alaykum dear Prof. Monzer,

Hope you are fine.

Please take the time to answer this question.

Salaam,

Is it permissible to partake in giveaways that require you to do certain steps for example like the picture and tag some friends in exchange for the chance to win some items.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is permissible as long as it does not contain cheating or giving misleading or luring info.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Monday, June 10, 2019

Subject: I owe a lot of debts

As-salamu alaykum dear Prof. Dr. Monzer,

Wish you had a nice Eid vacation.

Please take the time to answer this question:

I owe a lot of people money and I am currently not working and I really want to pay them back. I have been praying to the Almighty for the past 2 years but it seems things are getting worst, but I have not lost hope. What more duas and zikr can I do so I am can get a good job to pay all my debts. I don't sleep at night because of worries. Please help me am desperate

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Just be regular on your prayers and duaa, any Duaa, and you may need to lower your standard for the job that you are looking for, and InShaAllah He will help you. This is a test from Allah and your success in accepting what He put forward to you will help InShaAllah.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Hashem

Sent: May 29, 2019

Subject: Letter of Guarantee

Salamo Alaykom,

I hope you are enjoying the blessings of Allah swt.

Could you please advise whether the below financial instruments are Halal or not?

LG (Letter Of Guarantee or Bank Guarantee) to Cover LC (Letter of Credit) Payment Term For Export Business.

Sincerely,

My Answer:

Issuing LG for a fee for the guarantee is not permissible in Shari'ah, so must be buying it for free.

If you are under necessity that you cannot import except with a paid-for LG, you may have to take it. LC's are permissible and you should avoid any interest in it.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Sunday, May 19, 2019

Subject: How to return money I took to the original owner

As-salamu alaykum dear prof. Monzer,

Please take the time to answer this question:

.tarek@protonmail.com

Al Salam Alykom wa Rahmat Allah w Barakatoh

My father confessed for me something that shocked me to the core, my father is a merchant and started his trading via getting goods with sneaky and ill-leagal ways plus he was selling that items for a very low price compared to the original price, he was getting the goods from a friend of his.

My father asked Allah (Sobhano Wa Ta'ala) to forgive him and started to take the products which he used to sell in a legal ways plus selling them nearly for the same original price which is used to be sold for and he wants to give back the (haram) money where he made from selling these prodcuts before asking Allah (Sobhano Wa Ta'ala) to forgive him, to his friend.

The question is, now since the capital he made is haram, can he give back his friend the money he made from selling the goods at that extremely reduced price OR he should first re-calculate that capital money based on the original price of the good?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

May Allah forgive us all and forgive your father for what he did. The goods taken for that friend should returned (of course their similar because they were sold anyway), preferably in kind unless that is no more possible because they became obsolete. But definitely returning the amount your father sold them for does not fulfill the objective which is compensating the owner for what was taken from him. Besides since your father has repented he may use ways to return that amount to his friend without subjecting himself to humiliation and without the friend knowing that he is returning the value of what was taken earlier.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Saturday, May 4, 2019

Subject: transaction fee

Dear Prof. Monzer,

I wish you and your family a happy and blessed Ramadan.

Please take the time to answer this question:

Starting an online business ra56179n@gmail.com

Salam walkum - I want to open an online store with this company, shopify and I have 2 questions.

They will charge me a transaction fee every time I sell a product for using their payment system gateway.

This transaction fee is based on a percentage of the profit which is 2%

For example, if I make a sale of \$100, shopify takes \$2 because I used their payment system. Is this Riba?

Also when you make a sale, your money is held in an account for about 3 days and you don't have access to it. After these 3 days pass your money gets transferred to your bank account. Is this delay haram?

Walikum salam

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Mohsen,

Ramadan Karim to you and your family and same to your questioner. Please inform him of my opinion as follows:

1. The 2% they company collect of your sale is permissible and it is not Riba. It is done by mutual agreement for using their facility. Please notice, it is 2% of the sale amount as in the example not from profit as you mentioned in the question.

2. The delay in transferring funds to your account is permissible on your part to accept that, regardless of what the company does or intends. However, this is most likely to be sure of the payment of the customer that it went through, it is not an issue of interest (Riba).

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Wednesday, April 10, 2019

Subject: Mentioning company name in job resume he/she did not work with that company

As-salamu alaikum dear Prof. Monzer,

Hope you are fine.

Please take the time to answer this question:

As salaam alaikum wa rahmatullahi wa barakatuh,

In 2016 I used to work at company for example company name "A" then I resigned from there and I took break then later I started working with different company. It's been 3 years now

and that company "A" wants make a job offer again to me to join them. My question is if I join that company "A" again and start working for them. In future can I show in my resume/CV

that I have been continually working for company "A" Only since 2016 to cover the time i took break and not to show any other companies I wokred with after 2016 or will it be a lie.

Reason why I am asking is: because a lot employers / companies in the west don't like hire any potential employees who have been working companies to companies for short term. Thank you so much for your time jazakallah khair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is a lie to put in correct info in you cv, you should remember that some employer also ask past ones. It is rather a good sign in your cv that you returned to same company after leaving it for a while, this is not a disatvantage.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Saturday, March 30, 2019

Subject: can Money received for specific charity given to another?

Dear Prof. Monzer,

As-salamu alaykum

Hope you and your family are fine.

Please take the time to answer this question:

Amir

Assalamu alaikum. I just want to know something. I just get some charity money for one sick lady'. Now another person came to me asking money for sister wedding. Can I share this money. Please let me know. This money I get from my few friends because this lady is sick.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Amir

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This money you collected from your friends is given to you fto help that sick lady, the principle is that you cannot use it for any other charitable objective. This is an Amanah based giving and you are a Wakil (agent) only to make it reach that sick lady. Of course it was given to you because your friends trust you. Therefore if your judgment is that the sick lady does not need all the money collected, the remainder may either be returned to the donors or their permission may be taken to divert it for another charitable casue including helping theat father for payment of cost of wedding of his daughter.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Nurzhan

Sent: April 2, 2019

To: Stambakiev

Subject: السؤال عن تقديم الكفالة لدين ربوي

My Answer:

الاخ نور جان

السلام عليكم ورحمة الله وبركاته

بالنسبة للكفالة على قرض ربوي الاصل فيه الحرمة لا تجوز كفالة قرض ربوي ولكن هذا السؤال الذي تسألني هو سؤال خاص لشخص عنده عائلة ويحتاج الى سكن فإذا كان هذا الشخص يحتاج إلى السكن ويؤثر عليه الشراء تأثيراً مهماً في معيشته و معيشة أسرته فمن الممكن أن يكون وضعه خاصاً بحيث يباح له أخذ مثل هذا السكن بالفائدة والفائدة كما هو واضح قليلة و تفرضها الدولة هذه مخلفة عن الوضع العادي فقد يكون في هذه الحالة بنفسها من الجائز أن يكفل لأنه من الجائز لذلك الرجل نفسها أن يقبل القرض الربوي للسكن بهذه الحالة والحمد رب العالمين

Wa Allahu A'alam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen
Sent: Monday, March 18, 2019
Subject: Rules of cheating in exams

Dear Prof. Dr. Monzer,
As-salamu alaylum
Hope you are fine.

Please take the time to answer this question:

Assalamu alaikum shaikh, I read in a fatwa site if a person cheats in the exams, even if he knows about the unlawfulness of cheating, and then finds a job and carries out the work properly as required, there is no harm on him in keeping that job or in benefiting of his certificate and the earnings from his job but he has to repent sincerely for cheating in exam. Is this same rule applied equally for women? If she earns certificate by cheating in exam (even she knows it's unlawful) & then finds a job using the certificate, is it enough for her to continue the job & being benefitted from her income if it is halal but she has to repent sincerely for cheating in exam?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.\Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Of course it is same for men and women, I should add that with repentance and asking God forgiveness one should make charity to the poor and needy and other good deed as much as one can As Allah said in the Qur'an that: "indeed good deed removes bad ones away."

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen
Sent: Monday, March 18, 2019
Subject: Extra money from property cancellation

Dear Prof. Dr. Monzer,
As-salamu alaylum

Hope you are fine.

Please take the time to answer this question:

4 years back I had bought a house by paying part of the total cost as advance money. The amount was USD 125000/-. Now I am cancelling this transaction which means I will not only get back my USD 125000/- but also around USD 30000/- extra as 'appreciated money' from the builder. This extra money is actually the amount my initial USD 125000/- would have profited in 4 years had I successfully invested it in any other property or business. This is not part of the agreement or constituted as interest as both the parties did not foresee that the transaction will be terminated in future. My question is if I can utilise this money for my own needs or is it haram for me? If it is haram then can I settle my debts with this extra money? Please answer all parts of the question. Jazakallah Khairan.

Request you to answer this question urgently as I am in this situation either to accept the extra money or not.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You bought a house and paid only part and the remaining of the price became a debt on you. Now if the property is in existence and ready for delivery when you agree with the seller on cancellation, this cancellation may be at a different price than the purchase price, i. e., at the debt on you plus 155000 Dollars.

In this case it is Halal and you can use it as you like.

But if the house is not built and not ready for delivery when you made the cancellation, the amount of 125000 is a debt on the seller and he conceptually gave you 30000 without being a condition in the contract nor negotiated as interest on the debt, this amount is then an extra money given as a gift and it is not Haram to accept it. Also you may use it as you like.

If it is negotiated, at the time of cancellation, between both of you as interest on the money then it is definitely interest and Haram. Haram money cannot be used for anything that benefits you such as paying debts or even paying interest due by a Haram contract or tax due on you. The only use of Haram money is to give it away to the poor and needy, for him it is not Haram because this being Haram is in the way it is earned not in the cash itself. This is unlike liquor for instance which should only be drained in the sweage. Wa Allahu A'alam

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Sent: Monday, March 18, 2019

Subject: Sources of merchandises we buy

Dear Prof. Dr. Monzer,

As-salamu alaylum

Hope you are fine.

Please take the time to answer this question:

Business start up questions

mamin874@gmail.com

I'm considering starting a clothing business by buying things wholesale and selling them for market price. You don't often know where the wholesale stores get their merchandise. To what extent are we responsible for fair trade and ethical conditions of how things we purchase are made? Particularly where one is unsure, should a something like this not be pursued? Thanks!

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Guilt cannot be by doubt. When you do not know then others are always innocent. You simply do not ask that question unless you that that the sellr have stolen the thing he is trying to sell you.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Imaam

Sent: Wednesday, February 27, 2019 5

Subject: Fwd: Multi Level marketing

Dear Prof. Monzer, As-Salamu `alaikum.

Below is a question I wish you could be able to answer to one of our community members as soon as your time permits.

Much appreciated.

Imam Amin

----- Forwarded message -----

From: Khaled

Date: Tue, 26 Feb 2019 at 19:01

Subject: Multi Level marketing

To: imam

السلام عليكم ورحمة الله وبركاته.

امامنا العزيز I would like to ask if multi level marketing is Halal.

I was approached by a coworker asking me to join a network of buyers where every new recruit pays a fixed amount of money for a product. Then the new recruit try to recruit another guy who pays the same amount for the product. And so on. And every time a new person joins, a commission is paid to all the network. I hope my question is clear. Let me know if you need further information.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Amin

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The question is not really clear because there are many ways and approaches network and multiple-level companies use. To take the question on its face wording, there are a few problems:

1. By virtue of what right you earn a commission when a person down the chain brings another member to the network. The fact is you did not put any effort to bring that new person who was actually brought by others not by you,
2. There is a moral issue because you have a gain from bringing another person that you may use not appropriate info or hide appropriate one, this is a human nature so it may become just luring other persons into it.
3. Very often the items sold are highly over-priced and may have a serious Ghabn\over pricing
4. Also many of such companies sell fake products or depend only on getting new members. In other words that have no real goods to sell and simply their business model depends basically on the gain they make from what you first buy or pay as membership.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Dr. Mohsen

Date: February 15, 2019

Subject: Property Investment

Dear Prof. Monzer,

As-salamu alaykum

Hope you are fine.

Please take the time to answer this question:

zafar from US

Is it permissible to invest in property?

A lot of people buy out property with their extra money in order to resell later at higher price. This creates higher demand and prices go up, and many people are deprived of homes because they cannot meet the higher prices.

For me this is one of the greatest evils as investors are holding necessities of common to make money but Islamic scholars do not consider it haram.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Speculation is basically not permissible. This is what you described, i.e., buying simply to watch prices and tick a sale when the price is up. But investment and trade are permissible. Both intent to facilitate objects reaching their final customers. That also takes place in real estate not only in small goods. Investors come at time when there is no other buyer they look for improvement and changes before they sell. But mere speculation is not acceptable in Shari'ah as stated above.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: rida

Sent: Monday, January 28, 2019

Subject: Is a COW as a Collective aqeeqa possible for a Mother, Two Sons .(5 shares)

There is a mother(burdened with a drug addicted father) in my neighborhood , who wishes to perform AQEEQA for herself , and Two grown up sons who were not given (obligatory) AQEEQA in their childhood.

Now she wants to do AQEEQA for herself and Two sons and would like to know if a BIG ANIMAL like a COW or BULL is sufficient for them or need to do individual (two years old lambs or Goats two per sons and one for her) animal sacrifices for each of them separate.? They are also NOT that rich enough to afford to bear such a heavy financial obligation as they are leading a hand to mouth living.

Please be good enough to give your religious ruling on this matter ASAP please.

Thanking you,

Reda

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Reda

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Kindly notice that Aqiqah is not an obligation. In th Hanafi scholl it is wajib and it is only recommended according to others. Also please notice that the sunnah of Aqiqah is on the seventh day of birth and if not on the 14th. It is not conirmedly agreed upon that it can be made for adults if it is missed after birth. Add to it that it is an obligaaion on the father not the mother.

All the above meanss that it is not a big deal to let pass if it was not made by the father upon birth. Most Muslims in all societies today were born and grew up with no Aqiqah made for them!

This family you said it is poor and live on hand to mouth basis. A person like that poor came to the Prophet, pbuh, committing a sin of breaking the fast in Ramadan that requires feeding 60 miskeen. The\Prophet, pbuh, ordered him to do that but the man said that he does not resources, so a collection was made for him as charity and the Prophet told him to take what is collected and feed 60 miskeen but the Man swared to God that he might be the poorest in town. The Prophet then told him to take that

and feed his family instead of the 60 miskeen. If this family is poor please have them keep the cow as a source of milk for them, and let go on the Aqiqah. Their intention is known to Allah and He knows best.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@kahf.com; www.kahf.net; www.kahf.com/blog

From: Alexei

Sent: Friday, January 4, 2019

Subject: Selling Property on Installments

As-salaamu 'alaykum,

1) I have a vacant rental property that I wish to sell to another Muslim by installments. This is for exactly \$10,000 total (exactly \$400/month for 25 months, interest-free with no late penalties). Is this permissible?

YES, this is permissible, no disagreement about it at all.

2) If the Muslim buyer CANNOT continue to pay the monthly installments, can I forgive him (and/or his family) and let him keep the property?

YES, and this will be a great reward from Allah to you if you do that for His Sake.

3) If my annual zakat date arrives in Ramadan 2019, and I received (for example) only \$2400 (6 months of installments), should I pay my annual zakat on only the \$2400 (zakat amount of \$60) or should I pay zakat on the TOTAL sale amount of \$10,000 (zakat amount of \$250)?

Zakah is always due on all your properties that exist on the day of Zakah. Of course there are personal and family exemptions (e.g., live in house, personal and family transportation car or cars, household furnitures and appliances, etc.) in the example you mentioned assuming there is no other Zakatable things, if the 2400 was already spent and exists no more as cash, Zakah will be only on the remaining debt of \$7600, i.e., \$190; but if it is still remaining with you as cash Zakah will be on 10,000 which is equal to cash 2400 and debt 7600.

Again, I'd greatly appreciate it if you could respond as soon as possible as I will be signing the contract soon, insha'Allah.

Many thanks,

Alexei

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Alexei

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh Please see my answers below your questions:

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf
Professor, Islamic Finance & Economics
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FATAWA MISCELLANIOUS 2018

From: Esam

Sent: Monday, December 31, 2018 12:18 AM

Subject: سؤال عن نظام شركة دوبلي

فضيلة الدكتور/ منذر - حفظه الله السلام عليكم ورحمة الله و راته
أنا عصام حريرة - كنت أعمل سابقًا مع مواقع، Islamonline - Onislam - Aboutislam أرجو أن تكون بخير وأتم وأحسن حال .

كثير من الإخوة والأصدقاء يرغبون في العمل مع شركة "Dbbli.com"، لعلك فضيلتك سمعت عنها، ويودون أولاً الاستفتاء عن مدى شرعية العمل وفق نظام التسويق بها. وإلى فضيلتك الفتوى التي يرغبون في الرد عليها. حفظكم الله ونفع بعلمكم.
نود أن نسأل فضيلتكم عن الحكم الشرعي في نظام المعاملات في شركة أمريكية تسمى "دوبلي"، وهذا رابطها على الإنترنت (Dubli.com). الشركة تعمل في شكل "مول" إلكتروني تقوم من خلاله الشركات العالمية مثل "سامسونج" و"مايكروسوفت" و"أمازون"، وغيرها بعرض خدماتها ومنتجاتها على موقعها، وتتعاقد هذه الشركات مع "دوبلي" على أساس أن تخفض أسعار منتجاتها وخدماتها عن السعر الأصلي لأي عميل يشتري المنتج عن طريق "دوبلي"، ثم تقوم "دوبلي" بإرجاع نسبة من ربحها إلى المتسوق/العميل. وبالنسبة للأشخاص، فيمكن أن يكون أحدهم متسوقاً أو مسوقاً:
أولاً: المتسوق:

يمكنه الاشتراك عن طريق فتح حساب على موقع شركة "دوبلي" مجاناً، مقابل الحصول على نسبة استرداد نقدي "Cashback"، وهي نسبة ضئيلة تتراوح بين 2% إلى 5% تقريباً.
كما يمكنه الاشتراك كمتسوق مميز "VIP Customer"، وهنا يدفع اشتراك بقيمة \$49 صالح لمدة عام، ويمكن تجديده بحوالي \$40 كل عام، مقابل الحصول على نسبة استرداد نقدي "Cashback" أعلى من المشترك مجاناً.
ثانياً: المسوق:

وهذا يعمل كوكيل أو مسوق للشركة بتعاقد مرة واحد ولمدى الحياة، ويمكنه الاشتراك بإحدى الباقيتين:
1- "TM" أي عضو فريق، وعليه دفع \$594، وهي غالباً خاصة بالأشخاص، وفي مقابلها يُعطى المشترك مزايا، منها:
- 12 بطاقة VIP يمكنه بيعها بسعر \$49 للواحدة.
- تدريبات للبدء في التعامل وكيفية جذب عملاء ووكلاء للشركة.
- نسبة عن كل VIP جديد أو مسوق جديد يُدخله إلى الشركة، وكذلك نسبة عن كل VIP أي مسوق جديد يدخله هؤلاء الذين أدخلهم هو.

- نسبة عن كل متسوق يدخل إلى "دوبلي" عن طريق الإعلانات التي يضعها على صفحاته في مواقع التواصل الاجتماعي.
- كلما ترقى في الشركة كلما زادت نسبة وأرباحه، فإذا أدخل ثلاثة تحته يصير "رئيس فريق"، وإذا أصبح تحته ثلاثة رؤساء فريق يصبح منسق فريق، وهكذا ومع كل ترقية يعطى مكافآت وتزيد نسبة وأرباحه.
2- "PPA"، وهذه الباقة غالباً تخص الشركات والمؤسسات، وفي مقابلها يدفع المشترك \$2595، وبها نفس مزايا اشتراك "VIP" مع نسب أعلى بكثير، حيث يحصل على 50 بطاقة VIP يمكنه بيعهم أيضاً بسعر \$49 للواحدة، كما يمكنه جذب شركات للتعاقد مع "دوبلي" مقابل نسب من أرباحها، يحصل عليها من "دوبلي" وليس من الشركات التي أدخلها.
ملاحظات:

- نحن نسأل عن نظام هذه الشركة تحديداً، وليس عن نظام التسويق الشبكي عموماً.
- المسوق لا يقوم بعملية بيع أو شراء إلا ما يشتره لنفسه من منتجات يحتاج إليها، مثل أي متسوق.
- كل الشركات والمؤسسات تقوم بعرض خدماتها ومنتجاتها على موقع "دوبلي"، كما توضح نسبة العائد "Cashback"، والعميل يدخل ويشترى ما يريد مباشرة من على موقع "دوبلي".
- شركة "دوبلي" وسيط فقط، فهي عبارة عن "مول" إلكتروني.
في ضوء ما سبق، نرجوا أن تفيدونا: ما الحكم الشرعي في التعامل مع هذه الشركة كمتسوق، مجاناً أو على شكل VIP الذي أوضحناه، أو مسوق بالطريقتين التي أوضحناها؟

وللمزيد من المعلومات عن نظام الشركة، يمكن فضيلتكم مشاهدة هذا الفيديو:

<https://www.youtube.com/watch?v=HVHE2N4psd4&feature=youtu.be>

نرجوا الإفادة، وجزاكم الله خيرا.

Esam Harira

My Answer:

الأخ المكرم أبو عمرو
السلام عليكم ورحمة الله وبركاته
على افتراض أن كل السلع التي يبيعها المسلم في هذا النوع من البرنامج مباح فإنني لا أجدني مرتاحا للعمليات المتراكبة بسبب العملاء
الجدد على حلقات متزايدة. أنا أقبل أن يحصل المرء على عمولة عندما يأتي بزبون جديد أما عندما يأتي هؤلاء الجدد بأخرين فبم تستحق
العمولة؟ وكذلك لا أرتاح لرسم العضوية فلماذا تدفع هذه الرسوم فيما عدا كونها جخلا لأصحاب هذه الشركة؟
مع أسمى التقدير وأعز التحية
أ. د. منذر قحف
تمويل واقتصاد إسلامي

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Dr. Muhammad

Sent: Wednesday, Dec. 31, 2018

Subject: صندوق مساعدة أهل المتوفى في مصر

السلام عليكم ورحمة الله وبركاته أستاذنا الكريم

أرجو الإفادة بشأن مدى مشروعية هذا الصندوق الذي أنشأه نادي النيابة باسم صندوق أسر المتوفين يحصل من المشتركين ١٠٠ ج شهريا تدفع لأسرة المتوفى أثناء الخدمة بحد أقصى حتى الآن ربع مليون جنيه في حين يعطى من بلغ سن التقاعد ما يعادل ضعف ما سدده فهل أشترك علما بأن زيادة عدد المشتركين ورفع قيمة الاشتراك سيرفع قيمة المبلغ المقدم لأسرة المتوفى إلى مليون جنيه والمحال للتقاعد ضعف ما سدده.

My Answer:

الأخ المكرم الدكتور محمد السلام عليكم ورحمة الله وبركاته
أما من حيث الجواز فهذه البرنامج جائز لأنه قائم على التبرع والعطاء .
ولكن فيه ملاحظات مهمة هي التالية:

- 1 لم يذكر نظامه فيما إذا كانت الأموال المجمعة ستوضع بالفائدة لدى البنوك أن تستثمر بطريقة إسلامية في بنوك إسلامية.
- 2 يبدو أن البرنامج أكثر سخاء مما يستطيع أن يفعل. لذلك ذكرت إحدى مواد النظام أن التوزيع سيكون في حدود المتوفر من المال. أنا أعتقد أن هذا الصندوق لا يستطيع أن يفي بهذه الوعود الكثيرة وسيعجز عن ذلك.
- 3 مثل هذه الصناديق يمكن أن يكون بؤرة للسرقات الكبيرة التي لا يمكن تجنبها أو تحصيل المنسرق منها.

مع أسمى التقدير وأعز التحية
أ. د. منذر قحف تمويل واقتصاد إسلامي

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Dr. Mohsen

Sent: Friday, December 28, 2018

Subject: Fuel Expenses paid by employer

As-salamu alaykum dear Prof. Monzer,

Hope you are fine.

Please take the time to answer this question:

Questioner: Umar from Pakistan

I used to work in a Bank around 9 years back and for a few times my operations manager paid out of bank expenses some fuel for my personal bike as my bike was used often for performing tasks related to bank like bringing fuel for generator, lunch, taking manager to visit clients and others however the amounts for fuel were really small like 1-2 litres. It was only few times and not on regular or continuous basis.

So this thing is really bothering me if I had done anything wrong at that time accepting that fuel and while nothing can be done now as it was long time back and now I have quit banking too.

Kind regards,

Mohsen

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Mohsen

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please inform the questioner;

I do not see any harm in accepting these gas filling to your bike as it is a kind of a gift from the decision maker in your employment place especially that your bike is actually used for trips related to the office. Anyhow, it is always rewardable to give charity whenever one may have and doubt about certain minor things as good deed wipe out effects of bad action as we are told in the Qur'an.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor

Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Aamir

Sent: Sunday, December 30,

Subject: Contribution to a friend's business

JazakAllah khairan for the detailed reply sheikh. May Allah bless you.

He is refusing to take the qard hassan because he feels shy to take the money. Instead, he said he will give me Preferred Equity in the business. The equity will yield a 12% dividend annually.

For a \$10,000 investment, he will pay me back \$12,000 in dividends over 12 months. And then the preferred equity will get wiped out because he will have effectively bought the equity back.

He says this is halal because:

- The return (i.e., dividend yield) is agreed & fixed but isn't enforceable the way it is in a loan
- He maintains the right to indefinitely delay the dividends, as a result there can't be a "loan default"

- The risk for me is that he can choose to delay the dividends if he wants because there is no enforcement since it is not a "loan"

Let me know your thoughts on the permissibility of this, inshAllah.

I just want to make sure this isn't fancy terminology and wording around the concept of riba.

Aamir

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Aamir

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This transaction is Riba, it does not become permissible by the option to delay payment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor

Islamic Finance & Economics monzer@Kahf.com

www.Kahf.net; www.Kahf.com/blog

From: Aamir

Sent: Saturday, December 22, 2018

Subject: Qard al-hassan to a friend

السلام عليكم ورحمة الله وبركاته

I hope you are in the best of health and imaan.

I have a Muslim friend who is raising ~\$50,000 to grow his business. He is raising this money from private investors. Because of a lack of financing options, he is borrowing money and paying interest on the loaned amounts.

I want to contribute to this pool of money but at 0% interest for the amount I give so I can help him out and do some daw'ah inshAllah.

Is it permissible for me to contribute at 0% interest to this pool? My concern is that majority of the money in this pool is interest-based and I don't know if it is a good idea for me to "encourage" this practice by contributing to this pool.

جزاك الله خيرًا

Aamir

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Aamir

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I see you rather reducing the evil and helping this person reducing his burden. It is rather a good and InshaAllah rewarded deed if you do that.

Wa Allahu A'lam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor
Islamic Finance & Economics
monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From:
Sent: Sunday 16 Dec. 2018
Subject: work contract

السلام عليكم ورحمه الله وبركاته
شيخنا العزيز بارك الله لنا فيك وأطال عمرك
أنا بدأت العمل في مجال التسويق الإلكتروني من حوالي سنة أو أكثر قليلا
وعند توقيع العقد الشكلي (غير المسجل في أي جهة قانونية)
كان هناك بند أنه لا يحق لي العمل في هذا المجال ولا في أي شيء مشابه له
بعد سنتين من تركي العمل معهم، سواء استقلت أو تم انهاء عقدي إلا بموافقة خطية من مدير المؤسسة وإن لم يتم
الالتزام سيتم تغريمي برواتب سنتين، ولا يحق لي العمل في نفس المجال أو في أي مجال آخر في حال عملي معهم حتى خارج أوقات الدوام.
في نفس الوقت لم يلتزم صاحب العمل بنقل كفالتي ولا بدفع بدلات التأمين وأجور الطيران ولم يلتزم بما نص عليه العقد من مهام وعلمنا
أنني نبهته مرارًا بانني لن ألتزم بهذا الشرط وأبلغته في حال حصولي على بديل في نفس المجال سأقوم بالعمل به والان قد عرض علي عمل
رديف لعملي معه لكنه لا يعمل في نفس الأصناف مثلا انا أعمل مع شركتي الان في مجال تسويق العطور على الإنترنت وعرض علي أن
أعمل في مجال تسويق اللوحات الجدارية على الانترنت اي في مجال غير منافس لمجاله .
فهل يجوز لي العمل بذلك خارج أوقات دوامي فيما لا يؤثر على عملي او عند تركي للعمل معهم مع العلم أنني ما وقعت عليه هو
عرض عمل وليس عقدا

My Answer: الجواب

بعد الحمد والصلاة على النبي،
أنت متعاقد معه على شروط عليك الوفاء بها ولو خانها هو. ولك المطالبة القانونية بما لك من حقوق بموجب العقد. ان العرض صار
عقدا بعد ما وقعت عليه وهو وثيقة قانونية تقبلها محكمة العمل. والعقد شريعة المتعاقدين ولو كان شفهيًا. والنبي عليه الصلاة والسلام
نهى عن خيانة من خانك. والحمد رب العالمين
Monzer Kahf
Sent from my iPhone

From: Dr. Mohsen
Sent: Thursday, December 13, 2018
Subject: Sick days
Questioner: Houda

Salam we have days throughout the year which we can use if we are sick. Sometimes I have an appointment or an event and I use it to call in sick. Is this ok? I'm salaried so would the money be lawful but the act itself haram but I'm not really sick? Sometimes it's the only way to get it off? Like for Eid I had to cancel one of my vacations days and use it then because they wouldn't give me unpaid off.... Sometimes I go on a day I'm feeling sick and save that day for another time. Is that ok?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Many companies consider sick days as right to the employee. But also some companies do not look at them that way. But in practice all understand them as sick and others not only purely sick. This is why they don't require formal reports for such absence. Of course the employee must not abuse these sick days and take them just for gaining more vacation days. For matters of needs, such as to fulfill needs outside the office and the like, these days can fit and I do not see any haram is using the sick leave for non-sick needs provided they are not abused. I define abuse in this regard as taking them for one reason only which is using a maximum vacation day.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Edgard

Sent: Wednesday, December 12, 2018

Subject: Question on Realtor Transactions of Questionable Businesses

Assalamu Alaykum Dr. Kahf,

Insha'Allah you are well. I have been in the real estate business as a realtor for the last couple of years and I have a situation that I appreciate your input on.

I have a client, Muslim, whom has interest in purchasing a 7-Eleven business for investment purposes. I read online that about 10% of 7-Eleven's franchises generate their revenue from Alcohol sales. In addition to that, they sell lottery, ham/pork sandwich products, and at times questionable magazines. Apparently I'm not buying the business myself, but if I go through with this transaction I'd be facilitating the purchase of such a business. On the other side, I do buy food items/snacks from 7-Eleven sometimes due to its convenience...I'm wondering if it'd be permissible Islamically for me to facilitate this transaction and make commission off of it knowing that 10% of sales are rooted in Alcohol.

I tried reading through many of your online fatwa documents and the closest I found was that it's not permissible for a Muslim to work in such stores but didn't find a direct fatwa about facilitating the purchase of such a store, as a Muslim real estate agent. Thanks

Dr. Monzer, if I may elaborate a bit more, my client wants to buy the actual building which a 7-11 business will lease from him. So he wants to be the landlord for 7-11 per se, and not the actual owner for the 7-11 franchise.

So in this case, is it permissible for 1) a Muslim landlord to lease their property to a business that is known to have a 10% non-Halal revenue (Alcohol), and for a 2) Muslim real estate agent to coordinate the transaction for a client who wants to buy the building with the intention to become the landlord of such a business whose part revenue comes from Non-Halal sale?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Edgard

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

There are a few points in this matter which I like to put them in bullets:

1. For Muslim to own a business that sells alcohol or any other harmful (Haram) product is definitely Haram with no doubt and no hesitation no matter how small the percentage is. Buying stocks is different and is based on Hajah Ammah and inability to find adequate number of permissible stocks in the market. (BTW, same Fatwa of stocks also mention that it is Haram for a Muslim to establish a company that sells or deal with Haram products or transactions).
A question may arise here, can a Muslim own a 7\11 and make it clean of Haram? Does the franchise company accept that? I think this is possible and probably already there are 7\11 stores with no Haram.
2. As it is Haram to own such business it is also Haram to broker its purchase.
3. Brokering sale of building or a land is permissible and the intention of purchaser is none of the business of the broker unless the building does not suit except Haram activities. Such as a designed liquor bar (which is rare because even a bar is also fit for juice drinks).
4. For a person to rent part of a building to a store that sells liquor and pork I think it is not permissible because the harm here is in the product itself. This is not like a bank where the harm is in the system and ways of transacting not in dealing with debts and money. I do not see renting to such stores is permissible as the harm in them is not casual but integral as part of the business model.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Edgar

Jazak Allah khair Dr. Kahf. I do have a follow-up question: regarding your point #3, about the intent of the buyer. In this case, I just got an update from 7-11 that a franchisee has already entered into a 10-year lease contract with the current building owner. In other words, if my client purchases this building, then they are also automatically, and with surety inheriting the contract for 10 years of exclusive 7-11 use. There is no more room for other intents of use but 7-11. Does this change things?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Edgard

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Sorry for my late answer. Yes, I think this new info changes the equation. It becomes non-permissible to buy this building and also to broker it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf
Professor, Islamic Finance & Economics
monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Abuelezz

Sent: Wednesday, December 5, 2018

Subject: Investing in Medical Weed/Marijuana

Assalam alaykum Dr. Monzer,

I received a question from Br. Mohamad who is asking is it Halal to invest in Medical Marijuana companies in Canada?

Could you please provide us with your answer to this question?

Jazakumullah khayran

Abuelezz

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please inform the questioner that:

Legalization of Marijuana in Canada, other countries and some states in the US in reality does not change the Shari'ah prohibition. We already have alcohol legalized in many countries including scores of Muslim majority lands yet this does not affect the strong prohibition in Shari'ah of alcohol and its trade.

Some prohibited drugs may be used for medical reasons especially for terminal patients. Does that make producing them, selling and buying them permissible. In principle, YES but with strong reservation that there must be assurance that no part of the products of these companies leaks out to non-terminal patients. This kind of assurance is not obtained and actually cannot be obtained in all countries\states that legalize such drugs. FOR THIS REASON, I CONSIDER INVESTING IN SUCH COMPANIES NOT PERMISSIBLE. The least that can be said if not strictly Haram, it is definitely hated especially that there are many other investment opportunities.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Sadiq

Sent: Saturday, December 8, 2018

Subject: taking advantage of medical leave

Salam Alaykum Dr Monzer,

My name is Sadiq, I work as computer consultant in North America. I have recently had some challenges at work and I need your advice from religious point of view (Fatwa).

I work with external customers on different types of projects. Few months back, my manager asked me to start learning and then get involved in types of projects that I wasn't interested in. However, one is not expected to reject work in North America as it is looked at as being unprofessional and can have negative consequences. I haven't been very happy with the nature of my work for some time, and I sent a message to my manager telling him that I will start learning on the new project but asked him to be flexible on the date on which I will start delivering these projects. I was thinking on doing medical procedure long time ago, the surgery was elective and was not required to be done this year. But I decided to schedule the surgery, in a way to get some time off and postpone my work on the new projects, and to use my insurance benefits should I decide to leave work, and also to use my sick time to search for new job. I scheduled the procedure and I was supposed to be off for six weeks.

During the time before the procedure, I was working on the projects that were assigned to me but noticed that my motivation and productivity was not as before. I also started spending some time to learn on the new projects my manager told me about. The surgery ended up being cancelled in November due to me not being ready (medically), and I started getting into conflicts with my manager about the way we work, and then he started asking me again to get ready to work on the new type of projects.

Last week I submitted my resignation from the company and I provided them with 2 weeks' notice (although I am not required to do so as per my contract), and I started working with my colleagues on transitioning my projects, but I was avoiding 1:1 meeting with my manager due the recent conflict I had with him, and as I started feeling that he is trying to retaliate against me.

My problem where I need your advice is: because my manager asked me to get involved into the new types of projects few months ago, and I used the surgery to postpone my involvement, and then the surgery ended up being canceled, I am feeling some "guilt" feeling as if I cheated my employer. I consulted with my wife, and she doesn't see any cheating and anything Haram involved because:

- I have already had the surgery scheduled.
- Even if I had plan to resign from the company, whether I found new job or not, shortly after my return from surgery, no one could have predicted the future or what would have happened after surgery as far as my plans are concerned.

I need your advice Dr. Monzer on whether or not you think that I did something Haram or cheating...

Thanks in advance for your help

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sadiq

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I do not think that you did anything Haram. You rather exercised your contractual rights.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

Thanks a lot for your feedback. If I understand your opinion correctly, I should forget about these concerns "wasawes" and just search for new job and move on with my life. Is this the correct interpretation for your opinion?

Sadiq

My Answer:

Yes, you put in a nice way.

Monzer Kahf

Sent from my iPhone

From: مجد

Sent: Sunday 9 Dec. 2018

Subject: purchase of bank repossessed properties

ما حكم شراء ما يبيعه البنك بالمزاد في حال تعثر المشتري بدفع الاقساط ؟

My Answer:

الحكم هو الجواز.

Monzer Kahf

From my iPhone

From: Wael

Sent: Monday, December 3, 2018

Subject: sick leave days

As-salamu alaykum wa rahmatu Allah wa barakatuh

Dearest Dr. Monzer,

hopefully this message reaches you while you're in the best of your health and iman and so all your family members!

My you please Dr. Monzer help replying the below question:

Imam Dr. Wael

Subject: Ask the Imam: Question

Question: Salam we have days throughout the year which we can use if we are sick. Sometimes I have an appointment or an event and I use it to call in sick. Is this ok? I'm salaried so would the money be lawful but the act itself haram I'm not really sick? Sometimes it's the only way to get it off? Like for Eid I had to cancel one of my vacations days and use it then because they wouldn't give me unpaid off.... Sometimes I go on a day I'm feeling sick and save that day for another time. Is that ok?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.\Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Days for sick absence are normally understood a little loose by companies. They are meant for absence without medical report and for other pressing needs for one day. Certainly in office works (when the employee is not on an automatic chain line) it is understood that workers have needs in life that requires some absenteeism for a day or half a day. As long as these are not abused and over-done. I do not see anything wrong in claiming rarely a day as sick leave without report when the day is seriously needed for other urgent needs. Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf
Professor, Islamic Finance & Economics
monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen
Sent: Saturday, December 1, 2018
Subject: Fake address to get admission

Questioner: Maryam

Assalamu o Alaykum I have a question that I am studying in a university. I was selected in university on the basis of my entry test and female quota but my domicile was fake at the time of submitted I knew that it is fake but I didn't know that it is a sin would be I accountable for it? And if I get job on this degree, will my income become Haram?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Maryam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Laws and regulations have certain objectives which may be very legitimate and sometimes not really that legitimates. There are many individual cases that violating such a law or regulation may even be better. Look at the story of Yusuf the Prophet when he wanted to keep his brother with him and the law of the king does not allow that. He made a trick accusing his brother of theft (which was certainly untrue) so he kept him with him.

Violating such laws whenever a violation does not hurt others is permissible. You then only expose the violator to possible punishment by the authorities BUT NOT TO A RELIGIOUS SIN. I BELIEVE YOU DID NOT MAKE A SIN in giving an incorrect address to be admitted in that program. There is no sin in this kind of giving incorrect information. There must be no worry for your degree and your future employment InShaAllah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Imaam

Sent: Thursday, November 22, 2018

Subject: Stock in marijuana company

Forwarded question

Dear Prof. Monzer, As-Salamu `Alaykum.

Thank you very much for answering our questions. We always wish you a sound health and safe trips. Below is another question for your kind care, and jazaka Allah khairan for your care and support, aameen aameen.

----- Forwarded message -----

From: Mohamed

Date: Wed, 21 Nov 2018

Salam Shaykh,

I want to make sure it is Halal to invest in a company called Raven Quest Biomed. My understanding is that they deal with medicinal marijuana for the government. Please let me know if it is permissible because I do not want to displease Allah.

Thank you,

Mohamed.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Marijuana is medically intoxicant, so is liquor. Laws in the Western countries have already made liquor legal to produce and sell, yet, it is not permissible for a Muslim to contribute in any activities/investment related to liquor.

So what is the difference if the law in Canada legalized marijuana?

It is still non-permissible to contribute to anything related to producing, selling or consuming marijuana. Of course, investing in such a drug is not permissible even with the Canadian legalization... didn't they already legalized Wine?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Sunday, November 11, 2018

Subject: teachers take bribes, should I quit school?

Dear Prof. Monzer,

As-salamu alaykum

Hope you and your family are fine.

Please take the time to answer these questions.

Question: teachers take bribes, should I quit school?

From: Dalia

Assalamu alaicom!

I study at the university. But the teachers in my university take bribes. Also there is mixing between men and women, who do not wear proper Islamic attire. My parents ask me to complete my studying (I have 1 year ahead), but I feel that I should quit. Kindly, advise.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dalia,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Studying in a mixed, men women, environment is permissible. Just be moderate and lower you gaze. This is in many areas now a part of life and we need to live with it while at the same time we negate it in our hearts and we advise others about proper clothing and behavior when we find appropriate opportunities. It is unfortunate that there are teachers who take bribes but I am also sure that there are other who are honest and professional. I suggest that you need good equipment for your future life and this what your parents are trying to push you to do. A university degree is a good tool for earning and struggling in life better continue this last year and pass that stage.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Sunday, November 11, 2018

Subject: taking medicine and on line buying

Dear Prof. Monzer,

As-salamu alaykum

Hope you and your family are fine.

Please take the time to answer these questions.

Question: Online transaction, permissibility of work, and medication for aesthetic purposes

From: Syazmeer

Assalamualaikum, I would like to buy from a website online. The website sells educational video content, and they have 2 pricing options: 1. Either I buy 1 specific video lesson for \$90 2. I subscribe to their yearly membership which lets me access their whole library of video lessons for \$180/year. Of course, the 2nd option is more economical, but the first option is catered more towards the individual who simply wants to access 1 specific lesson as opposed to the whole library of lessons. My question is: is me buying from them, whether it is the \$90 or the \$180/year option, permissible? Or will I be engaging in some form of riba if I do so?

Second question: Is it permissible for one to take health supplements which contain alcohol, or gelatin? I work for a company which sells supplements online, and while I do not distribute the supplements directly, I help to write certain marketing materials which indirectly, indirectly sell the products. Is this work permissible, if the health products happen to contain certain alcohol-related chemicals / gelatin?

Third question: is it permissible for someone to take acne-related medication (i.e. pills) in order to get rid of his or her acne?

Jazakallah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Syazmeer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. Buying on the internet is permissible, just be careful that you buy from trustworthy sites and companies.
2. Taking health supplements which contain alcohol or lard products (gelatin) is not permissible unless there is necessities and there are no necessities for most health supplements especially that most of them are not even accredited as not harmful. You should avoid health supplement except those advised by certified specialized physicians.
3. Acne medicines are permissible so are other beautifying medicines and creams and their likes but simply be careful don't put on your face or body chemicals that may not be safe to use and certified by professional physicians. Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Sunday, November 11, 2018

Subject: Sell alcohol which was a gift

Dear Prof. Monzer,

As-salamu alaykum

Hope you and your family are fine.

Please take the time to answer these questions.

Question: Sell alcohol which was a gift

From: Shaziah

My husband was awarded 6 bottles of champagne from his work place. Can we sell them to pay for childcare?

If not what shall we do with them?

I have none Muslim neighbors shall we gift the bottles to them? I'm thinking either we sell or gift them someone will drink the alcohol, so couldn't we just use the money from selling them on things we do not actually touch, e.g. my child's nursery fees

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shaziah

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Similar thing happens with my son and I advised him the same. It is the prophet's, pbuh, advice: drain them one by one in the toilet, you may use the empty bottles after cleaning them but also I prefer breaking them. These are Haram for themselves because they are harmful to human body (although it is clear in our religion, there is a very famous new study in America that the only amount that is not harmful of liquor is ZERO) and they are clearly prohibited in the Qur'an. Anything prohibited is bad and has no value, you do not want your child to be raised on such Haram income.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Sunday, November 11, 2018

Subject: buying what one likes

Dear Prof. Monzer,

As-salamu alaykum

Hope you and your family are fine.

Please take the time to answer these questions.

Question: It is permissible in Islam to buy the things you wished to have? What is the ruling for buying according to Quran?

From: Alexander

I'm asking this because, just know I have found a site where I can order a planet or natural satellite printed in 3D, and I really wished to have a terraformed planet Mars printed in 3D and Jupiter too and Earth or in a unique name Gaia or Glia (both names have the meaning of Earth). I wish to order two planets only: terraformed Mars and Earth, just for having as decoration or just as collection, because I like to have something impressive.

And if my Christian mother were to have a lot of money, am I allowed to ask her to buy for me to have 100% authentic 2 Romanian gold coins? Because, I dreamt for long time to have such things, because I really like gold (it's my favorite precious metal).

Am I allowed to buy these things according to Islam? Because, I want to collect only 100% authentic and pure gold coins (this is one of my biggest dreams which I wish to have it).

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Alexander

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is permissible to buy decorative and historical things as long as there is no extravagance in that. Extravagance is a relative concept and depends on your environment, family and peers. Collecting a few

golden things that you do not wear, as men are not permitted to wear gold and silk, is permissible provided that is not much in order to avoid being covered by the verse 9:34 that prevents hoarding gold and silver.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Imaam Wael

Sent: Tuesday, November 6, 2018

Subject: Fwd.: Use of disability government payment

Salaams Dr. Monzer

May you kindly help in replying this question too?

Imam Dr. Wael

----- Forwarded message -----

Date: Sat, Nov 3, 2018 at 7:06 PM

Subject: Ask the Imam: Question

To: <Imam@masjidtoronto.com>

Name: Hassan

Question: Use of disability government payment

I am a diagnosed schizophrenic who is taking anti-psychotic medication as well as anti-depressant and a medicine for anxiety. I am collecting disability money from the government and am not working. I live with my parents. I give the rent portion of the payment to them. And keep the basic needs portion to myself. Is this permissible? Am I supposed to work? Is this halal income? Should I pay zakat?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Wael

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thank you for your kind email,

Please inform the questioner that as long as his medical situation does not qualify him to work, he should not take a job and should strive his best to improve his medical case by taking appropriate medicine and following medical advices and instructions. While he is in a situation that medically, he is not advised to work, it is not Haram to take the government financial help and support. He also can use it the way he likes especially in improving his medical situation.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics
monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Monday, September 24, 2018

Subject: Playing games on twitch for entertainment and earning Money, is it Haram?

Usman

I stream a simple game on twitch which is a platform where everyone can stream their gameplay and people can watch live and chat to you the platform has some advertisement videos about games and maybe other stuff. I have almost 100 people watching me playing the game and Chatting. I earn money from advertisements and donation and subscriptions of my viewers. So I wanted to ask if this is haram? And if I just throw out the advertisement money and use the donation money and subs?

My answer:

Please explain more what games are they, what do you do and what are the kinds of advertisements that you gain from so that I can give you an answer.

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Monday, September 24, 2018

Subject: Is the sport I do haram?

Lil

Assalamualiakum. So let me start of like this. I am a 20 yr. old man. I grew up in peckham, London which has one of the highest crime rates and is a very hood area. Growing up I would do all sorts of bad things such as drugs and robbery which I now deeply regret. To get me out of this my dad put me in mama at 15. I failed all my exams in school and couldn't go college because of my criminal record. So I have no way of making a living and apart from my sibling's parents and grandparents I haven't really got family. Basically, at 18 I realized that I couldn't do anything as a job because my family is poor and cannot afford to pay for me to keep living with them for much longer so I went professional in mama the only thing I am good at. I am starting to make decent money now and if I get into the function I could potentially make millions and move my family out of my area, however, I recently found out that mama is haram and since I can't do anything else because of my criminal record I am not sure what to do. Should I give up this sport and be poor for my life OR should I keep doing it and eventually move me and my family somewhere nice. I have a lot of potential I am undefeated professionally 7-0 (4 knockouts, 3 submissions) and of show interest in me and may look to sign me up which will change me and my family's life completely. Please get back to me quickly as I need help on this. Jazakallah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I pray to the Almighty God to forgive all your past sins that you mentioned and those that you did not mention. Especially if you make a good commitment between you and God only to abide by the Rules of good behavior that Islam calls for.

You have assumed that MMA is prohibited, I think that itself it is not but, in it is prohibited to inflict a real harm on your contestee. You should be always aware to avoid making harm to the other guy whom you are fighting. With this commitment I think you may go for the UFC and change you live both internally and with other persons and of course with your family.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Monday, September 24, 2018

Subject: I have shoplifted so many times and I don't know what to do?

Assalamaliakum,

For a few years I have been shoplifting from stores like Sainsbury's, Superdrug, Boots, Primark, New look etc. (major retailers)

I started off small however now I have stolen so much and I feel so bad. I have made sincere Istighfar and repented for this, and have resolved to never steal again.

I have stolen so many things like clothes and toiletries that I don't know which of my possessions I've actually paid for and what I've stolen.

I stole these things because my parents were not in a good financial situation and could not afford to buy me things, also I was not working so I had no money myself.

I can't really give the money back to the stores because I don't know how much I have stolen and I don't know which stores I have stolen what from. I was thinking I could save up and donate money every year (for example during Ramadan with the live appeals) in the name of the shops I've stolen from - maybe like £100 every year if I can or more if I can afford it.

I am trying to return some of the things I still have to the stores but I have stolen so much it feels useless. I don't know what to do I feel so bad and guilty. What can I do?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi

Ajma'in

Dear Br. Your Istighfar and sincere repentance are the most important. Once you are sure of that, get rid of anything you have that you know it was stolen, used things should be thrown away. Good things try to return them to the stores from where they were taken. Try to the best you can to do some givings to the store you took things from as much as you can. With all this effort, give donations to poor Muslims and Muslim charities as much as you can, Allah promised in the Qur'an that good deeds wipe away bad

actions, hang your heart always on doing good things to other people in general in repentance of that past. Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Saturday, September 1, 2018

Subject: Online game, halal or haram?

Dear Prof. Monzer, hope you are fine.

Please take the time to answer this question:

Salam Alaykum

Pls I came across a game online where I will pay a token, they will ask me questions and if I get them correctly, I will be rewarded. Pls is this halal because I consider it as a way to test my intelligence.

Jazakumlahu Khaeran.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

All games in which you pay for a chance to win are not permissible.

If the token that you pay is to enter the game and then each correct question is rewarded, it may not be Haram as an entrance fee and the reward is for the quiz, but if it is for each question it may then be not permissible especially if the questions are trivial or very much common knowledge. In this case the fee is for the chance not for the good answer.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Dr. Mohsen

Sent: Saturday, September 1, 2018

Subject: debt payment after death of creditor

Dear Prof. Monzer, hope you are fine.

Please take the time to answer this question:

Salam Alaykum

I took debt 2000\$ from my friend and he died before I paid back. how I can pay it now?

please notify me with reference. thank you.

Name: Khalid

Bangladesh.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khaled,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You have to find out his legal air in accordance with Shari'ah and give the money to then in accordance with the Shari'ah distribution. If the deceased has a legal estate executor, you may give that money to his executor and if you trust one of his children that the child will distribute the money in accordance with Shari'ah to all heirs, you may also give it to this child.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Majd

Sent: Wednesday, August 8, 2018

Subject: بيع بضاعة يعد أن اتفق مع مالکها على البيع
السلام عليكم ورحمة الله وبركاته

حفظكم الله عندي استفسار حول مسألة وقعت مع احد اصحابي حيث انه ذهب كعمل رديف لعمله، ذهب الى بائع جملة عطور وطلب منه اسعارا واتفق معه على انه اذا باع باعلى من هذه الاسعار فسيأخذ هذا الربح له ووافق صاحب العطور على هذا الامر وذهب صاحبي يعرض السلع وعند تمام البيع يجلب فاتورة من تاجر الجملة بنفس سعر البيع ويعطي البائع حقه وياخذ الباقي. هل صاحبي يعتبر يبيع ما لا يملك ام بيعه حلال بما انه اتفق مع البائع؟

My Answer:

الأخ المكرم أبو أحمد

السلام عليكم ورحمة الله وبركاته

هذه المعاملة جائزة والبيع والربح حلال للبائع وللوسيط. هذا بيع بالأمانة مقتضاه ان مالك السلعة قد وكل هذا الوسيط بالبيع بأي سعر لا يقل عن مبلغ معين هو ما اتفقا عليه وأن بدل خدمته هو الفرق بين سعر البيع الفعلي وما اتفقا عليه. فهو موكل بهذا البيع . مع أسى التقدير وأعز التحية أ. د. منذر قحف تمويل واقتصاد إسلامي

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Majd

Sent: Tuesday, July 3, 2018

Subject: تحديد مسبة الربح

تاجر يربح في تجارته بين خمس وعشرين الى ثلاثين بالمائة في السنة يعرض على أصدقائه استثمار اموالهم معه ولكن بربح ثابت مقداره عشرة بالمائة هل يجوز؟

My Answer:

الأخ المكرم الشيخ مجد السلام عليكم ورحمة الله وبركاته،
يجوز أن يتفقا على نسبة عشرة بالمائة من الربح أو مثلا خمسين بالمائة من الربح على أن لا تزيد حصة المستثمر عن عشرة بالمائة من رأس المال.
ولا يجوز الاتفاق على عشرة بالمائة من رأس المال لأن ذلك يعني ضمان رأس المال ضمناً فإذا ضمن رأس المال فالزيادة عليه هي عين الربا.

From: Majd

جاء في جوابكم :يجوز أن يتفقا على نسبة عشرة بالمائة من الربح أو مثلا خمسين بالمائة من الربح على أن لا تزيد حصة المستثمر عن عشرة بالمائة من رأس المال. ولا يجوز الاتفاق على عشرة بالمائة من رأس المال لأن ذلك يعني ضمان رأس المال ضمناً فإذا ضمن رأس المال فالزيادة عليه هي عين الربا.
ما علاقة حصة المستثمر عشرة بالمائة من رأس المال في جواز المعاملة

My Answer:

يجوز أن يتفقا على نسبة عشرة بالمائة من الربح أو مثلا خمسين بالمائة من الربح على أن لا تزيد حصة المستثمر في الربح عن عشرة بالمائة من رأس المال لأنه يجوز وضع حد أقصى لربح أي منهما. ولا يجوز الاتفاق على عشرة بالمائة من رأس المال لأن ذلك يعني ضمان رأس المال ضمناً فإذا ضمن رأس المال فالزيادة عليه هي عين الربا.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Taysier

Sent: Tuesday, June 29, 2018

Subject: المراجعة في المنافع والخدمات

الأستاذ الفاضل منذر قحف
السلام عليكم ورحمة الله وبركاته وبعد
أشكر لكم في البداية لطيف ردكم فجزاك الله خيرا عكفنا منذ أشهر على دراسة إمكانية تنفيذ المراجعة للأمر بالشراء في المنافع والخدمات كالتعليم والتطبيب ونحو ذلك لكننا جوبهنا برفض شديد من المشايخ لدينا فهل لديكم رأي في المسألة نرجو الإفادة مع خالص شكري لكم

My Answer:

إنها مباحة دون أدنى شك، وليس لدى المتشددین أي دليل.
للمستأجر أن يؤجر، من يقيد حقه في أن يفعل ما يشاء بما يملك؟ بل إنها أيسر من المراجعة بالسلع التي تتطلب قبضا بين العقدين، وهذه لا تتطلب ذلك. هؤلاء لم يفهموا أن المنفعة (أو الخدمة المشتراة) هي مال يتصرف به مالكة كما يشاء. شرطها الاتفاق على التمويل قبل استهلاك المنفعة وليس بعدها عندما يصبح ثمنها دينا على الذي استعملها.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

From: Rachid

Sent: Monday, March 19, 2018

Subject: Late payment fine

Assalamu Alaykum Br. Monzer,

First of all, thank you for the great efforts that you do for us, your brothers and sisters in Islam, and May Allah shower you with his blessings inshallah!

My question is regarding a car that I leased at 0% for the last 36 months and my lease term is coming to end in two months, I want to buy this car from Nissan Canada, which currently owns my leased car and which also offered me car financing at 4.99% for 5-year financing term, I explained to them that as a Muslim I want the agreement not mention any interest rate or at least state 0% and mention a fixed monthly payment on the contract instead. they agreed to my request, however there would still be a late payment clause on the contract which they cannot remove, for me I know inshallah that I would be able to pay and honor my monthly payments, therefore, before making a decision to go-ahead I want you to advise me if this transaction inshallah would be a riba free.

Again thank you so much for your help and Jazzaka Khair!!

Rachid

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina

Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rachid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The late payment penalty gives you the choice to avoid invoking it by being always on time. Of course singing on this condition is not a good thing, but I suggest to give them authorization to collect from your account so that any burden of delay becomes theirs. in this case you are actually eliminating the application of this condition. Accordingly, it is not Haram to sign the contract with this condition.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor, Islamic Finance & Economics

monzer@Kahf.com; www.Kahf.net; www.Kahf.com/blog

FATAWA MISCELLANEOUS 2017

From: عبد الرحمن

Sent: Thursday, December 21, 2017

Subject: RE: المضاربة على الأسعار

لسال عليكم ورحمة الله

سألت اذي الفتور الثريم في ذرق حف: أشكرك على طيب خلقك، وسعة صدرك، وعديب عض الأسئلة إذاتك صوتم:

1_ بالسيب في العمل التي لا يقصد طرفه للملك لم يكف في غلب عوقود الموقيت ليات، ملي لكن أن نعدها من القمار، لأن النبي حة أن يربح طرفي خسر آخر؟

إن كنت تعلم أن طرفي خسر آخر (ضابطة على طرية بدل) ضابطة صورية (تبييضها) عن الضابطة التي تتبها يتبطل للملك أي تستبها سابقا ضابطة خفية، ويأتى شركوري الإتخا عن كل صورية وخفية؟

الجواب: يصعب في أن أسهيها قمارية، وإن كانت كل ضابطة قمارية لأن ضامون الضابطة هو المرافقة على يغري سفيدي يد أحبال طفين إداته ولاحته (في ذلك نظر عن التراجاقت يتبعض من خدمة مرفقة م). ولأن القمار عملية معني قبضة والضابطة يتبطل في تحقيقه. ولعل وصفه بالصورية أدق لعدم كسره لمطلبي في هيا. أما عن حد حصره للملك لم يكف في ضابطة ولكن وصفه بـ"خفية" أول تامه غير صحيح لأن ملي كل ملكين له ما ضاموني أباي مرغوب ف هو يتبعض من مدخله، ولعل كفتفها بل ضابطة تتبطل في نهاية

2_ هل يكون للتعلم من غلب سوق، وليس مع تبطل أخر أثر على لاحكم الفقه على هذه العوقود؟

الجواب: أن المتعلم أن لا يتبطل في عرفه أن العاملة هي حنة محرمه فهي والجهد خصيص. ولكن مل يحرر هذا المعاملة لا تخفية أي من يتبطل في بقصد الإبتعاد عن تحقيقه لصد الإبتباح بملكه في بيوش والفتا حار أرضي أو بمان أي أوفيت ملك لهم ولا يرغب في يراكها ففين مولشركة بتاساع هافي نظري مذاغري محرمولو تلخله أيجان لتصري حل خطبتي عسي عفلل عي اري ليس لازم ولما الفوم ال سلوب اللي فين خالف العاملة. وإذا لم يطر هذا للتعامل مع غلب سوق شراء في مذهب عال ف هو يتبطل في دون قصده الذي على عسي، وبخطرة له ال طوقه فال وحيه دفشراء الأسمه وأنزلها.

3_ إننا نرضنا عوقود الضابطة من كل الم حظور التلشر في ذلك أمجل الهدين، والتي عقبل ولهبض، ويبيع الم ليس عن د الباع، ولقروض الربوي، وعدم التبايض عن د العوقفي العمالات والم عرين أو التبايض للشرطي ببولسطة وليل يقوم ببني غير أرقامه الكه يتروبيع الم ليس ما لا تقوم... (فإن نسبة الضابطة استقبل جدا، ويتبطل في الضابطة يتبطل في في هالك الشرط ويضرب الطال عالعادي ولا تخفية من الم حظور التلشر في فم اذترو أن يكون لهم متن في يت حريمها، لا يولم عن تمت طال بل الحاجة أوعندما لا يوجد مي دليل على سلوك الضابطة؟

الجواب: إن بيننا ليس في شرطي انتقل ما الأعمد البليات. وينسب إلى الغزالي، بلبي حامد، أن قصده ليهض لبه عن سبيل الله "قدي حصل حتى بقراءة القرآن، كما لاحظ في بعض إداعات عصره قبلو أن ليس ان تزوج في ريته للثوقية والطلاق يد حينه لم يصنع له حال لا جلا لأن لم يكتكك الذي في العوقد في الحكمة لشرع في وقته عن الله تل على وهو يتبطل في طاق ولو اي ك ما يتبطل الأشكال واليني. فإن لم تدل الأشكال واليمان في في قصدم تبلىع الأعمار والضابطة على فقط وكان قصد التمتع الم هو الضابطة هي محرمه على هولو لاي وجش ي عي حرم هلي ما نراه. في أن النبي في أن الحظ أن الأكلب أن يكشش فقصد الضابطة مولات خذه الضارب من أدوات في هإغلاق الم عالات قبلن في علوم واستمع مال المتبوق وغير ذلك.

الله يبارك فيكم، أرجو ألا يكون لضربكسئلتني، وأسأل الله أن يتبلى رد محيلكم بفضله ووجوده. والدم عليكم ورحمة الله

My Answer

الأخ المكرم السيد عبد الرحمن
لسال عليكم ورحمة الله وبركته
أرجو النظر إلى أجوبتي تحت الأسئلة
مع أسامي التي وأعزالتني

أ. د. فهد حنف
تمويل واقتصاد إسلامي
monzer@kahf.com
www.kahf.com/blog; www.kahf.net

From: عبد الرحمن
Subject: المضاربة على الأسعار

لسم الله عليكم ورحمة الله
لتفوز فبذرك هل لا فيكم
عنني استيضاح لو سمعتم:
هل يمكن أن تكون الجزاء قبيح وسوقين (arbitrage) (بغير العملات؟ ما هي السلبيات التي تصير ل هذا النوع من
الضاربات؟
إذا أمكن نقل الأوراق المالية لسلع هنا من سوق لى آخر فهل ماذا يثبت في ذلك لبيع كطهي نقل للسلع عيني
الأسواق في التجارة؟
جزاكم الله كل خير.

My Answer:

الأخ الفاضل عبد الرحمن
لسم الله عليكم ورحمة الله وبركاته
الضاربة arbitrage هي نفس وقيمتها في الأسواق المنظمة فهي سرفي هارقل للضريبة أو أي شيء آخر ومضت في العالت
السلع المبس لحي في سوق والأسم، وأعمال التي يتغير عليها هي فروق سعر العملات، ح الانتوق ع ل فروق
السلع اعات. أم فروق العمل وم انفق دن عدم تفسي ظل التل و ل وحي ال معصرة.
ولنلاحظ أن ليس تكال الأش م م سجل في جميع الأسواق وتغير في هامس ج ل في أكثر من سوق وكذلك هي تكال لسلع
المسجل في سوق م سجل في سوق أخرى.
ولنلاحظ أيضا أنه لا يوجد في هذا النوع من ال- arbitrage لتيول يدل لبيع لأن ليس في هارقل أو يتغير في
موظفات م فقرة أو أي شيء آخر فليس م بساطة مومس ج ل في عدة أسواق وكذلك لسلع ولع الت.
أ. د. فهد حنف

تمويل واقتصاد إسلامي
monzer@kahf.com
www.kahf.com/blog; www.kahf.net

Sent: Wednesday, December 20, 2017
Subject: How to structure an Islamic Investment?

Question:

As salaamu alaykum,

I came across your contact information while searching on Islamic financing. I would like to better understand how to structure an investment into a private business that is Islamically sound.

Is it as simple as determining a percentage return from the net profits? How about the return of principal? Can one continue to receive benefits in perpetuity? Maybe there is an example contract that can be leveraged?

If your schedule permits, can you can help clarify these questions or point me in the right direction?

Asif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The idea is simple: you can take either of three routes:

1. You can be a partner (sleeping or active in management) with clear two contractual definitions: a) % distribution of profit, and b) definite date of withdrawal of principal. i.e., dissolving this partnership.
2. You may buy some inputs/goods for this private business and sell them to it on credit. This gives you definite amount of profit (the price differential) and definite point of payment at one future date or on instalments.
3. You can buy an asset such as a machine and rent it to the business, you can also make this contract coupled with another condition that the business undertakes to buy a part of the machine periodically and the rent then applies to the part you still own. This gives a definite exit.

Finally, you can find some template contracts on the internet but you need to be sure that you are consistent with the laws of the land you are in.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Asif

Subject: Re: How to structure an Islamic Investment

Question:

Walaykum as salaam wa rahmatu Allahi wa barakatahu,

Jazak Allah Khairan for this thoughtful response. I appreciate your summary of the main investment vehicles. I will also look for sample template contracts that are acceptable in the US.

As a followup, I wanted to ask if you could look at the following conditions in light of vehicle #1 (partnership, sleeping or active in management). I am assuming it is permissible to add stipulations to the contract, but they may or may agree with the spirit/law of islamic contracts. Can you look at the following and determine whether the stipulation is permissible or not? (a Yes or No would suffice, of course if you want to add any color in regards to why it is a No I would appreciate that as well for my own edification)

1) example 2 year minimum investment of X USD at 25% return. Y (50% of X) immediately accessible and the remaining Z (50% of X) contingent upon meeting the sales forecast of the first two quarters of year 2018.

Answer: the contingency meeting is permissible, i.e., you pay put an amount into partnership and make the other amount contingent on performing certain objective. But the 25% return is not permissible, it is Haram as any definite income in partnership becomes interest.

2) Can the return on the investment be calculated prior to salary expenses?

Answer: Yes by mutual consensual agreement.

3) Initial investment period of 2 years with the option to renew for up to an additional 2 years at the original determined rate.

Answer: any predetermination of rate of return in partnership is Forbidden, it becomes interest.

Renewal condition is permissible.

4) Investment return to be distributed quarterly

Answer: Permissible as long as it is not predetermined.

5) If/when principal is requested to be returned, after completion of the minimum period, principal to be returned within a 1 year period. (according to your note above, this one would appear to be a fundamental requirement of the contract)

Answer: in any partnership there must be date of ending unless consensually renewed. The only exception is the common stock company.

6) the investment should be convertible into equity stake (does not have to be immediate, but maybe after the 2 year period)

Answer: in partnership investment is equity, it cannot be converted into a loan.

7) entitlement of continuous share of the profits in perpetuity (negotiated %) - i am assuming this is like a royalty

Answer: as as you are partner you earn your share of profit, if there is any. If you dissolve the partnership and get your share of liquidation, you are out, as simple as that.

8) management agrees that there will not be any deviations to the operating costs without the approval of the investor

Answer: if you are part of the management, any decision is consensual or in accordance with agreed by-laws. If you are a sleeping partner this condition is controversial.

9) all arrangements should be documented and authenticated (notary or similar)

Answer: permissible, rather preferable if possible.

10) need to address the scenario if the business suffers a major loss or is impacted by adverse conditions - what happens?

Answer: Losses are always by % of capital contribution, any contradicting condition is void and null and discarded. Reason: losses are a decline in the amount of your property, they cannot be charged to any other, the managing partner has been your choice and whatever she/he does reflects on you. The only exception is: gross negligence and mis-behaviour. In such cases principal becomes guaranteed but no unrealized expected profit.

11) need to address the scenario of disagreements of divestiture from the business (ex. what if a partner wants out)?

Answer: partnership is a contract that is breakable by one will (this is under all laws) this one will becomes subject to compensation of any material damage caused to the other partners and this may take all contributed capital but it is not limited to it, it may be more and it is court determined.

12) any other issues or considerations that need to be discussed that may impact the investment structure?

Answer: It seems to me that you need to be sure about terms you use. Investment is a vague word that carries several meanings.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please see above:

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Dr. Mohsen

Sent: Friday, December 22, 2017

Subject: business dispute between partners

Question:

Salam dear Prof. Dr. Monzer,

Hope you are fine.

Would you please take the time to answer this question?

“From Asm from Pakistan

Aslam olykum,

First of all I would like to thanks for creating such a great place, I am one of the follower of your Facebook page.

The question I am going to raise I guess many people are waiting for the answer of the same question.

I was working in Sharjah in a pharmaceutical company as Dental store keeper and having a salary of 4235/. dirham per month if calculated in Pakistani RS 122000/.

I am the only one from my brothers who graduated all others are working in Pakistan for bread and butter and my father is not having any business.

In Pakistan I am having a family, they are my far-fetched relatives though there is no meet and greet between the families.

They are very rich including three brothers who have running ceramics factories, two of them manufacture wash basins and toilets and one of them produces tea cups and juice mugs respectively. Also their father is running ceramics raw materials store since many decades, four of them owning cars separately.

They started new unit and were searching for partners as they're running their own factories. So I approached their father and requested him to include me in partnership he replied saying we'd love to have you as you are our relative.

Things went on and I was doing job in Sharjah, months after I sent and they started working on that project while me being in Sharjah. There come the days when one of the brothers who is like friend of mine starts calling me come in Pakistan and take over the factory that I partnered in.

Main point is all along I trusted them as they are running ceramics from decades and I EVEN DIDN'T KNOW THE ABC OF IT all I was having the trust.

considerable sum of money they deposited to their father for materials and building already is owned by them also all machinery.

It is very important to have state owned gas connection in manufacturing factory it's just like a blood in the body that without it body's nothing.

So they plan to run on Giant LPG cylinders which cost more than the double of that state owned gas connection bill. There starts the big hole that they all know about. After I came back in Pakistan resigned from the job started working here in this factory where I invested. The first argue started you know what take less than what we agreed upon your salary as the business is new as it grows we'll increase it's just you and me even they all know what I was previously getting.

In market they have a lot of customers but they didn't help me sell the goods. Simply they left me on my own. After few months we shut down the factory due to huge losses and locked.

2016 December I came back till now I'm workless after the factory shut down he promised me that even if he has to invest millions in that factory to bring it up he will definitely spend as I realised him to accept that he has done "zulum" with me and Allah will not leave him. He acknowledged that he feels so.

also I'm engaged to his paternal cousin whom I was supposed to marry back in march 2017 but couldn't due to financial disabilities.

Now all their intentional misdeeds they are relating to Allah's will?

- 1) they knew business will suffer traumatic loss on LPG cylinders as all of them are engaged in this business from decades.
- 2) I was new they should help me to sell and manage the business but they didn't care even they were holders of 3 shares out of 4.
- 3) major part of the investment gave to father to supply that should be in factory later on I realised.
- 4) they knew I'm only one After Allah SWT my family is dependent on IT was Crystal clear to them.
- 5) despite all of the promises they made to reinvest from their pockets as I informed them I have limited investment beyond that I don't have a penny now they are forcing me to bring money.
- 6) as they are knowing that state owned gas connection is about to be installed now all of them are saying to leave with whatever is remaining which is nothing in numbers.
- 7) including mother and father as well as brothers have performed multiple Hajj pilgrimage and umras.
- 8) they are willing to reinvest for them but not for my share I feel like some kind of revenge they're taking from me.
- 9) they're claiming it's Allah's will and your Destiny.
- 10) they showed me too much greengardens about that business and I fell in trap.
- 11) one of the brothers who's my friend confessed in front of other brother that during meetings with father we used to say we don't want smart people who can deceive them they wanted simple partner meaning who can be under their influence.

What Islam says about these tyrants and tyranny?

P.s: I'm regular prayer observer and did the ESTihara before coming. Now I'm very.... but still hopeful that Allah's plans are far wiser.

Kind regards,

Dr. Mohsen

My answer:

Dear Br. Dr. Mohsen

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is not a question. This is a court case where one has to hear directly from both sides and listen to witnesses and other procedures. Please advise this brother to consult a local lawyer and go to court. Nothing can be said upon hearing such statements from one side.

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Majd

Sent: Monday, December 18, 2017

Subject: عمولة على الإرشاد إلى متبرعين

أود أن أسأل عن قضية استجدت لنا وأرجو منكم جواباً عاجلاً:
بعدنا ومهيسة إغنية (ميسسة لارعية الانسانية) فباعتنا مع عقبة الويسسات المييرة تعرض أيجان ال موظين
يطلبون منا عمولات لترشيد التبرعين ويبيرون عفنهم من الل عمل هفبي وميسسكهم أو ييلون إليهم من خالل
توطيل هفبي وميسسكهم. يطيرون سبة أو عمولة معينة إذان جين في لاصول في يلبرع من خالل لترشيدهم أو
تزلت ملن افم اعلم ليك. القضية عالجة وجزكم الله خيراً
□ من ال- iPhone لاصري

My Answer:

الأخ ال لمكرم مجد
لس ال م عليكم ورحمة الله وبركاته
إذا كان لشخص موظف عن ذلك تبرع أو قريباً فيه اجتمع، ما أرى ذلك إلارشوة محرمة عطاء وأخذاً. وإذا لم
يكن كذلك فليكون له وجه قبول عدال عاض، وهي قربة من لارشوة أيضاً.
مع أسس مي لقيير وأعز التحيمة
أ. د. في ذرق حف
تمهيل واقتص اداسلامي

From: Ajmir

Sent: Thursday, December 07, 2017

Subject: commission on investment

Question:

Salamualaikum,

I have a question regarding an investment company:

If a commercial company invests people's money, can it take a % commission on the growth of their money? Or is it only allowed to take fixed administrative fees?

Thanks,

Ajmir

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ajmir

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

When someone invests other people money there must be a written or verbal contract between them. this contract should assign a compensation to the manager of funds which may be either a given amount per period of time, like a month or year, it may also be a % of the profit. That is either or but it cannot be both together. The first option is founded on the basis of employment contract which must determine a known amount of salary to the manager/employee. The second option is based on partnership which implies sharing the profit after securing the return of principal. Combining them together may result in situations of unfairness such as a \$1000 plus % of the profit as the total profit may not reach the fixed amount, this contradicts the principle of sharing in partnership (as it ends up in having one partner making profit and the other making a loss).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Imran

Sent: Sunday, November 26, 2017

Subject: Legal assistance to Christian relief Organization

Question:

Salam, Professor Kahf,

Is it permissible for a Muslim lawyer to provide legal assistance for registration of the local chapter/branch of an international Christian relief organization, whose stated mission is as follows:

XYZ is a nondenominational evangelical Christian organization providing spiritual and physical aid to hurting people around the world. IT has helped meet needs of people who are victims of war, poverty, natural disasters with the purpose of sharing God's love through His Son, Jesus Christ. The organization serves the church worldwide to promote the Gospel of the Lord Jesus Christ.

Looking forward to hearing from you soon.

Abdullah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Imran Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If it were not for the last statement in the question, I would say it may be permissible because the characteristic 'non-denominational' for us in America means for all religions. But apparently this organization promote a son for God and God has no son and no partner and promote the gospel of a Lord other than God... I believe it is not permissible for a Muslim to help this organization in any form, although helping any person working in it on humanitarian basis is always permissible and encouraged if any person associated with it needs any humanitarian help.

Wa Allahu A'lam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Professor Dr. Monzer Kahf
Islamic Finance & Economics

From: عبد الرحمن

Sent: Saturday, November 11, 2017

Subject: هل لنهني عنياي ع قبل ؤلهبض مكافهي واسة أحكام الأسواق الملية؟

لسال مع عليكم ورحمة الله
بارك انفيكم بظهور فيذر، وأمدك المعافية العائمة، بوعد قد ثبت في يليل ع ليق في حوث الأسواق الملية العنشرة
في مجلة مجمع الفقه جدي في ال عدل سبيلع 61/1 ماخ الصوته ألباع ع يليل ك الأسواق لايبي عفس مبرات راه سباق،
بليد خ لفي ع قود جدي دقي ع اوشراء، ولا القة لكل ع ب الآخر، مل عنى هذا أنه لا مكان للحيث عن النهي عن
البي ع قبل ؤلهبض في يليل ك الأسواق ممل ألباع لايبي عفس م الشتر اه فنقاس تدل لثيرون بيلن هي عن الي ع قبل القفض
نلحري م اللهي م بيوع الأسواق الملية.

السؤال الملتحجي د: هل لنهني عنياي ع قبل ؤلهبض مكافهي واسة أحكام الأسواق الملية؟
جزاكم الله خيرا
عبد الرحمن

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. عبد الرحمن

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

الأخ المكرم عبد الرحمن
لسال مع عليكم ورحمة الله وبركاته
طيب أن نسمع نركم و أرجو أن تكون جيع أحوال جم ا يرضيكم موي رضي الله عكم.
1. أرجو أن الحظوا أن النهي العائمة جدا من اليوع عي لسواق سلع لا يقصد في هالهبض صال وهيت غطي
حسبيل ب عود م ملسة. وهذه السبقتصل لى 97.5 – 99.5%. مائل لسواق الع الت وإن كان نسبة لعليق ليل.
2. العوقوفي هذه الأسواق) سلع وع الت (عقود أحيوة وليس تبين طفين فعق بل شراء وعق الذي ع مو كذا
اوتباط لسوق وضمان إدا ته وليس اوتباطا م ع ل ع اوشار. هذا على الرغم من أنه لا يبيع د شراء أوبي ع إذالم
يوجد م قبل ل يفس الس عر والكمية.
3. ان سلة لة جلا ت يتت هي بلبض ال بل عون في هال مة جون لا حقيقي ون ف يسل موم م باع و ف لسوق في
موق ع م ع روف ولي سل موم ألي شتر، ولم شتر ون في م تل موم من إدارة لسوق في يليل ك الملق عفس هال.
وهؤلاء المشترون لا يرضون بلي ع لأن هي شترون لن صن اع مة موت جار كة مولي سل ل حض ابة في الأ عار) ولا ي يري
ذلك أم العضا ابون على الأ عار أيضا).

4. غير المكون في رقم 3 لا يثبتون إلا مقصد الإادة من فروق الأسعار ح تى لو زعم من يقبلون الفتيوى
المرحس (ببل ه إنل تلم الإيص ال مبل لل م خزوق في سل لسل ل عة ف موم مقصد بلبدا أري سل لسل ل عة وإن اس الم
الإيص ال ش ك لي ع ل يق ل ن ذلك وص عوت هي رخص ل هال حض ابة ل يسل تال حض ابة ل ش ر ع قبل حض ابات الأ عار)
ع ل ل س عر.

5. الي ع في هذه الأسواق موي ع في الصفة مائل ل شراء موي الصفة أيضا. وهي صفة دقوقة جت و ف ر
جيع ع ش ر و ط سل ل م عد ل ف ع الثمن ع د الي ع) وهوفي نظري ل ش ر طال م م جدا لذي ي ف ع ال حض ابة على الأسعار
ظ لفة إلى ش ر ط ل هبض قبل الي ع).

6. التسبياتي موي ق ب عنى أن ب ل فاع ل س عر) وهوي و خ ذ ع ن د إغلا ق لسوق في الربلعة ع مررا (أن خ ف ل ض هي يري
أن من ع رده ع ي ع أوعق د ش راء ق د ب ح أوخ س ر دون أن دون أري شتر ل ل باع أوبي ع ل ش اري ف ل كل في م ا ي قى

عقده معه كما هو وليس ب أي خس ريفل وبعث في دليل فون زلل لس عر كل يوم عشر ال مدة للوع كسبت كل يوم
عشر را دون أنت عس صلت كسبل س وقول وشرا تي تبلفون زلل لس عر لك س ريل قل نخرت كل يوم عشر را وما زال العقود
ال ذيت م لك ه) وهو يثل بثلا لف رطل من القم ح من نوع محييت سول يم مح دبلل ش هر ول ك ان ، الي ش هر مع اه الأيام
ال اثة الخير في هبل سب تل من يقطل تسلم لك ليم م .) ولخ اسر إ ما أني ودع ل س ارقة لبده الي يوم التل يل لتع امل أو
أن ي عس عقده ر غم فبس عر إ الق الي والم تلي في خرج من لس وق .

7. لا خروج من عر د بلن سب تل ك ثري ة الثبرى ويك ون ب عر د مع كس مع ملاحظه ان م طي اتي تام ة لك عر د .
8. ال ك ان ة لبض ث دي عبي هذه الأسواق ولا أقبل فتوى اتالم الاصل ال لأن ذلك خال من مع اه لا عقي .
(اتالم الاصل اليص عبي مع ال ت أخرى ثلبي عر ل س ل الخت في ال طري ق فسي ال ح رب اتالم ولي لل ش اري)
مع أس م ثل ق ي ر وأعز ال عجة
أ. د. في ذر ق ح ف

تمويل واقتصاد اسلامي

monzer@kahf.com

; www.kahf.com/blog; www.kahf.net

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor

Islamic Finance & Economics

monzer@kahf.com

www.kahf.com/blog; www.kahf.net

From: عبد الرحمن

جزاكم الله خيرا غي هذا التوضيح، وقد كرمني الله سبقا لجسمك على عيني ووضعه خطة أطروخي لالتفوره.

From: M. Shakeel

Sent: Wednesday, November 08, 2017

Subject: Insallment sale at a higher than cash price

Question:

Assalamu Alykum,

My daughter is buying a running business and the seller wants to finance the price. How she could avoid paying interest?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If she buys on installment even at a higher than cash price, she will be OK InShaAllah.

Buying on installment at a higher than cash price is permissible.

Interest is an increment on a debt of a loan (as it immediately creates a debt) not increment in prices of goods and services because of differences in date of payment or delivery.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam
Best Regards
Professor Dr. Monzer Kahf
Islamic Finance & Economics

From: Omer
Sent: Tuesday, October 03, 2017
Subject: personal injury and lawyer's fees

Question:

Salam Dr. Kahf,

My name is Omer and I was at one of your seminars last year in Toronto. I am a new lawyer exploring the viability of various practice areas. I remember what you said about taqwa vs. fatwa. I prefer to take the way of taqwa but there are lots of obstacles.

When it comes to Personal injury lawyering, I read your paper on how the Islamic system varies from the American system. I had a few questions for you:

1) Does Islam, in any way, allow for a monetary compensation for loss of future income? As a Muslim lawyer, can I take my fee from a percentage of an award that includes all of:

i. pain and suffering

ii. medical bills

iii. missed work

iv. loss of future income

In Shari'ah we focus on the causality of outcome to the injury and injurer. Any loss of income that is attributed directly to the injury can be included. Pain and suffering, although can be attributed directly to the injury, have a great difficulty to price, especially that we must deal with all human beings on same ground in such pricing (e.g., the pain of a miserable is same as the pain of person who lives leisurely). This difficulty and the fear of either discrimination between people or of interference of other causes, especially when we talk about extended time in the future, makes Scholars hesitant on matter of pain and suffering;

Medical bill and lost work are OK;

Loss of future income: we apply the same principle: any future income loss that can be attributed solely to the injury is permissible and whenever a doubt comes in, of other potential reasons including possible changes of economic environment it is difficult to separate the loss of future income caused by the injury. This is why you find both pain and suffering (especially when it comes to pain and psychological suffering caused to persons who are around the injured) and loss of future income rarely included in Shari'ah accepted tort.

Finally, to the extent it is halal, the lawyer fees are also Halal.

Or can I only take my fee from a % of only i., ii., iii. ?

2) Why is diya pinned to the gold standard of 4250 g gold (100 camels) when the economy of that time differs from the economy of our time? Are there other price list assessments that the Shariah could accept?

The estimation is not only in gold. Basically it is in she camels, the gold is only an estimation for the she camels price. This may change overtime.

We have evidence that 2 she camels were reasonably sufficient to provide a family of 4 with all their food needs and may be some additional needs too. 100 she camels can sustain 50 families' food. Take it from there! The present and past estimation in some countries like Saudi Arabia of 20,000 rials then raising it to 100,000 is way below what is a fair estimation, if we take into consideration the difference in economic situations between the time of the Prophet and our time in a given country. There is no Shari'ah reason for limiting it to 4000 grams of gold.

3) Can a Muslim lawyer accept a fee from a client when they know that money is coming from an insurance company? Is that money likely to be pure or is there shubuhah in it?

This money is not Subhah because you get for your expertise and the insurance company pays it as a wakil of the client.

I hope my questions are clear. I ruled out practicing personal injury, but I am just revisiting it to see if there is a way to do it halal...

Finally, sorry for the delay, I needed more time for these heavy-weight questions.

Yours truly,

Omer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Omer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Sorry for the delay,

Please see my answers above:

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Dr. Mohsen

Sent: Saturday, September 16, 2017

Subject: عمولة لوكيل الدفع

Question:

لَسَّالْمَعْلُومَاتُ لَكُمْ لِقَوْلِ الْفَضْلِ
أرجو توضيح للرأي الذي عييت في هذه المسألة
رقوفيل جزء الدعوة التي التي يتحمل متسوقية لحي لحيسبوك لم شروع حوار اليماشل لتعريف باسالم
وجل زوال لوقوع من أجل تعريف باسالم
كن ليعف لحيسبوك عن طريق فيزا خلاة بأحال فرط لقيه أوقف التعمام لها
من الخطر لتعمد مع شركة دعوية وتسويق شتقوم هيدف عصر وفات التسوية لحيسبوك عن طريق فيزا
الخلاة ليماشركة مقبلان سبة 10. تتأخذها من جحين ا زك قية طلفع ليماشرك لحيسبوك
فهل فاك حرج شرعيفي هذه الصورة؟

Kind regards,

Dr. Mohsen

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Mohsen

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't see any Shari'ah problem in his change that you described.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Akshar

Sent: Friday, September 15, 2017

Subject: valuation of a liquor business for acquisition

Question:

Assalamu Alaikum Dr Kahf

I hope this mail finds you in excellent health by the grace of Allah.

I would be very grateful for a piece of advice. I am acting as consultant for a group of companies engaged in a number of industry sectors. The group is envisaging to acquire a liquor manufacturing company and, as one of my other assignments, I have been requested to work on the business valuation, buyer due diligence, as well as contracts drafting.

Would this part of the assignment be impermissible for me?

Kindly help me on this.

Jazaakallah khair

Your Brother in Islam - Akshar

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Akshar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I believe that such an assignment is in direct violation of Shari'ah. A Muslim must not take any part in any activity related to sale of liquor. Here you are dealing with sale of the liquor store/business. Is it not a lot worse?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

From: Majd

Sent: Monday, September 04, 2017

Subject: بيع شقق في بناء على أرض الغير

Question:

م حمد: لبي ارض في قرية اسمها سرمد
ال: قول (تبعه من ابناء
شققاً أن يبيها أربعة طابق
بعد ذلك اءالمشرووعيكون لكل في هم ارض فللشقق وال حالات
للشكلة:
تبعنا طابق، فباعنا بعد جال لكل حجت في ال طابقين ل ج زوي في ال طابقين اللذين ل بيها م ه ر يلي ت رلي
حاولن الثي رللصل حيين صاحب الارض وبين الثمتين لكن دون جدوى
السؤال:
ما حكمه لبي في باعنا بعد جال؟
برأي جال لا يملك شققاً إلا بعته في ذال عق بل كامل
وبالتالي فللم باع باطل
سواء كان بيها أم لبيها
فما حقولكم شريخن الكري؟؟
زبيت أمراً:
هنك أحد الثمتين شري شقة وأشهد في البيع ملك الأرض
فهل يثبت ذلك في العقد؟
إن طللن لبي عال تبعه فللشقق وال محلات، ن عطي قيمة حرة ملك الأرض من ال حالات التي شقق في ال طابقين اللذين
و حلت في بيها اسم هالمشترق قسمة غر ماء، ول هم حق ال مطلب بقسم حين عودة البع مد أو غورنا في مالده
فما هي ال حظلكم في مالكرنا؟

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Majd

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

القولين الي و في جيع ال ليدان لا يعترب ال عقود في العقارات إذ ال تبس جلف يلس ج ل لرس مي للدولة ال م خصص
للك، و ذلك بهدف فضط ال حقوق لأهية العقارات ل جيع علن اس، و لتبع عل د على عقار دون تبس جيل فب طرفي حق قس ه
ول ه ل حق في ال حرة من ف عل ه أموال ال ب طرف عولي سل ه أي حق أو مطية في مال الك العقار المس ج ل باسم هول و كان
ش اء اء ل و ي لبي ع. فاشري ع ققر بثل ه ذل قولين ل م في ه من حيلة ال حقوق) راجع رأيل شريخ ل زرقا رح ه انفي
مذا) فالبين و ما علي لم ملك الأرض في ذال في ده م ع ال قول لول الثمتين ال حق في ال حق لبي عال ح الت القضاء
ولاح جز في ماي وجد من أموال في الن اول. وأن اءل ف في قك ما لكر من فنت و ل من لبي عرف ل قولين و موقوف
لشريعة في ه.

وي س ل الثمتين في الأرض أو البنا طية مطية، ي ملك كل ذلك صاحب الأرض، ول ه ل رجوع في ال قول لبية
فروق حرت العقدين ه ما ف إن زائل قول في صاحب الأرض شي ع من حق المشترين ل اح جز علي في سويل
ت جريل حقوق هم.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Professor

Islamic Finance & Economics

monzer@kahf.com

www.kahf.net; www.kahf.com/blog

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From: Dr. Mohsen

Sent: Sunday, August 06, 2017

Subject: higher price for quick delivery

Question:

As-Salamu alaykum dear Prof. Monzer,
Hope you are fine.

I am wondering if you have time to answer this question:

Farooq

From Pakistan

Assalam Alaikum ekhwaan,

I'm moving back to my country very soon therefore as a necessity I looked into cars market to buy a car. I learned that in my country there are certain car brands which take long time from car manufacturer to deliver. For example if I order a car today, I would get it delivered in 3-4 month time. But the car showroom owner gives option to buy the same car available at the showroom for a "higher" price claiming that the available car has been purchased already by some X owner months back and additional money over dealership price has to be paid to X owner. This is basically a workaround established to reduce the delivery time that manufacturer takes. This "additional money" to X owner is termed as "Own" which is approximately 5-10% more on top of car's value.

My question is if such "Own" is halal. As I understand, a person should not pay higher price of a product. Such a system has been developed and in effect at large in my country. In my opinion if such a system is discouraged then the delivery time of car from manufacturer can be reduced significantly. This system seems more like a way to earn extra cash from customers in name of quicker delivery of goods.

Your guidance is much appreciated here.

jazaakAllah khayr.

My answer:

Dear Br. Dr. Mohsen

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please receive the below

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Farooq

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

On the surface, paying a higher for faster delivery is permissible. So a single transaction of that kind does not see violation of any Sari'ah tents.

However, creating a system in which manufacturer delay delivery and some middle men step in and create fake orders in advance and hold units of the product to increase the price on final consumers is dirty business and is definitely not permissible in our Shari'ah. It falls under abuse of the rules, under monopoly and under Ghabn which is overpricing.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam
Best Regards
Professor Dr. Monzer Kahf
Islamic Finance & Economics

From: Omnia
Sent: Wednesday, March 15, 2017
Subject: Fatwa

Question:

Dear Dr Monzer,
My sister wanted me to ask you about a fatwa.
Is it ok to dine in hotels' restaurants that usually have a bar and alcohol?
Thanks

My Answer:

Bismillah al Rahman al Rahim
Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Omnia

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Dining or sitting in a place that is commonly used for serving liquor in a land where places clean from that are available is certainly something that Shari'ah does not like as a kind of acceptance or at least tolerance of sinful actions. We are always urges to change any improper thing with our hands, tongues and the least of faith in the heart only.

In countries and areas in which it is common for normal dining places (restaurants or hotel restaurants) to serve liquor the level of tolerance becomes higher, there we only do not like sitting on same table on which liquor is served.

Your sister is here in Qatar, as I understand, hotels that serve liquor have it usually in a separate place not exposed in the dining hall. If it is not exposed in the dining hall, it is permissible to dine or sit in it although we know that the hotel serves liquor.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf
Islamic Finance & Economics

From: Ray
Sent: Tuesday, November 22, 2016
Subject: Islamic Finance and Migrant Workers

Question:

Dear Professor Kahf,
Further to our earlier conversation, can you please provide advice on Islamic Sharia with regard to the following practices, which are widespread throughout the GCC countries.
1. Low-skilled, low-income Migrant workers in countries of origin paying large sums of money to private recruitment agencies to secure employment in the GCC states. (Higher-skilled workers do not pay anything.) They most often borrow the money (from

loan sharks, recruitment agencies and family at usurious interest rates - up to 60% - as well as banks - at lower interest rates), which leaves them in debt bondage whereby they must work even if receiving less wages and conditions than promised in order to repay the loans, taking up to a year's work to do so. This is tantamount to forced labour, particularly under the control of the kafala system.

2. This financial exploitation is to cover costs of recruitment which the employer in the country of destination should be paying (visa, transport, etc.). It is also used for secret 'kickback - payments' by recruitment agencies to personnel of employing companies in destination countries in order to secure the labour supply contract.

3. Labour laws in Qatar, UAE and KSA forbid recruitment costs to be paid by employees. Does this apply to payments in origin countries or only in those countries?

I would like to know if there are Islamic principles and law that can be brought to bear that stops this practice of workers paying recruitment agencies in countries of origin if they are destined for Muslim countries such as the GCC. In other words, what are the responsibilities of GCC nationals (individuals and companies) to ensure this does not happen - and if it does, is there an obligation (on the part of the kafeel) to reimburse the workers who have paid?

Unfortunately, after many attempts, I was unable to send you a copy of my White Paper published recently by the (United Nations) International Labour Organisation. Seems it is too large, even in a zipfile, for our server. I will give you a printed copy.

Regards,

Ray

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Prof Ray

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thank you for the kind email and enquiry.

The issue you raised is very important as it relates to fundamental justice especially in relation to prohibition of Riba (interest) and prohibition of bribery (kickback).

You may know the fundamental rule of employment is Shari'ah, which is established by the Prophet, pbuh, himself, that establishes the following guidelines:

1. The compensation of laborer is the responsibility of employer,
2. It should be transparently determined and known in full at the time of contracting,
3. It should be paid to employee immediately at the agreed time with no delay.

Additionally any detailed specified by laws and regulations must be abided by all as long as they do not violate any fundament of Shari'ah. On another note: corruption and kickbacks are prohibited to the extent that the Prophet, pbuh, equates bribery giving and taking to transgressing the boundary of Islam itself.

Accordingly: as the laws and regulations require that employer must bear recruitment and transportation expenses/cost. All such costs, whether in the country of origin or in the country of work, should be borne by the employer in accordance with laws, regulations and employment contracts.

Persons under these laws are responsible, from Shari'ah point of view in addition to legal liability, to assure that potential employees are not charged any additional recruitment/visa/transport expenses for reaching the country of destination of the worker. Of course, we know that some illegal and corruption practices are difficult to detect by law enforcement especially when it may require enforcement under different legal systems/countries.

In application of the above, here is my Fatwa in regard to the issues and questions you raised:

1. For potential workers in countries that have laws requiring employers to pay recruitment and visa costs, it is forbidden for a recruitment agency to charge such employees any expenses for any and all expenses covered by the law.
2. For destination countries that do not have such laws and regulations, it is permissible for recruitment agencies and visa follow up agencies to charge beneficiary workers reasonable fares for their services with a maximum that should be determined in the law or by mutually-consented contracts provided that such fares are within the market range for such services. Charging fares outside reasonable amounts for these services is definitely forbidden.
3. Charging cost of obtaining visas is definitely Haram and not permissible in Shari'ah. Cost for obtaining visas is meant here what is above the amount of official fee and price of the service hours for follow up. This means that the practice of asking for payment to 'sell' a Visa is forbidden in Shari'ah.
4. Taking loans on interest is forbidden (giving loans on interest is even worse). Recruitment agencies should be forbidden by law of giving interest-based loans to potential employees for such fares.
5. Nationals and residents (individuals and corporations) of countries that have laws which require employers to pay cost of recruitment and visa, are required to be transparent in abiding by these regulations. This also requires that, when contracting recruitment and visa follow up agencies in any countries, they should make adequate conditions that prevent such agencies from charging potential employees any such forbidden charges/costs. Failure of having such conditions and failure of enforcing them puts them in the square of accomplices with such agencies. with the spread knowledge of such practices by agencies in some countries make any such failure by nationals and residents accountable from Shari'ah point of view and should be made accountable from legal point of view.
6. If kickback happens from recruitment and Visa agencies to employees of National and residents potential employers not only the bribe receiver is accountable but also his/her employer by reason of subordination. In such cases employers become responsible to compensate employees for extra amounts paid to recruitment and visa agencies even beyond the amount of bribes because the bribery giving is a cause of such non-permissible charges placed on potential employees.
7. If bribes and kickback ends in the treasury of the employers, more punitive action should be taken according to the law but definitely in addition to compensation to workers who paid such extra charges.

Please write me again if you think there are any more questions or clarifications.

Wa Allahu A'lam
Wa Alhamdu Lillahi Rab al Alamin
Wassalam
Best Regards
Professor Dr. Monzer Kahf
Islamic Finance & Economics

From: Ray
Sent: Saturday, November 26, 2016
Subject: Re: Islamic Finance and Migrant Workers
Question:

Dear Professor Khaf,
Thank you so much. This is excellent, but there are a few things to 'tweak' in the fatwa for clarity. I will be back in Doha tomorrow, and will get in touch when I can to arrange a meeting.

Regards and best wishes,
Ray

My Answer:
I will be out tomorrow to Tunis and practically will be back on Jan. 8, see you then InShaAllah.

From: Ray
Sent: Monday, February 06, 2017
Subject: Re: Islamic Finance and Migrant Workers
Question:

Dear Dr Kahf,
I have taken the liberty of editing your fatwa with tracked changes, just to clarify and make it more precise in accordance with the situation. Please read the attached and let me know if it is acceptable. There is also a question for you in one of the comments boxes regarding riba.

Regards,
Ray

My answer:
Dear Dr. Jureidini,
Please receive the final Fatwa after the discussion we had on the issue of visa fees:
My Answer:

Bismillah al Rahman al Rahim
Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Prof Jureidini.
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh
Thank you for the kind email and enquiry.

The issue you raised is very important as it relates to fundamental justice especially in relation to prohibition of Riba (interest) and prohibition of bribery (kickback).

You may know the fundamental rule of employment is Shari'ah, which is established by the Prophet, pbuh, himself, that establishes the following guidelines:

1. The compensation of laborer is the responsibility of employer,
2. It should be transparently determined and known in full at the time of contracting,
3. It should be paid to employee immediately at the agreed time with no delay.

Additionally any detailed specified by laws and regulations must be abided by all as long as they do not violate any fundament of Shari'ah. On another note: corruption and kickbacks are prohibited to the extent that the Prophet, pbuh, equates bribery giving and taking to transgressing the boundary of Islam itself.

Accordingly: as the laws and regulations require that employer must bear recruitment and transportation expenses/cost. All such costs, whether in the country of origin or in the country of work, should be borne by the employer in accordance with laws, regulations and employment contracts.

Persons under these laws are responsible, from Shari'ah point of view in addition to legal liability, to assure that potential employees are not charged any additional recruitment/visa/transport expenses for reaching the country of destination of the worker. Of course, we know that some illegal and corruption practices are difficult to detect by law enforcement especially when it may require enforcement under different legal systems/countries.

In application of the above, here is my Fatwa in regard to the issues and questions you raised:

1. For potential workers in countries that have laws requiring employers to pay recruitment cost and visa fees, it is forbidden for a recruitment agency to charge such employees any expenses for any and all expenses covered by the law. It is also forbidden for the potential employer to implicitly or explicitly have such cost charged to potential employees under any name.
2. For destination countries that do not have such laws and regulations, it is permissible for recruitment agencies and visa follow up agencies to charge beneficiary workers reasonable fares for their services with a maximum that should be determined in the law or by mutually-consented contracts provided that such fares are within the market range for such services. Charging fares outside reasonable amounts for these services is definitely forbidden.
3. Charging cost of obtaining visas is definitely Haram and not permissible in Shari'ah. Cost for obtaining visas means in this paragraph: what is above the amount of official fee paid to consulates and price of the service hours for follow up. This means that the practice of asking for payment to 'sell' a Visa is forbidden in Shari'ah.
4. Taking loans on interest is forbidden (giving loans on interest is even worse). Recruitment agencies should be forbidden by law of giving interest-based loans to potential employees for such fares.
5. Nationals and residents (individuals and corporations) of countries that have laws which require employers to pay cost of recruitment and visa fees, are required to be transparent in abiding by these regulations. This also requires that potential employers in recipient countries, when contracting recruitment and visa follow up agencies in any countries, they should make adequate conditions that prevent such agencies from charging potential employees any such forbidden charges/costs. Failure of having such conditions and failure of enforcing them puts them in the square of accomplices with such agencies. The spread knowledge of such practices by

agencies in some countries makes any such failure by nationals and residents of recipient countries accountable from Shari'ah point of view and should be made accountable from legal point of view.

6. If kickback happens from recruitment and Visa agencies to employees of National and residents potential employers not only the bribe receiver is accountable but also his/her employer by reason of subordination. In such cases employers become responsible to compensate employees for extra amounts paid to recruitment and visa agencies even beyond the amount of bribes because the bribery giving is a cause of such non-permissible charges placed on potential employees.
7. If bribes and kickback ends in the treasury of the employers, more punitive action should be taken according to the law but definitely in addition to compensation to workers who paid such extra charges.

Please write me again if you think there are any more questions or clarifications.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Best Regards

Professor Dr. Monzer Kahf

Islamic Finance & Economics

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From: Wael

Sent: Thursday, September 22, 2016

Subject: Drop-Shipping business model

Question:

As-salamu alaykum wa rahmatu Allah wa barakatuh

Dr. Monzer, please help replying this brother.

Jazakum Allah khayran

Dr. Wael

salamu Alaikom wa Rahmatullah Sheikh,

My name is Rami. I would like to know your opinion regarding a business model called "Drop-Shipping" please. Just to clarify what I mean by that: I plan to create an online store where I market several products that a wholesaler has in stock. After a customer orders and pays for a product on my online store, I then make an order to the wholesaler by paying them to ship the product directly to the customer.

So essentially; I market the product, get paid by the customer, and then use that money to pay the wholesaler so that they can ship the product to the customer. From the customer's perspective, they are purchasing the product directly from me. I am not 100% sure, but I believe that I am legally responsible with regards to selling the product to the customer, and not the wholesaler.

Does this come under the principle of "Selling what I do not own"? Does being accountable legally make a difference when it comes to the permissibility of this business model? What conditions would I need to fulfill to ensure that the transaction is halal?

Your prompt response would be very valuable to me,

BarakAllahu Feek

Rami

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rab al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Imam Wael and Br. Rami

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Your sale in this shop is going to be for items that are well described with full specification declared to customers. And You do that, of course after you made arrangement with your suppliers that these item are available with them on order from you and that they will sell you these item upon request.

The above is called sale on description or sale on sample because you may also use a sample, with three dimensions on the internet and with full description. sale of description is permissible in Shari'ah. (BTW, legally according to laws of internet sale, you are responsible and liable to your customers) An example of is Salam which does not apply to agriculture only but to any item that fulfill the conditions of being available at date of delivery and being amenable to full description and full disclosure of all its characteristics. You should always be sure before accepting to sell that the item is available within the time fram of delivery.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Islamic Finance and Economics

From: مجد

Sent: Thursday, June 01, 2017

Subject: الصلاة في السفر الطويل بالطائرة شرقا

خرجت من بين قنا كنولوا كندي لفسبت 4 عصر را ، وبعد حوالي 13 ساعة طيرا ان وصلت إلى هونج كونج الا اني قبل الظهر . (كوني عبرت خط الزمن (وكنيت للرحلة كلى هلي النهار، لمي مر لي بينا الللي لمطلقا .

اجتهدت في تقريم الوقت لأدله صلاحي يوم ال حدالذي شرأعر به. كيف لي أن أحسوم؟
هلي مثل هذا الحال التي يجب أن تبحث عن قوال الأئمة الأربعة؟ ام عطل عو وفق قد خرجت من هونج كونج بعد أذان لظهر بمأشرة يوم ال خيسوه وصل تفك فوق بل صلاة لظهر ساعة من فس يوم ال خيس؟

My Answer:

الأخ لمكرم أبو أحمد
ال الم فيكم ورحمة الله وبركاته
ال سهك وصل قبل لظهر من اليوم التالي ولي سن فس اليوم.
عليه صلاة لعماء ير على ش مفع علي صلاة واحدة هلي اعصر في ال ذهاب. في ال عود قد جد الأوقات
تسار عنك عوض ام فسك في ال ذهاب فقت يجب علي مسبح أو ثم ان صل وانتمت ق ابة كم اي رى لاش م س:
خطف جرب ليض م ثم زوالا ثم عصر فف غر فف ش فق عش فف جرت لاي ا . هوفي ال جلي ال لي بيت ع
لش م س كم اي راه ا .
مع أس ملى تقيير وأعزال تحية

أ. د. فخر حنف

From: مجد

Sent: Wednesday, May 24, 2017

Subject: حكم إفطار الحامل والمرضع ومزاوي الأعمال الشاقة

أمرأيكم بهذا الشيخ

حكم إفطار الحامل والمرضع ومزاوي الأعمال الشاقة

قال العلامة بعدالوهاب خلاف: "والذي أفتاه من قوال فقهاء قول من ذهب إلى أن الحامل والمرضع إذا سملت من الصوم غلبت فئسهما أو غلبت يدهما فلتطرت كل واحدة فيهما فاعل الضرر عن فئسها أو عن يدها فتجب عليها الفدية دون القضاء، لأن تكثير حملها وإرضاعها وتوليها مطيب بغير الحائض يوجب عذر الحامل والمرضع من الأعداء الذي قوي جرحها ممن يتنظرون حقه تعالى: [وَلْيُؤْمَرِ الْغَنِيُّ بِطَيْبِ طَعَامِهِ لِيُطْعِمَ الْفَقِيرَ: 184].

بوعضه فقهاء أو جبع على الحامل والمرضع بل قضاء بغيره أو جبع على المطلوء والفدية.

ولعمدالغنى زاولون الأعمال الشاقة، وهي حنوفون لمن الشاقة، هم ممن يطيقون الصوم، أي:

يتحملون فيه لاجده ولا شاقة، وهم قد جعل الله على سبيل رزقهم هذه الشاق كعمدالغنى لاجم ولا محاجر وحملتي النقص ليس ولبعد رمضان خيرا في هفتي رمضان فليحتم إن فلتطروا لفدية وليس علي للمطوقاء.

من قال: الهس لي فريض للصوم.

المصدر: مجلة لواء الإسلام عدد الأول لعام 1369 هـ الموافق لرمضان 1950.)

My Answer:

الأخ لمكرم ببا أحمد

الأم غنيكم ورحمة الله وبركاته

الرأي من حيث المبدأ حكمه وصواب التخييران ولك لي عليته حفظات فهدم سأل تينغني أن تراعى في هذا أحوال لزم أن يتغير عادات الناس وعرفيتك لم عمل الشاق في كثير من النساء من عانت من اليوم الطباع يبقى الحامل والحمل تلك الاستعمال مؤلف الحامل في رة والتفوق في أيدي كثيرات جدا. هال عي جبع علي من الفضاحتى لانتضيع حرمة رمضان. أم للوت يتي على حمل من (كم اقتضت على كثيرات من نساء غزة أعل من الله أي أخذ برأي وحكة خالف رحمه الله على.

وكذا من هفتي أعمال شاقة وبخاصة في سجون لا يرحم في حال سجنون. أما من مشقهم من حملة وبخاصة في بلدان عدل في ساعات العمل رمضان في إن حمل ولطويام وجب غنيهم وإن لم يتحملوه وقتا ووجدوا عدل صومهم حمل فيهم وجب غنيهم وعلي من الفضاغان حال الحول ولحتم لمن التل له الفهيفق ط. ولا أقم دليلا غني لاجم عن الفهيفق لاجم عن الفهيفق ازدواج يفلت كل في فية عد عن طية مزالين الخيف.

مع أسام لي تقيير وأعزالت حية

أ. د. فخر حنف

From: Farhan

Sent: Friday, May 05, 2017

Subject: Charging new members more than the old ones in a coop

Jazaka Allah br. Abdellatif,

just to add that in the end we won't be making any profit, additional amount received will be used to settle the amount of the existing members.

Regards,

From: Abdellatif

Salam Alaykum wa Rahmatu Allah

we are a group of Muslims in Canada and due to the extra high prices of real estate, we decided to start a project (cooperative housing) to build our own houses over a period of time.

Below are the sequence of event that may be relevant to the question at the end.

1- in Summer 2016, there was an open consultation with a large group of Muslims to socialize the project.

2- in Fall 2016, 8 people joined the project and deposited 5000\$

3- in January 2017, the rest of the first installment was deposited by all members to the corporate account

By this time, the only expenses we had are related to legal advice and other services. No land is purchased yet.

4- in spring 2017, we found a land that is in a prime area, we made the offer and did not close the deal yet, and it will be closed by end of May. On the land we found, we can build an extra 4 houses.

Question: Given that we do not own the land yet, can we charge 50,000\$ more for the new members that decide to join now?

Please let us know if you need more details about this project.

Jazakumu Allahu Khair.

Abdellatif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Brothers Abdellatif and Farhan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I can understand your rationale for charging more for new members now that you found a land. But I really do not find any way to do that before you own the land. Apparently you need 4 more members for the four additional lots.

Please wait until you own the whole land and then sell these 4 extra lots for more and distribute any profit you make on them to the 8 old members so that the accounts of all members become clear. In house building there are common expenses/profits that are distributed equally and there some specific each owner will like to have in his/her own house.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: Dr. Mohsen/www.aboutislam.net

Sent: Tuesday, May 02, 2017

As-Salamu Alaykum dear Prof. Monzer,

Hope you are fine.

I am wondering if can take the time to answer the attached 2 questions.

Kind regards,

Dr. Mohsen

Question: Bank Account created by mother for her child, who owns it?

Jasmine, US

As-Salamu Alaykum Wa Rahmatullah Wa Barakatuh. My mother is Christian. She created a bank account for me many years ago when I was a minor. She never allowed me to have access to even today. I explained to my dad and his family that the account has my name, while I have zero access to. My mother told me that the only way I can have access is to come with her to the bank and give them my information. My mother is not a trustworthy person. So, my family were telling me that I can call that bank company and ask them to transfer the money to my own account I have access to. However, I do not consider that account that my mother created for me as mine. Just last week, I received a mail from that account that my mother took almost everything out. I would like to know does this account really belong to me, despite the fact she created the account with my name and the only one has access to? Do I need to retrieve the money that she took out? I am asking these two questions, because my family at times ask me about that account. They think that account belongs to me.

The amount that was in that account before she took almost everything out was approximately 4,500 dollars. The account currently has a sum approximately 1,500 dollars. Kindly don't put this along the question I typed out.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Jasmine

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This account, according to your explanation, belongs in fact to your mother. She opened it and kept full authority on it when you were a minor. When you become adult (you did not mention whether you are now after 18 or not) if your mother transfers the authority to you you become the owner of the money in this account and then you may withdraw it. any interest accumulated after you become owner should be given to charity as it is Haram for you and you have nothing to do with the account and its interest before it becomes yours.

If you are adult now and you want to avoid any possible troubles with taxes or with you other family members, you may ask your mother to close the account, either by giving you the balance in it or by taking it for herself or to remove her authority from it and make it all yours. If you are adult you can also contact the bank and ask it to give a note to your mother that she should make appropriate change to this account to remove her

authority. But remember the money in it is hers unless she transfers it to you and then it becomes a gift to you.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: Taheseen

Sent: Friday, April 07, 2017

Subject: Using personal property for business when condo bye-laws do not allow for it

Assalamu Alaykum brother,

Hope you and your family are well.

I am hoping to start a service based business in my house, where in clients would come in and receive my services. Apparently the condo bye-laws do not allow for it.

I am confused by the various opinions of my friends and neighbors. They say it does not make the income haram as in non-halal. I would rather ask you who is qualified to judge on such matters.

Kindly guide me regarding the permissibility of conducting business in such circumstances.

Regards, Wassalam.

Taheseen

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Taheseen

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is a civil and contractual matter between you and the management of the condo. Violating their conditions is not Haram and equally not Haram if they impose a fine or termination of contract on you if you are caught. Two conditions are necessary when you have a contract that contains regulatory conditions like this: 1) one should not make any plain lie (in contrast to making statements that have two meanings), and 2) one should have good faith in implementing the contract. violating the condition of no business for light business that does not require much of violation of the objective of the no business condition (which is usually no heavy traffic, open doors for customers, advertisement, etc.) is not in contradiction with good faith.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: مجد

Sent: Wednesday, March 29, 2017

Subject: عمل مع أخذ معاش تقاعدي عن الوالد

لغيت اعمل تحييت اريخي وليو 2015 ثم سويت معاشي وبدأت في اجراءات تحي استطيع ان اقبض معاش ولدي.. وفي شهر سبتمبر 2015 بدأت في عمل جني بدون عقد وبدون تأهيلات و عدد ساعات قل من الممعتاد.... وفي يناير من هذا العام تم صرف معاش ولدي ومع شريك مجموع الم معاش عن الفنتره من اغسطس 2015 تحي يونيو 2017)..سؤالي:

1- هل يجوز لي ان اخذ هاتلتيك...؟

2- هل يجوز لي ان اخذ معاش ولدي و ان اعمل مع الاخفي الاعبار ان علي بدون عقد وبدون تأهيلات و عدد ساعات عمل اقل من الممعتاد...
ولكم جزيل الشكر.

My Answer:

الأخ لمكرم بلو أحمد
ال الم ليك و رحمة الله وبركاته
إذالم يوجد كذب أو إضرار بربك عن آخرين من تقاعد وال فلا أرى حرم قبي لك. أما إذا وجد
أحد مني فتدخ في حيزك حوي ب قدره.
مع أسلمة ثقير وأعزالت حجة
أ. د. في ذرق حف

From: Douglas

Sent: Monday, March 13, 2017

Subject: Rulings of profit distribution in business

Assalamu Alaykum wa Rahmatullah wa Barakatuh, Dr Kahf.

I have a question regarding the rulings of net profit in a business firm

My question is, what is the ruling or rulings of distribution of net income in a business if someone gives you capital to run a business?

As I know 40,% 60% brother, I just need further explanation for the rulings please correct me if I am wrong your assistance in the matter will highly be appreciated

Jazaka Allahu Khairan.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Douglas

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Determination of rate of distribution of profit between partners is left to the partners agreement in accordance with market condition. Market conditions vary from one land to another and one business to another. The shares of profit may vary accordingly.

What matters from Shari'ah point of view is that these shares are based on justice, within market conditions and that there must be any potential situation in which one partner takes everything and the other takes nothing or be on the negative. This may happen if one of them is assigned a given amount or a percentage of capital.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf

From: Dr. Mohsen/www.aboutislam .net
Sent: Monday, March 06, 2017
Subject: source of money given to me as wage

As-Salamu Alaykum Dr. Monzer,
Hope you are fine.

I am wondering if you have some time to answer the following question:

Assalamu Alaykum, my name is maiwan 22 years of age living in the united Arab Emirates. I occasionally work for events and exhibition company on part time basis for different events and exhibitions like football matches, selling tickets to an event. I get my cheque after a month from a commercial bank every time I work for them. I do not know if this money is halal or haram. I do not if the company is taking interest on their financial assets and I cannot ask them about as I don't have the authority. Please share your view on this subject.

I also want to know if Muslims can work for international brands like Nike, Zara etc. having no knowledge of this brands take interest in banks or not

Kind regards,
Dr. Mohsen

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Mohsen

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please inform the questioner that Allah did not appoint us guardians on other persons' activities and actions. Each one of us is required to do right and is responsible and questionable on the Day of Judgment for what we do. We are not responsible for what other people do. Of course we should always whenever possible, and wise to do so, advise others to do right too.

If the work you do for the event companies is permissible and honest then the Salary you are paid is permissible. What matters to you is the relationship between you and the other party. relations of that party with other people is not of your concern or business. In Fact Shari'ah requires us to avoid poking our nose in other people affairs. Otherwise, if you want to check on the relations undertaken by the people and companies, which you deal with, you will use all your time and will not even reach a conclusion. Did you ask the same question to the seller of bread how did he finance his purchase of materials used in the bread, his shop, payments to his employees, the transport company that you use in moving from one place to another, the airlines that brought you to United Arab Emirates, the seller of cloth, food, the owner of the house you rent , etc. etc. you should not interfere in other peoples' affairs. Same thing applies

to the event companies and the brand companies you buy goods from. etc. what matters to you is to do what is right and permissible and leave the affairs of others to Allah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: Dr. Mohsen/www.aboutislam .net

Sent: Saturday, February 18, 2017

Question 1: Multi-level Networking business

Assalamu Alaykum Wa Rahmatullah wa Barakatuh.

Is gold networking business halal in Islam?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

No for two reasons: 1) gold buy and sell requires the transaction to be hand to hand in delivery of the gold and its price, same applies to silver and all currencies. This is a requirement by the Prophet, pbuh; and 2) because networking business have multiplicity of layers for profit with doing any action, from the sweat of others so to speak,

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

Q 2: giving incorrect info to a service provider

Assalamu 'Alaykum.

When I complained about the reduced speed of my internet connection to Internet service provider, I told him that I was getting maximum 138 kB/s speed of internet which was 2-3 kB/s than the actual maximum speed I was getting. I told a lie to him so that he would increase my net speed. This lie was unnecessary as my internet's maximum speed (192 kB/s is limited by package which I have to pay for every month. So the purpose of lying may be to make Internet service provider more concerned about my complaint which also seems unnecessary.

After the complaint, he resolved the issue immediately. Now I am thinking, is this lie in any way able to make my Internet Connection impermissible?

(This is a trivial question and the answer may be obvious. But I want to be sure about this matter because it is very important for me to have a permissible connection as I want it to use for good purpose.)

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, this is a lie and you should have avoided. Just make Istighfar and Good deed. Allah promised us that if we follow the bad action by good ones they wipe them out.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: Rauf

Sent: Monday, February 06, 2017

Subject: Do the conditions below make it Riba?

I have a simple contract below that I signed recently. I want to check if it is Shari'ah-compliant and in accordance with the Sunnah. Please let me know your thoughts if it is halal or haram before I start collecting the money that is haram.

Bismillah Al-Rahman Al-Raheem

Parties

Party A: Muhammad

Party B: Abdullah

Witness: Abdul-Rahman

Background

Party B opened a restaurant business seeking investors to assist in establishing his business, or to give him an interest-free loan. Party A decided to invest in this risky restaurant business, considering the restaurant was not located in a prime location and had a prior history of low revenue. In addition, the business was floundering to begin with, yet Party A invested based on good faith in Party B's effort to turn the business around. Party B's restaurant business was established prior to Party A's investment by 6-9 months, but was not particularly promising.

Investment of capital (\$7,000) over 18-month interval that Party A will give to Party B for use at AAA Food Service Shop.

Terms of the Contract

1. Return agreed upon as 35% over capital, for total of \$9,450 to Party A.
2. Return to be distributed monthly by Party B, on the 1st of every month with payment of \$525 to be transferred cash, check, or direct deposit to Party A.

3. In case of buyout before the end of the 18-month interval, where Party B wishes to return the initial capital back to Party A, the severance would be 100%, for total return of \$14,000 USD to Party A.
4. In case of bankruptcy, Party B will return capital of \$7,000 USD to Party A.
5. In case of bankruptcy, where Party B is not able to pay capital return immediately, machines at AAA Food Service Shop will be liquidated to ensure payment of \$7,000 USD to Party A.
6. Should Party A wish to terminate the contract, it would be at-will, with a two-month notice provided to Party B.

MY QUESTION: Is it haram to take the return of \$2,450 over the capital of \$7,000?

Jazaka Allah

Note:

I want to clarify this contract was written last year. So far, Party B has paid 14 months out of 18 months, for a total of \$7,350 paid back to Party A. What is the solution at this point? Does Party A return the \$350 back to Party B and terminate the contract as if it was just a loan? Or is there a possible solution to fixing the contract as it currently stands?

I ABSOLUTELY do not want ANY haram money. So thank you for your help.

Jazaka Allah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The conditions below indicates that the amount is given with intention to make profit. but the conditions mentioned makes it a loan. either of 2 solution should be amicably taken: 1) if there is profit, distributes profit between the two parties in a fair proportion as in the area where the business is. 2) if there is no profit return the 7000 only with no extra and make Istighfar to avoid doing such a contract before consulting an expert.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

From: Saeed

Sent: Saturday, January 28, 2017

Subject: Re: Advise on Muslim non-Muslim interactions

Salam Allah Alaykum Dr. Monther,

My name is Saeed

I am Muslim man originally from Palestine, and currently living in the us. Recently I have been in a situation with one of the fellow neighbors and I needed your Muslim advice and guidance

I was walking on the side walk in my neighborhood, while another guy walked with his dog coming from the opposite direction. I am usually very anxious around dogs. The guy's dog approached me and almost jumped on me, until the man restrained him the last second. I got nervous and angry and asked the man to keep his dog away from me. From his side, the guy got rude and started yelling and started using some swear words (not directly against me, but he was very rude). We continued our heated argument and then I got really nervous and told him "go f**k you" and I walked away as I found the whole situation being useless.

As I am walking away, we continued this argument back and forth until he told me "go back to where you came from"

Of course, his racist comment got on my nerve so I walked back and yelled at him to stop to talk to him, but he kept walking and I then decided to go home and end this confrontation.

The reason I am approaching you with this incident is not because of his racist comment. We live in current situation where there is a lot of pressure and negativity directed toward Muslims and Arabs in the west. But I need your advice on the following: Because I feel that I am partially responsible for escalating the situation, I am getting some weird thoughts that when I used words like "go f**k yourself" I might have hurt/offended him and there is a chance that he might have health issue like heart attack where he might die and then I am stating to question whether I might be partially responsible to his death...

I know that this sounds completely silly and out of touch question, but I am currently trying to stop an anti-depressant medication that I have been taking for long time and I am getting what is called "withdrawal symptoms" which affected my mood, made me tired and agitated...and it seems to be affecting my ability for clear and logical thinking. I will appreciate your advice on my worry Dr Monther, no matter weird my question might sound...

Barak Allah Feak...

Saeed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saeed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I fully agree with you that you made a serious mistake by saying that and it may endanger a person's life. You may have aggravated him to the extent that he became racist and if he goes back to normal senses he may not be really racist. Please do not do that, and always when you are angry, sit if you were standing, lie down if you were sitting and remember the advice of Allah in the Qur'an to respond to a bad action with a good one so that you gain friends instead of creating enemies.

Be kind and let the other person feels that you both are children of Adam... for any further things please always contact CAIR wherever you are in the US. Always keep its number with you please

Wa Allahu A'lam
Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Best Regards
Dr. Monzer Kahf

From: Saeed

Salam Allah Alaykum Dr Monther,

I wanted to clarify something that I might have gotten confused in my initial email; I don't know this man nor do I know if he even has any health conditions. when I read your response I got the impression that I might have caused confusion in the way I described the incident. My reference to heart issues might be related to the weird/extreme thoughts I am getting because of my medication.

I would still appreciate your guidance and help on this incident and on the points I raised in my first reply.

Jazaka Allah Kul Khair...

Saeed

Salam Allah Alaykum Dr Monther,

Thanks for your kind reply..

I have to say that I am more worried after reading your response; I know saying what I said was a mistake...but can I be responsible in front of Allah for death of someone even though he is the one who started the confrontation, and I had no intention whatsoever to cause harm to his health or life?

How do I deal with the severe guilt feeling that I am having, given that I don't know the person name or exact address for me to apologize to him?

How can I make repentance (Tawbah) and wipe this sin?

I appreciate your help Dr Monther, as I am going through really tough time because of this incident.

Saeed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saeed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please note that I never meant that you are responsible for any potential thing that may happen to that person. All I said is raging in such a manner is inappropriate. When we are challenged or even hurt by any other person, Muslim or not, we should contain our words and action to what is moral and legal, do not go beyond the legality and morality. Accordingly it is wrong to use such words and to aggravate any little conflict that may happen at any time. The Qur'anic advice is to face a wrong doing by a good doing and the Prophet, pbuh, advice is to deal with people with good manners and ethical norms.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam
Best Regards
Dr. Monzer Kahf

From: Abu Abdurrahman
Sent: Sunday, January 22, 2017
Subject: Assignment clause

Assalam Alaykum,

Can you please explain if this is Islamically allowed and why / why not - Jazaka Allah Khair.

I would like to know what can make a pre-sale purchase and assignment before ownership halal?

In general, the model is some brother pay down payment on a property that is under construction and agree on a purchase price at completion over a year or more, and then by the time it's ready before taking ownership they may sell the property (called assignment) without fully owning the property first. As doing this way they can save taxes and fees, which they would have to pay had to first fully purchase the property and pay fees and taxes and then sell that property.

My understanding from alqalam and others is: A sale contract requires that the product to be sold exists, is owned by and in the possession of the seller. There are only two exceptions to this of which one that is related more closely to the question is that of a manufacture/ construction contract known as 'istisna'. However, the needs and risk aversion of those that use the process of presales and assignment cannot be met under istisna as the latter requires a definite customer who agrees a price and specifications up front with the manufacturer/ constructor for the manufacture/construction of the commodity/property.

Jazaka Allah Khair

My Answer:

I don't answer persons who do not reveal their names.

Best Regards
Monzer Kahf

From: Zubair
Subject: Re: Assignment clause

السلام عليكم

My name is Zubair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zubair

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Buying a real estate property is permissible on Istisna basis, this means part or all the property (as the sale may or may not include the land which is not part of construction)

shall be constructed after the sale contract. Istisna sale creates an in-kind debt on the seller. This debt cannot be sold before it is delivered.

But look at this case: 1) the seller deliver and buyer takes possession of incomplete building or delivery is done on stages and one stage is delivered, there still remains more stages; 2) buyer sells the incomplete building to a third party along with the sale parties agree that remaining stages go on for completion under sale conditions in original Istisna sale contract. this is similar to to what you mentioned but it is Shari'ah compliant. Prices are determined by parties according to market negotiation.

Of course speculation is a different matter, it is the job of regulator to tame speculation and avoid letting spirals of sale take place. Speculation on houses prices in America during 2004-8 was done although each sale requires actual physical and legal delivery. Speculation is harmful and should be prevented.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Best Regards

Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2016

From: Juliana

Sent: Friday, August 26, 2016

Subject: Going for Hajj while under debt

Assalamu Alaykum, I bought a house last year, I'm paying mortgage to Islamic bank for 20 years. I would like to know if I can go for Hajj now or I have to wait until I pay off my mortgage.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Juliana

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You can go for Hajj because the debt you may owe is against future income not against the amount you have now from which you are going to spend on Hajj.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Omar

Sent: Thursday, August 25, 2016

Subject: working for FNL?

Assalamu Alaykum Dr. Kahf,

We sell a lead generation solution that gives contact info (email/phone) for corporate professionals so sales people can reach out to sell their products/services.

The NFL is interested in using our software for their sales teams.

Would it be permissible for us to sell our software to them?

Background:

- the NFL sales team we're selling to specifically sells 'premium' experiences to the Super Bowl (<http://nflonlocation.com/>)

- these 'premium' experiences include hotel stay, preferred seating, complimentary drinks (alcohol), food, pre/post game parties, field access etc. (and obviously attending the actual game)

- our company is quite successful (we're in a good financial position)

- we really value understanding the thought process behind your answer (we'd like to learn as much as possible)

Omar

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Omar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I do not see anything prohibited in selling your software to this NFL. It is simply a sport organization, anything else? And whoever bet on its activities it is the problem of the betters not your program. This is of course except if your program itself is going to be used for betting, then you should not produce it and if it has multi-uses you should not sell it to persons/orgs that will only use it for non-permissible activities.

Wa Allahu Akbar

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Omar

Subject: Re: Permissible transaction?

Jazaka Allah Khayran Dr. Kahf,

Just to clarify: there is no issue with the fact that the packages/tickets they sell include (pre-paid) alcohol?

The games have many other elements such as music/cheerleaders dancing, but this isn't the main product being sold, which is the Super Bowl.

Omar

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Omar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You confused me with your reply. Did you give me in the past incomplete info and now you are adding that always their tickets include alcohol? What exactly do you mean by

“there is no issue with the fact that the packages/tickets they sell include (pre-paid) alcohol”? Do they sell or do they not sell? And is it a major item?

If they sell alcohol and betting chances as a major part of their business, then it is inappropriate (and may exactly be Haram, if it makes majority of the revenue of their activities) to provide them with a service that promote the sale of tickets.

Wa Allahu Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Omar

Subject: working for NFL?

wa Alaykum Assalam Dr. Kahf,

In the original question I had posted a section called "Background" which specified the details of the company and what they sell. I've included it again (below):

Background:

- the NFL sales team we're selling to specifically sells 'premium' experiences to the Super Bowl (<http://nflonlocation.com/>)

- these 'premium' experiences include hotel stay, preferred seating, complimentary drinks (alcohol), food, pre/post game parties, field access etc. (and obviously attending the actual game)

- our company is quite successful (we're in a good financial position)

- we really value understanding the thought process behind your answer (we'd like to learn as much as possible)

Essentially, they sell full packages to the Super Bowl which include alcohol, etc. (but not gambling).

Omar

My Answer:

A complimentary drink is not called sale of drinks.

Monzer Kahf

From: Omar

Assalamu Alaykum Dr. Kahf,

Here's an example of a football package they will be selling (below). The drinks are a minority part of it, the overall ticket cost is about \$5,000 USD per person.

- 4-Nights Deluxe 4-Star Hotel Accommodations at the Park Plaza Westminster Bridge London. Includes daily breakfast.

- Diamond Game Ticket – Club Level near the 50 yard line with wider padded seats & VIP stadium entrance.

- Gameday Hospitality – Deluxe 3-course meal and complimentary bar (open 3 hours pregame, during halftime and 1 hour postgame including beer, wine and soft drinks) at distinctive Bobby Moore Club at Wembley Stadium.

- Exclusive Redskins Friday Night Event

- Appetizers and Complimentary Bar

- 2-Day London Pass + Oyster Pass

- Shared Round-Trip Bus Transfers

- To/From Friday Night Party and Hotel
- To/From Wembley Stadium and Hotel
- NFL International Series Washington Redskins Gift Bag
- NFL On Location Signature Service Staff On-Site

Omar

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Omar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The liquor part seems to be small unless you know it makes substantial part of the ticket.

Wa>Allahu>Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Muhammad

Sent: Friday, August 19, 2016

Subject: Giving money to an employee of a co-transactor

Assalam-O-Alaykum,

I have been referred by some to u for the answer of following question.

"A" is working in a big company. A has introduced one of his friend to the owner of the company. A's friend is providing marine insurance services to company and rates, etc. have been finalized by the owner himself. Now A's friend, from each his bills, gives some amount but not fixed pay to A even after denial of A. Whether it is Halal or Haram for A.?? Regards

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Riaz

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This kick back in not Halal for A and he has to give it to the company. If the company gives him part or all of it it becomes permissible. For A's friend it is also Haram to give it.

Wa>Allahu>Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Sent: Wednesday, August 17, 2016

Subject: تحويل تبرع جمع لغرض إلى غرض آخر

أحدهم يريد مبالغ من المال جمع ورصده لمشروع من مشايخ الفاعل عام وقد جمع له ذمة هذا المشروع،
ويجده من رصيده ما يخصه لأكثر من عام لتسوية هذا المشروع ثم رأى أخاه وهو ذوقه وأمل للثمنه غارق في
الأقنأ وفي حلة حرجة فلهي جوز أني أخذ بطلغاً من هذا المال في عطي بطلغاً لمفك غرمه فيسه.

وجزكم الله خيراً

My Answer:

الأخال المفرد مجد
لسال مع عليكم ورحمة الله وبركاته
إذا جمع هل غرض بخيري معي فليس له استعمله لغرض بخيري آخر أبداً، إلا سيئان من يجوع من جمع من هم أو
بعضهم ممن تبرعوا في ميري توجله. هذا من قضايات الأملّة والله على أعلم.
مع أسامى اللقير وأعزالت حجة
أ. د. في ذرق حف

From: Shahbaz

Sent: Monday, August 15, 2016

Subject: Gift card for liquor store

Salam Brother Kahf,

My name is Shahbaz and we had the pleasure of meeting during your recent stop at Olive Grove School in Mississauga. I was there before the talk during our small group discussion.

MaShaAllah a great talk, learned a lot. Sorry I wasn't able to stay after Maghrib for the second portion of lecture.

I have a question regarding a gift card for a liquor store.

I received a gift card of significant value from a manager for a liquor store. The way I see it, my options are 2, but I am very concerned about the implications of each. Can you please tell me which route is best for me and my religion InShaAllah.

1. Throw gift card away - I am concerned that by doing this the liquor store has already received the money from my manager and by the card not being used, has made full profit (no cost of sale). I am worried I am giving a benefit to the liquor store in this situation

2. Sell gift card - Gift card sells for less than face value, as gift cards are usually sold. There are websites willing to pay me 80% of face value for the card. Will this money be Halal for me? The website will go ahead and sell the gift card to someone else for 90-95% of face value. That transaction (according to my knowledge) is not allowed Islamically. In this situation I am scared that I am 1. a part of the consumption process (allowed someone to purchase alcohol at a discount) and 2. I am a part of the haram transaction of someone buying a gift card for less than face value.

Can you please guide me to what is correct or point me towards some resources?

Jazaka Allah Khair!

May Allah bless you.

Shahbaz

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shahbaz

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thank you for your kind email and words. I still remember you when you mentioned that you cannot stay after Maghrib. My first concern before answering is: what do liquor store sell? Is it only liquor or they sell many other small convenient items that are also

available in pharmacies, Wal-Mart and the like. I personally never entered a liquor store but I am informed by many people that they sell many such items in addition to liquor. If they sell other items (which I know in the US that all such stores do) I suggest that in spite of the embarrassment, you should use it yourself because both options are bad as you mentioned, the second one is pure Riba. Remember that in the second option you are giving Riba because you are selling a debt for a smaller amount of cash, and giving it is as bad as taking it.

Wa Allahu Akram

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Shahbaz

Wa Alaykum Assalam Brother Kahf,

Jazaka Allah Khair for your prompt response.

I am sorry; I forgot to mention in my original email that the liquor store in Canada sells ONLY alcohol in their stores. No glasses, cups, accessories, or anything else.

My first course of action was to try to go there and purchase something non-alcoholic, but that didn't work out and I faced the problem I emailed you about.

Knowing the above, what do you recommend my best course of action to be?

Thank you for all your help.

Shahbaz

My Answer:

In this case, I still do not suggest any of the two courses of action that are mentioned in your first email.

Rather: send it by mail to the give with a nice letter of thanks and apology of using it because you cannot use it as it is limited only for liquor and you do not drink. Do not ask him for a replacement and leave it to his own conscience. There are many people who do not drink, not only Muslims.

Wassalam

Prof. Dr. Monzer Kahf

From: Majd

From: Ahmed

Sent: Tuesday, August 09, 2016

Subject: Reselling Gift Cards

Assalamu Alaykum,

I attended your lecture in Kitchener last week. Firstly, I would like to give you my sincerest thank you for coming and giving us such beneficial knowledge, and for taking that much of your time to answer all our questions almost until midnight! I am sincerely thankful for that. Jazaka Allah Khair.

I have a question regarding reselling gift cards at a lower value. A friend of mine was considering a business where he would buy 'second-hand gift cards' sold at a cheaper rate than their face value (e.g. by people who got them as a gift and didn't want them), and using those gift cards' full face-value to buy goods (electronics), then reselling those electronics for cash (e.g. on Amazon). Is there any issue with that?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

A gift card is in fact a debt, due any time, on the issuing store. But it has a condition that the holder should get it reimbursed in the form of goods. Buying a debt at below its face value is not permissible as the difference is pure Riba.

Wa>Allahu>Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ihsan

Sent: Monday, August 01, 2016

Subject: False documents for immigration

Peace be upon you Dr Monzer,

My name is Ihsan, I am computer engineer currently living in Canada and I need your religious advice on something that has been in my mind for long time....

Back in 2002, I used to live in one of the gulf countries and I applied for immigration to Canada, as a skilled worker. Back then I used to work for one of the telecom companies; and as a fresh graduate, the position I was holding was *assistant technician*. When I filled the application for immigration to Canada I found out that there were specific positions one has to have an experience in for at least one year to be accepted in Canada, and that *assistant technician* was not one of them. While my title in the company was assistant technician, I had an engineering degree and the actual job I was doing was partly computer programming and partly computer network support. When I gathered the documents for my application, I arranged to have a letter from my work place saying that I have been working in the company for one year as a *computer programmer*. Essentially, the letter was a false/forged one. At the time, I didn't see anything Haram in doing so as my real job duties were above what a technician would do, and there was no way that HR in my company would give me a letter of employment with a different title than what I had.

I finished the application process, got my visa, moved to Canada and then finished my master. Since then, I have built a successful career in Canada, Alhamdu Lillah.

I have been going through a lot of issues in my personal life recently and I think these issues have affected my ability to reason. I started thinking that what I have done back in 2002 is Haram; this includes the fact that I got my Canadian citizenship and all the success that I have led since then is also Haram. I got to a point where I was thinking about surrendering my citizenship or contacting the immigration authorities in Canada to clear myself of this sin, because I am committed Muslim and I wouldn't want to have this issue haunting me for the rest of my life. If I surrender my citizenship, this means that I will have to return to Jordan where job opportunities, are almost nonexistent.

I am really confused at this point. On the one hand, I keep saying to myself that what I did may not be really right, but that doesn't mean that I don't deserve the citizenship, or that I am committing a sin by living the life I am living now, for the following reasons:

1. The title of my position as *assistant technician* didn't reflect the actual work I was doing at the time.

2. Part of the interview process for the immigration application was going through an interview where I had to answer some technical questions and describe the work that I have been doing for the company. I did answer these questions honestly to reflect the actual work I was doing.

3. Even if I didn't apply for immigration while being in the Gulf, since I had my master in Canada, I would have had a chance to apply for immigration after finishing school and get a citizenship like many other Arabs have done.

But at the same time, it seems that I keep getting these Wasawes about exposing myself to the immigration department or even surrendering my citizenship, which will effectively cause great deal of harm to my professional and personal life. And I couldn't think of better thing, after praying to Allah, than approaching someone with more knowledge and wisdom or advice....

May Allah reward you for your help and advice...

Ihsan.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ihsan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You have been doing well and you were in 2002 much better than assistance technician. What was done then was not a lie but a facilitation to go around a restrictive condition that should itself have some flexibility. This is part of the small things that Allah if He so will forgives. It is for such small things that the Qur'an says what means: "if you avoid the big sins that you are prohibited to you, we abolish your mistakes and make you enter honored entrance" [4:31]

The solution now: make good deed, sincere repentance, charity and good actions including prayers and do not be haunted by this small thing at all.

Wa Allahu Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Samer

Sent: Sunday, July 17, 2016

Subject: negligence on the job

Dear Prof. Kahf,

My name is Samer, and I am reaching out to you for an advice on an Islamic matter that has kept my mind occupied for quite some time. I understand that this matter may not be strictly within the area of your expertise, but I am hoping that you can provide me with some advice and guidance.

I have been working in for one of the large institutions on a three year contract as a Computer Engineer. During the last year of my contract I got into a conflict with my direct manager and I noticed that he is trying to hold mistakes on me to use them as an excuse for not renewing my contract. I have then realized that his direct manager along with the HR director are both collaborating with him on his plan. I found myself under a lot of pressure, and I spent around two months at work without making progress on the projects I was assigned. Mainly in defiance of their attempts; as I was thinking: why would I bother working on the projects if I know for sure that my contract won't get renewed.

During this time I went under surgery and during my recovery I have revisited all the issues that I have been going through at work and I decided to work on the projects I was assigned after I get back to work whether my contract gets renewed or not. The reason for that is: I thought that it won't be Islamic for me not to finish the projects even if my managers were not dealing with me ethically and planning not to renew my contract.

Shortly after I got back to work from surgery, I started making good progress at work, but I was let go before the end of my contract (four months before the end of my contract). My employer offered to pay my salary up until the end of my contract since they have legal obligation to do so. The dilemma that I find myself in is as follows:

- Because I started doubting whether the salary that I have gotten for the two months when I wasn't taking my work seriously is Halal or not; I ended up NOT cashing the cheque for one month salary.

- I will be getting the rest of my salary from my employer soon and I was planning to donate one month salary for charity.

However, I am now confused whether I will be doing myself justice if I got rid of one month salary; especially that I have been looking for another job for around one year, with no luck. I already consulted with one of my colleagues and his advice was as follows:

“Because the nature of my work is computer engineer and not hourly labor work, and since I was planning to work on the projects when I was let go, there is no issue in taking and using all of my salary, from Islamic point of view”.

I understand that this issue might be a bit vague, but I would appreciate if you could give me any guidance from your side...

Jazaka Allah Khair.

Samer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Samer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

All workers have ups and downs in their work, it happens to all of us and all employers expect it. on the other hand giving charity is always good and recommended. If I were in your place I will give some decent amount, it does not matter whether more or less than one month salary and depend on your comfort feeling, just to have rest of mind. But of course, I don't see it that you must do that, you earned your salaries in a Halal Way InShaAllah.

Wa Allahu Am
Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

From: Majd
Sent: Saturday, July 09, 2016
Subject: وفاء الدين بعملة أخرى

لسال مع عليكم
سؤال لمشرفي خذ أفل فضل: رجل استبدان 7200 دولار ولكن نتس او ي 450000 سوري لأنس عر الصر ف كان 62
فى 300000 سوري لم كانس عر الصر ف 140
ثم فى 150000 سوري لم كانس عر الصر ف 250
السؤال : هل هلك و فاع باطل لأن ه لم يوف كمال الطيغ عن دم و فاع عملة أخرى ع اللبح حيث مال حفستوقا و بينكم
شيء؟ و كم يقيل لطن نقي المين؟

My Answer:

الأخ ال كرم مجد، كل عام نقتب بخير
لسال مع عليكم و رحمة الله بركته
المسألة عل لى لى ص ب اشرة و فاء ال- 300000 س عري و هو ال بقى عده هوبل دالر، هذا قضاى ال حيث، قد فى
2142.86 (140/300000) بقى عله 5057.14 (7200-2142.87) (بم فى 600) 250/150000) و بالتالى
بقى عله 4457.14 دولارا. وضح من المسألة و من ظروف اللد أن استعمال الل دولار عمل قل قرض كان قصودا
لنكه.
مع أس مى لى قير و أعز ال حجة
أ. د. ف ذرق ح ف

From: Esam
Sent: Sunday, May 29, 2016 11:46
Subject: Buying products on the internet

Salam Ustazna,
Hope you are well and at the best of health and faith.
Could you kindly reply to this question?

Question:

Salam. I am a distributor of NU SKIN where I buy products for less than its retail price. Buying products from NU Skin will give my "recruiter" some "income". I do not sell what I buy, and I don't recruit other people. I just enjoy the discount and use the product. Is this haram?

My Answer:

Bismillah al Rahman al Rahim
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Esam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

THIS AMOUNTS TO SIMPLY PURCHASE ON THE INTERNET. I DO NOT SEE ANYTHING NOT PERMISSIBLE IN IT AND FIND NO VIOLATION OF SHARI'AH IN THE RECRUITER BENEFITTING FROM YOUR PURCHASE.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Dear Dr. Kahf:

My sister is a friend of your daughter and I tried to get your number to ask you a couple of questions but was told that you prefer email so here I am. I would love to invite you out to dinner with my friend as we have some questions regarding Online FOREX trading. Are you still in Southern California?

1. Is online FOREX trading and using leverage like 100:1 and so on permissible in Islam?

Forex trading on the internet is not permissible. On the micro it does not fulfill the requirement of possession that is necessary for buying and selling currencies according to the highly authentic Hadith on the subject. On the macro-level it does not create any added value as it is purely speculative in the sense that what one gains in what another loses.

2. If I have cash and go in on a joint deal with an investor to purchase a home, he is the only name that goes on the contract and he will use a traditional loan. This is to purchase homes with equity. I give him a portion of the down payment and in return he gives me a percentage of the profit. Again, I'm not on the contract and what I give is cash. Is this a permissible transaction? Can I accept the profit? Does his source of the money affect me?

His source of funds does not matter, if you give him the cash with clear agreement that you are partner, bearing risk of loss in proportion to you capital contribution and having entitlement to profit in agreed on ratio, and assigning him to have his name alone on the title, being your partner, it is permissible and the profit is Halal. If there is any guarantee of principal the cash given is then a loan and any increment in it is a prohibited Riba. One name is permissible between partners and cash contribution to principal of partnership is also permissible.

3. If I refer buyers or sellers to real estate agents knowing that they will most likely use a traditional loan. I accept a percentage of the agent's commission as a finder's fee. Is that permissible?

A finder fee from the real estate agent is permissible provided it does not inflate the Agent's fee charged to the customer, i.e., as you said from the agent commission but not added to the customer charged commission. However when you refer a friend who is under the impression of trusting you on personal level you should not make a commission from behind his back. If the customer takes it from you on friendship relationship you should disclose to him/her that you make money out of referral. Otherwise it would involve a kind of misleading.

4. Finally, I am a notary public. Can I sign and witness loan documents? Is it permissible or Would I be considered the شاهد in this transaction and therefore should not do it? I am just certifying that the people are signing are really who they are.

What witness is stronger than that of a notary public? I think it is not permissible for a Muslim Notary public to notarize a signature on any interest-based contract unless he knows that the person is taking it out of necessity in accordance to the Fatwa of the Second International Fiqh Conference of North America held in the Fall of 1999 in Detroit. If you know that the real estate loan you are certifying the signature on it is permissible according to that Fatwa, it is permissible only then to notarize it.

I am sorry for the many questions but I really fear Allah swt and don't want to bring any source of haram income. I ask Allah swt to strengthen you and grant you paradise for the

work you are doing for Islam and Muslims all over the world. My name is Ammar and my sister is if you like to confirm the friendship between my sister and your daughter.

Again, it would be an absolute pleasure to meet you for dinner. Let me know if that works for you. My cell is 6613788577

Sincerely yours

لسال مع عليكم ورحمة الله وبركاته
عمار

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ammar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thank you for your kind email and the invitation. I will be in Westminster InShaAllah on the 15th for a week then go to Florida and come back in the middle of Ramadan. Please avoid the food issue but it is very useful to meet and discuss anything you want, within my area of specialty.

For the questions please see my answers below the questions:

Wa>Allahu>Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Majd

Sent: Wednesday, May 04, 2016

Subject: فروع المحل

لسال مع عليكم
رجل فغروغ محل عشريين مليون مال، وكان يفيع ص احب المحل الفة آلاف لص احب لاججر. ألرب عدت هاء
الت جدي للقلون يما حك مص احب الفروغ وهل هن اك من وج شرعي لتعويضه!؟

My Answer:

لجواب الفه هي مخاطرة قتلها غل ملقربت هاء الت جدي للقلون ي. وهي مخاطرة ولول جي ثم.
مع أسس مي للثقير وأعزالت حجة
أ. د. في ذرق حف

From: Majd

Sent: Wednesday, May 04, 2016

Subject: تعويض أجير

عامل يعمل بأجر وطلب في الص عود لارة فوق غل طريبي تي دفه لى لعجز 50% في ذراع ه.
هل فاك ربي فقه هي مع م هبت عي ضال مصاب؟

My Answer:

إذا كتبت سريارة العمل والص عود إليها جزء من العمل أو مما طلبه رب العمل في حق العمل بع لاية (البي قبي رأي لانقل عن مليون زيال قنتكون كثر ولبيست كم تدعي ملل ع ليامات فانا نحل 200000 أوفيل س عويية نحل 80000 أو 100000) أو ملقرر هق ولين العمل حسب الحد لأن قوليون العمل لتعبر شرعا جزءا من شروط طال فود غير ال لخصي إل إذا كتبت لاشرع
مع أسس مي للثقير وأعزالت حجة

أ. د. فيدرق حف

From: مجد

Sent: Thursday, April 28, 2016

Subject: إنهاء عقد المصاربة

شخص تشارك مع آخر على أن يكون له نسبة من الربح دون أن يدفع مالا .. في مقابل أن يعمل هو لجذب الزبائن .. فاشترط على صاحب الشركة تسجيل نسبته عند الجهات الرسمية ..
ثم أراد صاحب العمل أن ينهي الشراكة .. فلم يقبل أن يخرج إلا باتفاق على مبلغ مالي يدفعه له صاحب الشركة ..
السؤال: هل يجوز ألا يدفع له صاحب الشركة ما اتفقا عليه عند إخراجه من الشركة ؟

My Answer:

الجواب أن له أن ينهي عقد الشراكة هذا لأن عقد جازي وليس له أن يفسخ إلا ما اشقاع عليه كالتطيلة مدة الشراكة . هو ضار بقوم الوالدين كما أن صاحب المال مغمي بطن قدامه .
مع أسس ميثاقية وأعمال تجارية
أ. د. فيدرق حف

From: Majd

Sent: Tuesday, April 26, 2016

Subject: عقد بيع غنم بتسليم أجل

شراءت من راعي غنم عددا محددا من عروفل الخيل يتوسل يوم محددت حنتشي تال س عر (طبع اس عر لظلي و) واعطيت دفعة من قيمة الغنم لكن الوزن غير معروف والي لا تملك لي م سويكون اجاب عفترة من الزمن حوالي شهرين، وقت لتل لي موزن الراس يوت محس ابال وزن لا حل لي لكن بلس غل قدي م لي جوز أنه ه خل لش رعي وما ال مخرج لش رعي ل هذه ال حالة .
أفيونا م أجورين

My Answer:

الأخال كبر لل شريخ مجد
لسال م علي كم ورحمة الله وبركاته
أرى أن هذا ال بيع جازي أي مباح وهو صحيح ن ا جزيق لل م لي ه في ج بفي هالت من ك الال حسب العقد .
أولا الغنم سائر الأعام هي أموال قبيح قولك جريال عرف والشرع في اعب ارهتالي في أحوال نحل لشرة ال عدد م عت حيد موصف اتق لي له تلف او توفي ه
ثاني جريال عرف في بيع ه لبال وزن ك و ح د ق ت ل ب ل ع م ص ح د ي د عدد إج طلي وموصفات ي حددها عرف الت عام نحل النوبل دي أتركه أمبات رالي (والوزن بكون 20 و 25 فيل ونحلا) وال عمر بكون 9 و 12 شهر م ال (بطل م أن هذه الموصفات محدده بل عرف أوبنص العق هي جوز بللي عبل وزن أحياء ك لتل لي م أو حنوحه ،
ثالث يال ع ل ي س من اللظلي بل لل لظلي بل من بللي ع على الصفة مع إه الكالت من ضل لل لظلي س ل ي م
ربعا م دفعه في الت من م من باب ه امش ال حية ال ذي ح ل ق ل ب ل ع أن ي حصل فيه في ع في الضرر ال ذي قد فيش أ عن عمل الشوي و ل ي س ع بين ا بيت ح و ل ل ل ا ي ع ع د عدم ب م ا م ل ي ع ت ضرر ا م ل ح ي ت ضرر .
ربعا الأصل لشريخ ل ع ال ا ع ا د ا ذال ك في ع ه ا م ي س د شرعا أوي يؤدي إل ن زاع عفا .
مع أسس ميثاقية وأعمال تجارية
أ. د. فيدرق حف

From: مجد

Sent: Tuesday, April 05, 2016

Subject: وفاء الدين مع اختلاف العملات

سؤال شرعي
شخص صرفي لقي دا طلب من شخص صرفي تقي اري شتري له شهي ب ل ب غ ٢٠٠٠٠٠ دولار أهيك ي بوقي هذا مال ع د
الفندي لتخار و ل ي س ل ح ا ج ال الفندي .

الشرط تم نشره حيزيران ٢٠١٥
لرجل التركي عده ألفي لئدا فيضاجونبعض الصبروفات.
طلبشخص التركي من الكندي ان يعطي اولاه عشرة ألف دولار لئندي شهر شباط ٢٠١٦
كل سعر للدولار الامويلي
٥٠٥، الكني في حيزيران ٢٠١٥
والآن ٣، شباط ٢٠١٦

ولمال جاز لالخذ ان ارالتركي لمن تركه عن دالئني حتبيس هل امرالفع لأولاده.
هلي من بسبب عرالصرف من بسبب حيزيران لعماله مني أم من بسبب عرالخلي؟
الئندي يرى انه غرمي دون وجه حق ان من بسبب عرالصرف الآن لأن لعللوس لئنت جاز فالتركي من ذالك حظة
الأولى.
أفي دون لئادكم الله

My Answer:

افتوى أن ئوى اللئدي أن يفع الئني عرالدولاري يوم الفع أي ولو غرم لأنه فيني في بسبب عري يومه وهو الذي
بلقاه عده هذا الوقت وكان بقدوره أن يفع فالتركي في أي وقت لم يفع؟ هو مسؤول عن الذي نبع منه وهي
الدولار الأيكي في يوفيه دولارا أمويلي بسبب عري والوفاء.
معأس ميثلقيير وأعزالتحجة
أ. د. فيذرق ح ف

لارسال فال معاتوحيه ها

من: Ayman

لسال مع ليكم

كان اللئدي جاز للفع عورا، لكن التركي رغب من اللئدي ان يفيق المال عده حتى يفع لأقربئ في لئدا عن
لحاجة.
فلال جاز من ل لحظة الاي طلبت تركي الاقريبئ، لي لئني بسبب عر اللئدي وهو سي طخري؟

My Answer:

هذا لم جدي لم يكن في السؤال الأول. إطلب غه أن لمله جاز لئد سداد لئكن الأول رغب إليه أن يفيقه مع نقل
الأمر من فين إلى ويعة. ولويعة أهلة على المودع غرمها. لاحظ الفرق..
معأس ميثلقيير وأعزالتحجة
أ. د. فيذرق ح ف

From: مجد

Sent: Thursday, March 24, 2016

Subject: إخلاف شرط في بيع

لسال مع ليكم ورحمة الشوبركته
رجل شرابترى مرة على شرط أتله بعد 15 يومين على اللئدي
وطتل إلبعد 40 يوم
الفرق هو 25 يوم

التمتري خس رح لي بلبل قرفي 25 يوم لئدا
السؤال هل لئد شرابترى لئحق بأن يطلب ببل عوض مال لئدي
مع الئدم اللئدي على غشه ولئحت مع مال كذب بل قوتقيرا
وكالتقيره خطأ

My Answer:

لا شيء بل لي عذر لس خف مطلبته
معأس ميثلقيير وأعزالتحجة
أ. د. فيذرق ح ف

From: Wael

Sent: Monday, March 21, 2016

Subject: Copyright protected ebooks

As-Salamu Alaykum wa Rahmatu Allah wa Barakatuh

Dearest Dr. Monzer, please help replying the below question.

Jazaka Allah Khayran..

Imam Dr. Wael

----- Forwarded message -----

From: Mohsin

Assalam u Alaykum Dr. Wael,

A question has been bugging me on the use of ebooks. Published online by third parties.

Can they be used personally without distribution?

A lot of Islamic books are available online but at times without the permission of authors or publishers. Does the same ruling apply to them?

Jazaka Allahu Khairan

Mohsin

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohsin and Dr. Wael

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

When you find an ebook on the internet, you can read it and downloaded if it is downloadable. Internet gives free access to whatever is on it.

It is the job of books owners to protect them when they put them on the internet and the sin of hackers who make them available for everyone if they were locked before being hacked. It is not your job to search or investigate whether an ebook is hacked or not. It is also not your sin to use ebooks that are available for free on the internet. This is the way the internet works; whatever is on it is available for everyone....

Wa Allahu Ham

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: مجد

Sent: Sunday, March 20, 2016

Subject: وفاء الدين النقدي بسلة عينا

لَسَّالْمَعْلُومَاتُ وَرَحْمَةُ التَّوْبِ رَفِئَتْهُ.

شخص حصل على 100 ألف فيرة سورية التي وجد معي أبدا ما أسدده اليه .

سألته ما انك تريد ان يفعل ليل الطبخ؟

فقال لي: أوي شراس يارة .

وقيل تلوه: أن اشترى ليل ليل سري اربل القيس طواس ددلك ما لحي ولكن شرا ليل سري اربل القيس ط أثير من الين الذي لحي فم
ال حك فبي ذلك؟ هل من حرج أن اشترى ليل ليل سري اربل من أجل أن اسدد له الطبخ؟ لكن لنا حمل بنفسه يكثر من ليل غ
الذي عمل به هذه الطريقة، لكن بسبب مطلبه ليل جأت له هذه الوسيلة .

My Answer:

الأخال المحرم
لسال معك ورحمة الله وبركاته
تشترري بالقسري طب حودسرية قهية هالزقية 100000 وتحم لفرق الثمن بين القسريط والثمن الزقدي. أم اذاطلب
سرية قهية قهية أكثر من مقدار اليفيف ع هوالقرق.
مع أس مى القير وأعزالهجة
أ. د. فذرق حف

From: Salah

Sent: Wednesday, March 16, 2016

Subject: Sukuk- NAIT

Salaam Br. Monzer:

Hope all is well with you and family.

I am hopeful that NAIT's board is finally deciding to establish a more stable investment vehicle for our ICCF individual accounts since they will no longer stay within the ICCF family. We have talked about numerous alternatives but I think Sukuk offers stability and liquidity while matching the offerings made by our competitors. The setup would be on our end but buying the Islamic Bonds (Sukuk) is no easy task. Can you help us in this regard if we are to proceed? Please advise.

Thank you wa Jazaka Allah Khair

Salah

My Answer:

Dear Br. Salah

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thank you for your kind email.

Marketing is not my area. I can help in structuring and reviewing the structure from Shari'ah and viability (risk, market acceptability, securities, etc.) points of view but I am not a solicitor or marketing person.

Best Regards,

Wassalam

Prof. Dr. Monzer Kahf

From: Salah

Salaam Dr. Kahf

Thank you for your quick response.

That is why I need help with as well as having access to the Sukuk market. How do I buy into this market as most of the Sukuk are overseas.

My Answer:

Dear Br. Salah

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

For Shari'ah structure and review, I can assure you of my highest willingness and availability any time. For marketing in US or abroad, it is not my area although I believe that the US Muslim community market is able to sustain an issue of Sukuk.

To be practical I suggest that you write a 2 page bullet-point style idea. Setting the objective, size, target market, etc. and let us proceed from there.

Best Regards,

Wassalam

Prof. Dr. Monzer Kahf

From: Majd

Sent: Monday, August 01, 2016

Subject: تعوض حادث سيارة لعامل متطوع

لسال مع عليكم ورحمة الله وبركته . بشيخي الكريم .. قبل عيد الفطر بيومين لفتت أوزني في الايام وزكافطر لجمعية عطية سياراتي لخدمة ولتأقضى نتابا عن علمي الطوع في الختب عطاء ... حصل حادث اصطدام مع دراجة نارية ... وعرض سائقه الكس ربيده وتشمت مقدمة بيارتتي ... وعطل المصاب عن العمل وموي عمل صواهي ارات .. بنفعتله 57500 ل. سبت من دواء وبدل عطته عن العمل ... هل ملفع هم سبت حق لفي ام على لجمعية؟

My Answer:

الأخ المحترم مجد
لسال مع عليكم ورحمة الله وبركته
لو كان مسبب للاحداث مؤت - وهو ما قد يبدو من مبادتك الفع هذا التي يعرض عليك وليس لفي لجمعية، نملنا
في ذلك حلة عمر رضي الله عه مع ال مراتي أجهضت وتملت في التة لفيين. ولو كان التسبب هو الآخر
فدفع لك له طوية وإحسان ما جورب إذن الله.
ثم إن لفتت غار مفي مدفعت فتستحق مساعده من صراف لذك اقبلت بارال غرم ولولت نغي، أما إذا كان ما
دفعت فيف بل سب لفسايت منال غارمين. ولا أرى أس لب أن يعوضك لجمعية لفي أو من يلقى يرا في هال مل قدمه
لها من خدمات تبرعة ولظرفت لذك هذا الملبلغ- من صراف الحقوق، وليس من صراف لذكاة
مع أس ملى لفي وأعزالت حية
أ. د. في ذرق حف

FATAWA MISCELLANEOUS 2015

From: Salem

Sent: Saturday, November 21, 2015

Question: Halal or haram, owner of furniture store pays finance companies

Assalam Alaykum

I have asked you before several questions about my business path if it's permissible or not? And you were a great help with your answers.

I have two more questions. Are credit cards that offer cash back impermissible? Also, we opened a car dealership and we aren't writing any loan contracts and Alhamdulillah it's a little struggle but will get by. We are thinking about opening a furniture store in the future. In a furniture store there is also financing institutions that furniture stores work with but they are all or at least most at a 0% finance, which I'm sure is halal. The question is the owner of the furniture store pays a certain percentage let's say 3% fee out of the sale of the product to the finance institutions then the finance company finances the customer at 0%, is the 3% fee that is paid to the finance institution from the owner considered interest?

Thank you for your time

Salem

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,

wa ʿāla Aalihi wa Shbihi Ajm'in

Dear Br. Salem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Alhamdu Lillah that he Gave you Tawfiq to make your business in full compliance with the rules of regulations of Shari'ah. This is a grace from Allah for which we should be very thankful.

The answer to both questions is no Haram InShaAllah and both are permissible.

For cash back or any other rewards by the bank to customers of credit card is permissible to give and to take. It is gifts for advertisement and to gain customers.

For the commissions given to finance institutions, it is not Haram too because it rather helps avoiding Haram. If all banks and financial institutions work on that basis we would get rid of Riba altogether. Definitely these institutions have expenses and need to survive. Suppose we offer this finance on a cooperative non-for-profit basis, don't we need to pay for expenses? We can get that from the beneficiaries, getting it from sellers may be easier and better.

Wa Allah ʿAm

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Salem

Thank you for your answer and Alhamdulillah and InShaAllah, Allah keeps my business in halal. Emphasizing on the second question which I forgot to mention, furniture stores offer 0% for 6/months, 0% 12/months or whatever the term maybe but if the payments aren't paid in full by the end of the term the customer has to pay interest or a late fee, are we held responsible for what the customer has committed? Because we signed them on an optional interest contract?

Thank you for your time

Salem

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ʿala Sayyidina Muhammad, wa ʿāla Aalihi wa Shbihi Ajm'in

Dear Br. Salem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You must not write any contract that contains

A clause imposing interest for delay after the grace period (as usually in credit cards). such a clause is permissible to accept for a Muslim because of he has the option to pay on time and he commits himself to pay on time. This makes the clause redundant for him. But issuing such a clause is still Haram because it is a Riba clause.

A Penalty for delay can be imposed in order to deter the counterparty from delaying but this penalty should be given to charity and cannot be earned by the finance provider. If the delay caused direct out-of-pocket additional expenses to the provider, he can be compensated only for that much from the fine.

Wa Allah ʿAm

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam
Prof. Dr. Monzer Kahf

From: anoop
Sent: Saturday, October 17, 2015

Question: Promoting a website through point system and prizes

Salam,

I am a software Engineer who has done many websites for the company I am working for. I have a business idea which I want to ask you about. I am planning of making a website where people can ask questions and submit answers. I think of putting a point system where people get points for asking questions, answering and other actions which improve the site. Also, in order to improve traffic to the site, I am planning to give initially a small amount and afterwards a small percentage of my profit to one or more person who has the most points on a monthly basis. I want to know if this idea is halal or haram? Thanks

Anoop

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Ajm'in

Dear Br. Anoop

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I do not like to see answers encouraged by points or even open to anyone. Answers should come only from experts not from any person. Questions may be asked and encouraged by such a system.

Wa Allah Akbar

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Baig
Sent: Friday, October 30, 2015

Question: Selling Plot without possession

Assalam Alaykum,

I have two plots and 1 farm-house which are under development. I am paying installment on monthly/quarterly bases.

Installment will be completed in 4-6 years ... plots have been allotted and we know the sectors and plot number on the map. but we still don't know the actual location of farm-house that we have booked as allotment will be done soon.

my question is if I can sell plots and farm-house on profit as market has been appreciated and there is lot of demand on these two project.

I would appreciate if you can response to the above query.

May Allah guides us all to the right path . Wassalam,

Baig

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Shbihi Ajra'in

Dear Br. Baig

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In land as a real estate you can sell after allotment of plot and determination of its number on the map. Actual physical taking possession is not required while it is required in sale of personal properties. The difference is because the nature of the property land. For the house, which is a land plus construction, it can be sold on description for the first time (i.e., you bought it on description). now selling it before the construction begins is problematic as it raised the issue of sale of debt that does not exist yet. I rather suggest that for sale of a house you have to have it built completely then you can sell it even before the physical delivery to you by the contractor, it is then in full real existence.

Wa Allah Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharafe

Sent: Saturday, September 12, 2015

Question: Customers asking for too expensive additions

Salam,

We are working for a client that is publicly traded and basically they have a budget for capital improvement projects that if they don't use it in a given year they often don't get it renewed for the following year. For example, they are told, you have \$300,000 to spend in Fort McMurray on renovations and the like, if you don't use it all in 2015, for 2016 you may only get \$200,000.

There are many nuances here, but that's the gist of it.

So then, we have a client that is doing good worthwhile work, but then they want to expand the scope to do stuff that - as far as we can see - isn't necessary. Now we told them in person and in writing, based on what we see, the renovations they seek (in this case a parking lot re-pavement) are not necessary and that we feel these funds may be better used in other areas. Of course, there could be reasons we don't understand or see (for example deals with tenants...maybe the shareholders approve of such projects).

Do we err on the side of caution and avoid it, or assume the best about people and carry on with the work?

May Allah grant us knowledge, pure wealth, and save us from the corrupt in all shapes and colors.

Sharafe

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad,
wa ala Aalihi wa Shbihi Ajra'in

Dear Br. Sharafe,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Brother, you do what the customer asks you to do as long as it is permissible. You do not decide for the customer, it is its decision not yours. This does not mean that you are

prevented from advising the customer, but even with the advice you still do what he/she/it asks for as long as it is permissible in hSri'ah.

Wa Allahum

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: anoop

Sent: Thursday, August 27, 2015

Question: Prayers

Salam,

I want to know about the hadith that it may become an unsolvable problem if we pray against ourselves. I am taking psychiatric medicines and undergoing counseling also. But I am not sure whether I have illness. I used to pray for the highest position in paradise years ago. One night I doubted that I am dajjal and saw each of my previous actions as sinful. I thought what I prayed for the highest position is sinful because Prophet Muhammad must get the highest rank. I thought I am not guided and wanted Allah to show me the right path. I wanted to show the readiness to pray for hell and I prayed that I must get the lowest position in hell and that I must be guided. I suddenly realized that what I prayed then also is wrong and suddenly prayed that I must never be punished. This was in 2003. The next day I thought angels are praying against my prayers. I wanted to solve this problem. So I prayed something like 'Please accept the opposite of all my prayers.' or the opposite of this prayer. Suddenly I negated it.

I don't remember the exact prayers or the order of the prayers.

My counselor told me I had good intention, psychological issues and ignorance. So she is saying I have excuse. But she is not sure and want me to ask a scholar. Please tell me I have excuse for this and how can I know whether it has become an unsolvable problem. I have repented for these after one or two years though I was again depressed.

I have prayed against many people when I am angry. I have prayed against my parents and brothers. I have prayed for them to be in hell. This Ramadan I made salat al hajjah to admit me, my brothers, parents and grandparents to jannatul firdous all the last ten nights before subh. I also recite things like syedulistighfar, ayatulkursi, amanarrasulu and muwadathaini every night and syedulistighfar in the morning. These kind of things are the only hope I have. Still as I have prayed against my prayers and as these are also prayers, I sometimes think whether it has become an unsolvable problem. Praying against my family also is dangerous. Please respond. Jazaka Allah Khair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Ajm'in

Dear Brother Anoop

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what to tell you because I am not an expert in prayers and Duaa. I am in the finance area.

I know a few things for sure:

1. Sayiidulistighfar is very important so Y ayatul kursi and al mu'awwathatain. Keep

reciting them every morning and evening

2. There is a Hadith that inspires us to forget about the past and start anew. Repentance wipes out all that is before it except any financial rights to other people.

Please look at it this way: here I repented, I am just new, forget about all past prayers and what not, be kind to your parents and other kin.

Period and that is all

Wa Allahu Akbar

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharafe

Sent: Thursday, August 20, 2015

Subject: Source of Wealth

As-Salamu Alaykum wa Rahmatullah wa Barakatuh Dr. Kahf,

I pray you and your loved ones are excellent.

1) We are being asked to bid on a construction project and the client wants us to deal with her bank directly - providing them relevant information so they may provide her with the funds in stages for the project. We are not comfortable doing this since we do not want to be part of facilitating a Riba-based arrangement. Can you comment on the legal ruling about this?

2) Also, we are being told that:

The legal limit is: if we know that specific wealth is illicit, we are not allowed to take it
If we are unsure, you can assume it is licit.

If there is mixed licit and illicit money, we can assume we are taking from the portion that is licit.

Of course Ihsan entails greater caution, so basically leaving anything doubtful for what is not doubtful.

Our concern is that the vast majority of folks taking on construction projects do so via Riba-financing. So is it impermissible for us to manage these projects for our clients (e.g. construct and take money for a \$1M facility that is financed via Riba)?

In that case we would need to screen clients up front to avoid finding out later.

Please advise, Allah reward you.

Sharafe

My answer:

I DID NOT REALLY GET EXACTLY WHAT IS THE QUESTION. PLEASE BE SPECIFIC AND GIVE AN EXAMPLE.

Monzer

From: Sharafe

Salam,

Sorry.

1. A lady is getting a Riba-loan from a bank to build a house; the bank needs information about the project and the lady wants her contractor to provide the information to the bank directly - is the contractor complicit in facilitating a Riba-based contract?

No, in Riba what is Haram are the four functions mentioned in the Hadith: taking, giving, writing and be a witness. Legal review of a draft contract for instance is part of writing. Sending info is not or guiding to a cheaper provider are not part of writing.

2. Even if the contractor does not have any dealings with the bank, is it permissible for this contractor to build a home for this lady knowing full well that 90% of the money to build the house is from a Riba-based contract with the bank?

Does this make sense?

Yes it is permissible and it makes sense. Each person to stop at own limit and must not poke one's nose in other people's affairs. You are selling a home to a woman, where does she get the money or what she is going to do with it is not a matter of your business that is rather poking your nose in her business. But selling or constructing a home to a person and the home is designed tis a way that it can only be used as a brothel is Haram so is constructing a bar that can only be used for liquor (keep in mind that bars in homes can be used for liquor or juices) same is manufacturing glassed with the word bear on them? these are not permissible.

Allah reward you.

-Sharafe

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Aja'in

Dear Br. Sharafe

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please see my answers below your questions

Wa Allah Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharafe

Salam,

Jazaka Allah Khayran and thank you for shedding light on this.

So I may learn more:

The rules around the source of money, in this case it seems, don't apply.

So is there anything around the 'source of money' being haram? For example, if a person stole money, or sold liquor for a living, and the seller knew the money was stolen or that the money was from selling liquor, in that case would it be impermissible to sell to them or work for them?

Barak Allah feek.

Sharafe

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Aja'in

Dear Br. sharafe

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Accepting a property in exchange and contributory contracts has three conditions:

1. What you give must be permissible, whether you give a physical property of a service,

2. What you get in exchange of as a Tabarru' must be itself also permissible, e.g., you must not accept Khamr in an exchange or as a gift.

3. What you get must be owned by the counterparty. This is the issue of the source. Theft or coercion do not make a property owned by a person, therefore we cannot accept a property that is in the hand of the counterparty through theft or coercion.

On the other hand, taking money through a consensual contract create a form of ownership although that money is still Haram for its earner. The examples are money taken as Riba, money earned by a prostitute, or money obtained in exchange of khamr or pork. These are Haram for the earners but they are no Haram for other persons to receive them in exchange or gift contracts. as they have a sense of ownership established by the fact that they were obtained a consensual contract that transfer ownership, although it is haram. This is the reason for not finding anything in our Fiqh heritage that we must not sell bread to a prostitutes although it was known there were prostitutes at all times.

Wa Allah A'm

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharafe

Salam, Monzer,

A serious student of knowledge who has studied in Ash-sham for a few years and continues to study from Canada said, "I really appreciated the Shaykh's answer, and was wondering if he can please provide some references and/or resources where I can find discussion of these issues? Barak Allah feek,

Sharafe

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Aja'in

Dear Br. Sharafe

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The distinction between Aqd fasid and Aqd batil exists in the Hanafi school in a clear manner you find it in all intermediate Hanafi book and of course in the Hashiet Ibn 'Abidin. A Fasid contract transfers ownership although it is still Haram to earn through it as in Riba based loan. the idea of accepting a property in exchange or gift without regard to how it is earned by the giver is common in all four schools which means they also accept that distinction as known in the Hanafi and the idea of non-boycotting such earners is also common in all schools, it is the nature of our religion; we do not judge people and we leave their judgment to their Lord. The Law (Shari'ah) does not allow any punishment to be undertaken by individuals (only by governments) and does not allow any punishment not specifically mentioned in the law (and there is no punishment called boycott a sinful person).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

From: Munzirun

Sent: Tuesday, August 04, 2015

Subject: Saving money from company expense allowance

sir may Allah bless u, I want ask about the Islamic ruling of the money I reserved when I was sent somewhere to live in expensive hotel but I chose to go by less expensive just to reserve some money for my personal benefit, so what is the Islamic ruling behind that.
thank you

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Aja'in

Dear Br. Munzirun

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It depends on the basis on which you got the money.

If you are given the service of a hotel and given an amount to pay for it, the saved part belongs to the employer. If you are assigned a given amount (as a per diem) for hotel expenses, you may use it as you like. For instance you may live with a relative or friend and still get that money, it is yours.

Wa Allah Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: zaki

Sent: Monday, July 20, 2015

Question: Trading Domain Names

Assalam Alaykum Dear Dr Monzer Kahf,

I am Zaki from India

I have question on Islamic finance related thing, I request for your answer.

Is Buying Expired Domain Name for low price and selling for very high price (100+ times of purchase price), Halal or Haram ?

is it allowed to change the price based on who the buyer is (small company with small budget vs. big company with big budget)

Domain Name will be available for as low as 3\$ to 20\$, is it allow to buy them and then sell for a very high price of up to

1k\$ to 10k\$ and even higher. (which is more than 100+ times the actual amount paid for purchasing the Domain Name)

Few angles to look into this are.

1- Its not 100% guaranteed that the Domain Name will sell, there may be some interested buyer but not guaranteed, Is it not like gambling, if we buy 200 Domain Name and try our luck, as if 2-3 names out of those 200 names are sold, it's enough to make good

profit

2- Selling price may be decided based on the who is the buyer, sometimes small company if they want the domain name, we can think of selling them for lesser price, in some cases if very big company wants the domain name selling if for very high price, is it allowed to change the price based on who is buying

3- Domain Name can be purchased for 1 year to 10 years, one have to renew the domain name every year paying almost the same price 5\$-20\$ to continue the ownership, it's not like onetime payment to own it lifelong. (that's why Question starts with buying expired domain name, if previous owner does not renew the name, it become available for general public to register)

4- Not limited to expired domain name but also Buying new Domain Names also which is trending (new words, new product names etc.) example Selfie etc.. the Domain Names which were never registered up to now or expired.

5- Sometimes Domain Name has to purchase from auction, which will be higher than normal price of 5-20\$, in auction it can range from 50\$ to 10,000\$ +, so in this case profit margin will be little less, if it's sold late.

JazakAllah Khair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Aja'in

Dear Br. Zaki

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't see anything prohibited in buying such domain names and trading them although I don't like it as it is not a real trade that have any benefit to people and humanity. It is based on holding things from them rather than giving them things, i.e., because you hold it you are paid high price. . .

Wa Allah Am

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Habib

Sent: Monday, July 13, 2015

Question: Micro Maqasid of finance contracts in Shari'ah

Dear Br. Dr. Monzer,

Assalam Alaykum. I hope and pray you are well and in high spirits during the blessed month of Ramadan.

If I recollect it correctly, in one of your writings you indicate that micro-maqasid in contracts are achieved when the stipulations of the contract are fulfilled. I was wondering if there are any references (other than yours) that supports this assertion. The other issue is that if what you mention is true, then is the implication that when certain stipulations are not fulfilled, then the contract does not fulfill micro-maqasid. This may, however, be contradictory to some who assert that some stipulations can be relaxed on the basis of maqasid.

As usual your response will be highly appreciated. Thanks and best regards,

Habib

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Shbihi Aja'in

Dear Br. Prof Habib

Assalam Alaykum wa Rahmatu Allah wa Barakatuh and Eid Mubarak

It is always nice to hear from you even when it expressed a misunderstanding!

What violates Shari'ah is not any stipulation but any stipulation that obstruct the objective of the contract. this is called Muqtada al Aqd **قيد العقد**. example: sale with a condition of no delivery or marriage with no consummation/intimacy. I argue that Tawarruq violates Muqtada al Aqd because although there may be delivery but delivery in sale is intended to obtain the commodity in reality for use, or similar purposes, Tawarruq has an untrue delivery, formal only. Rejection of any violation of Muqtada al Aqd is unanimous, you find it in all elementary Fiqh books.

Wa Allah Akram

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Habib

Dear Br. Prof. Monzer,

Walaikum Assalam wrt wbt. Thanks for your prompt response and clarification. I think that while for a simple sale contract the Muqtada al Aqd is relatively easier to understand, it may not be so for other contracts such as Mudarabah or Ju'alah or more complex contracts used in Islamic finance. Another issue may be that how can one decide what the Muqtada al Aqd are in different contracts as there is no consensus on them (as far as I know).

I also take this opportunity to wish you and your family Eid Mubarak.

Wassalam,

Habib

My Answer:

No Brother, Muqtada al Aqd is the obvious thing from it. In Mudarabah it is making profit and in Ju'alah it is achieving a job, etc. it is the main objective from it that is immediately implied by the contract. like in Mudarabah a condition of not handing the money to Mudarib is not valid.

From: Anoop

Sent: Monday, June 08, 2015

Question: I gave a loan to a friend and he bought wine

Thanks for the answer. I have another question in my mind. I recently gave some money to a Christian friend. After giving only he told me that he is going to the wine shop. After coming back he gave me the money back. Am I allowed to use this money? I am thinking that I bought wine for him and he gave me some money in return.

If I must give the money in charity, am I supposed to give it to the mosque? Or can I give in charity through my credit card? I have doubt whether it will spoil my credit card

account because I am paying the card after the money reaches the one who is meant to receive the charity. Thanks

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Shbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You gave money to a friend and he returned it to you; this is the story. Why do you add what he did or what he did not? And why do you question what other people do? That is not any of your business.

Wa Allah Alam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2014

From: sharif

Sent: Wednesday, October 01, 2014

Question: Charging a colleague for hours covering him, buying a house

Assalam Alaykum,

Just want to ask you that when I am doing an extra shift in my own hospital, the other locum doctor told me that he is not that well & he advise me that if I let him go home for few hours then he would pay me some money from his locum money. I did some work for him when I was free of my work. Is it ok to take that money as per Islamic law ?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sharif

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you work for him you can take money from him, but why don't you make it in the open and he takes leave for these hours and you formally step in with the record and be paid by the hospital?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Thanks for the reply, I meant to say that We both were on call & we were doing locums & during that he went 4 hrs. early saying that if I cover his work he will pay me certain

amount, I want to know whether is it ok to take that extra money or not ? Jazakallah sharif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. SHARIF

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you are on call together and you did not put additional hours for him why should you charge him? friend always help each other in such cases not on payment basis. But if he wants to escape responsibility out of laziness or genuine desire to earn without putting the necessary effort you should not help him do that.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Asak,

Jazakallah Khair for the reply.

Can I trouble you with another question. I am planning to buy a property to live in UK, where I live currently. Is it ok to go for mortgage from any bank or just Islamic bank of Britain as they say it is rent we pay as installments but still they have fixed rate of calculation of that ?

Sharif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sharif

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The idea is not to promote any Islamic bank but to abide by the prohibition of Riba. Riba is Haram and made so with very strong emphasis in the Qur'an and the Sunnah. Islamic banks usually offer either Ijarah to own or Murabahah, both are permissible. If you don't qualify for finance from an Islamic bank, you may take other if your family strongly need the house for children raising, upbringing and schooling, etc. But if you can fulfill the conditions of Islamic banks you should not go to others as much as you can.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Samira

Sent: Sunday, September 28, 2014

Question: Setting a price for option to buy additional quantity

Dear Dr. Kahf,
Assalam Alaykum wa Rahmatu Allah wa Barakatuh
Hope this email finds you well.

I wonder if you might help me out with this. In the second paragraph of the "Purchase and Sale" clause of the appended document, is the fixing of the sale price at 20 Riyal is appropriate from a Shari'ah perspective? I understand that this is not a sale transaction neither is a promise to sell but rather an option left for the buyer's and the seller's discretion to carry out should any of them so decides, therefore, there should not be an issue. When the parties decide to carry out the option they will get into signing a new contract for the stipulated price that was fixed earlier

My Answer:

Bismillah al Rahman al Rahim
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Samira

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It seems to me a sale at QAR 20. It is compliant.

The option for another 90 and up to 180 is at a price determined later according to the evaluation as agreed. It seems is permissible to as a sale at market according to Hanbali school.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharafe

Sent: Friday, June 06, 2014

Question: Asking about Source of Money

Salam,

A good friend of mine is looking to take on a ~\$14M construction project; he doesn't have enough funds to finance it all himself and he's avoided Riba thus far and has no intention to fall into it. He's wondering: if he gets investors on board, is there any obligation on him to ascertain the source of their funds? There are a number of people who may choose to invest significant sums of money; however, some of them may get their money as interest-based loans from banks and he's uncomfortable having their names on the land title etc.

Allah make the halal sufficient for us and make us independent of all but Him!

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sharafe

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe that asking a person or a Muslim about source of his money is not only wrong

but it makes an invasion of other people's privacy which is not permissible in Islam. We deal with all people in good faith and they are not accused unless we have a clear evidence that the specific property/money given, as a price or as an investment is in the hand of the giver illegally. Of course if we are required by law (as in the case of money laundering laws) we should obey the law. Asking or checking about source of money is a pure interference in other person's business and aggression on respected privacy. Shari'ah does not accept it or allow it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Esam, OnIslam.net

Sent: Thursday, June 05, 2014

Question: Network Communication Companies

Salam Ustazna,

Here is one more question:

Assalam Alaykum. I m a Nigerian. In my country we have different network communication companies like MTN, Glo, and others. These companies used to give people access to buy recharge card on loan i.e. buying credit on loan.

My question is that they use to remove 10 percent out of the money or borrowed from them whenever someone recharges. Is this permissible in Islam? Or what can we call this? Is it considered as paying interest in Islam?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If I read your question right it is as follows: when you recharge on credit (giving you time to pay, what time you did not say) the debit you for say 1000 Nira and give you credit on the phone Nira 900.

If it is this way, this 100 is definitely Riba and therefore prohibited to enter into this transaction. The credit on your phone is a kind of advance payment for phone calls whose actual cost is not yet known, it will be known and charged at time of actual use. In other way the deal is debt for debt with 10% difference. This is exactly what Riba is.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: shahat

Sent: Monday, June 02, 2014

Question: Query about predictions of the mathematical models used in economics

Dear Sir,

Assalam Alaykum. Hope you are doing great.

Sir, I have completed my bachelor degree in economics. I went on doing a master degree in a field of economics from one of the top schools in Europe. I have become really confused about something and I think you are right person to answer my question.

My question is the following:

I know Astrology is forbidden in our religion as through this future is predicted. Now in economics we develop mathematical models and those models also predict. Of course we take those theoretical predictions to data using econometrics and sometimes the predictions don't hold and we go back to the theory to see what we missed.

Also, sometimes we also use econometrics only to forecast economic variables. You definitely know these stuff far better than me with a PhD from Utah under your belt.

Are mathematical modeling of the economy and the predictions we get from the models allowed in our religion? Is it the same as knowing the future from the stars as in Astrology or through Jinn? Could you please give reference from the scripture for your answers? I am planning to do a PhD in economics in a top school and I could not study for the last few weeks for this confusion of mine. I am really suffering a lot mentally and can't concentrate on anything.

I looked into a website for the fatwa where I found a somewhat similar question on if weather forecasting falls under Astrology and thus forbidden in our religion. The scholar replied that weather forecasting does not fall under Astrology as people use scientific method and experience to predict weather and it's not the same as fortune-telling.

I am really sorry for the very long email and thanks in advance.

Shahat

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shahat

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Scientific forecasting is founded on educated guess. This is not astrology or seeking help from Jinn. Most of the forecasting models are very helpful in policy making. This is something to the benefit of humanity. This is definitely permissible.

The Prophet, pbuh, made such an estimation of the number of enemies in the battle of Badr on the basis of info he collected from different people. that helped him plan and prepare his soldiers. In a better way.

Go ahead and excel in economic forecasting and modeling so that you can help the economies of the Muslim countries

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: ola

Sent: Saturday, April 26, 2014

Question: Trevo: full dynamics, goods offered, business model, chain structure, compensation

Assalam Alaykum Wa Rahmatullah Wa Barakatuh,

Sir, I thank Allah for blessing our Ummah with a resource person and pray that Allah keep you beneath His banner of Grace.

Please I would like to make a very big request regarding a multi-level Marketing company that I just joined TREVO AFRICA CONCEPT LTD.

Their product is actually useful and lifesaving based on testimonies from Muslim brothers and others who used it personally though the product is kind of expensive.

Also, the company have been redeeming all their promises and my down lines are doing well both those who are consuming the product without inviting to it.

I want to seek your utmost indulgence and assistance by going through the attached compensation plan of the company and advise thereupon whether to continue or back out.

Jazakum Allahu Khairan

Ola

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Ola

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe that this business model is not Shari'ah compliant on three grounds: first, it is in reality founded on excessive pricing of the object of sale. Second, this six and eight layers of commissions have no moral justification at all. There cannot be a moral justification for a person whom you have no relation with at all down the line, that you gain commission as a result of his efforts, and third, there is an implicit deceiving in inviting a person to enroll while you really are the main beneficiary from what he buys at high prices. Such invitation morally requires disclosure that the price is inflated and that 40% of it goes to the inviter himself!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Sir,

Assalam Alaykum WarahmotulLahi Wa Barakatuh

I appreciate all your time and efforts towards guiding brethren towards what his lawful, may Allah reward abundantly.

Please I would like to shed more light on some grey areas which you have highlighted:

* As regards the Pricing of the product (TREVO) is a unique food supplement produced solely by this same company and sold directly by the company at a uniform

price in dollars to all customers or at discounted rate to marketers. Only the company knows the cost of production as such knows what price to sell.

* On the issue of the commission gained on down lines (generation 1 to eight) without efforts, part of my down lines are my wife, my aunt, my friends, and the friends of my relatives most of whom I have spoken to personally on the benefits and strategies on how they can improve on this business. some of my second generations I have to buy the product for them and then deliver to their door steps at no extra cost except commission paid to me by the company, long phone calls at my expense just to make sure they are doing well on the business. I also have plans to organize seminar for all my down lines which I have told some of them about it. these are my personal efforts to make sure they are not left alone.

* There are two ways of dealing with the company; either as a final consumer who wants to register with the company as a retailer but will consume the product by himself because he will be buying it at a discounted rate OR as a retailer who will be consuming the product, selling the product to other end users and also be inviting others to be a retailer and inviter like him.

* About deceiving someone to buy at high price, or not given full disclosure about 40% going to the inviter. I usually give as much as possible information (disclosure) to my invitees about my benefits (commission on their registration and subsequent purchases by them) if they join which will also be their benefits when they also invite others.

* I usually give as much as possible information (disclosure) to my invitee about my benefits (commission on their registration and subsequent purchases by them) if they join which will also be their benefits when they also invite others.

* In Nigerian Currency: retail price of a bottle of the product is sold for =N12,000 (everywhere/fixed price), registration with 3 bottles = N36,000 (discount of N2000), subsequently, the registered member will purchase same 3 bottles at the rate of N23,400.

* Initial registration covers = 3 bottles of the product, a website business management system, carrier nylon bags and resource material about the product and compensation plan.

Thanks a lot for your time and concern.

Jazakum Allahu Khairan

My answer:

This info does not change my Fatwa on it, I am afraid you are becoming too emotional about it. I advise you to avoid it. the whole thing may even be phony, there are several such companies which came and disappeared over the last 20 years.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Amadu

Sent: Sunday, April 20, 2014

Question: Compensation Calculation Based on Interest

ASSALAM ALAYKUM WA RAHMATU ALLAH WA BARAKATUH

Dr. Kahf I pray that you are doing well and further pray for Allah's blessings on you, your family, and loved ones.

My father had a contract that was delayed by our government initially and then subsequently re-awarded to an international firm. Due to this we are about to go to court.

Because Islamic Finance is not recognized in my country, we have had to use the accepted mode of calculating compensation which is interest based. My dad insists that I help him with the calculations and though I am doing it, I am not sure what the status of such an action is and I am thus fearful.

Please advise.

Barakallaahu fiik.

Amadu, Ghana

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adamu

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you believe that this is right and correct and your father deserve compensation, it doesn't matter how the compensation is calculated and under what laws you acquire it. in this case you may help in defending it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ibrahim

Sent: Friday, April 11, 2014

Question: Settlement of business dispute

Assalam Alaykum Dr. Monzer,

I purchased a bedroom for my daughter form a furniture store. It was not delivered complete. I had to wait almost for more than one month to receive the bed. When I finally received the whole set, it had some defects. Over 8 months the furniture company ordered the parts and made appointments sending a repair technician and for three times they order wrong parts. I complained to customer service and asked for a solution. They offered me the following: option #1: to send me new pieces of furniture to replace the defected ones with the option to keep the defected pieces if I wish, option #2: to give me back \$200 from the original price and keep the pieces with their defects. Am I allowed to go with any of these options according to Shari'ah. Also, am I allowed to ask them for some sort of compensation for the frustration, delay in delivery and inconvenience of having to schedule several appointments (almost five or more appointments) over the past year dealing with this issue? I talked to them and about

this and they promised they will send me some sort of a gift card to their store. I am not sure if it is allowed to take that gift card.

Jazaka Allah Khayran

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ibrahim

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

All that you mentioned is permissible. It is permissible to ask for compensation of the anxiety, the trouble the lost time, the frustration, etc. as long as it is settled by agreement between the two parties consensually.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Sent: Saturday, March 29, 2014

Question: Expatriate doing Business in Saudi Arabia.

Assalam Alaykum Monzer,

I have contacted you 1 year back for a doubt on an Islamic Fatwa.

I am an IT professional from India working in Saudi Arabia and have another doubt.

Is it permissible to do business in Saudi Arabia as the government is against the business done by expatriates. Most of the expatriates keep a Saudi Kafeel as an owner of the shop and do business in the back end. And the sponsor will be given some amount of money monthly.

My question is whether we are allowed to do such business in Islam and is the income earned halal ?

And moreover we cannot transfer this money earned through banks. I have to find some other setup to transfer money. This is very common among the expatriates here.

I would like to know the Islamic views on this. Thanks,

Ahffan

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. AHFFAN

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Preventing expatriate from making business in a country is a choice that some government take. This has no Shari'ah stand, it is a purely civil matter which has no Shari'ah implications. Government may impose such measures. You may also violate it as it has no Shari'ah value. It is like setting speed limit at 80 kilometer or 85 per hour. It is permissible to set it at any suitable point, and permissible to impose fines on violators. It is also permissible to violate and escape the fine provided one does not

make any lie in any report, instead of lies one may use words which are not definite or clear. In brief: it is permissible to make this law and to violate it. it is also permissible to impose fines on violators and permissible to use means and ways to escape such fines.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2013

From: Musa

Sent: Wednesday, December 25, 2013

Question: Taking A Loan from Haram Wealth.

Assalam Alaykum dearest brother.

I'd like to ask you for your knowledgeable view upon my situation.

I live with my mother in the UK and have been living away for nearly 10 years before coming back to live with her. I was in difficulty financially so I asked my mother if I could stay with her to get myself sorted and she agreed.

My work experience is not great and there are many gaps in it. I haven't really focused before on anything, and that is why the sort of jobs I've done in the past have paid minimum wage and were always lower ranked type positions. My education is college level, not university. But generally, my academic background is not great.

I now need to look for some work. My mother rents two of her rooms out in her property and I get a portion of the rent which allows me to get by month to month, but there is a major problem! I recently learnt that all her wealth is haram and not just some of it!

I hate to admit this to you, but her haram wealth has been acquired by lying, deceiving, cheating, fraud and even the stealing of clothes for which she used to refund back to the store and obtain the money! We know she worked in a couple of betting agencies back in the late 70's and 80's, but we were very young then. We also know she has constantly moved her money from bank to bank for the purpose of acquiring interest investment.

The house I grew up in (where I am now) was bought with haram money! Therefore, I'm assuming the money that I get from her every month is haram too? This is really hurting me!

So this is my situation. I haven't a job as yet. My work history and education is, to a degree, disjointed and I live with somebody who doesn't care about whether something is haram or halal. No shame whatsoever.

My mother has a lot of money brother. I sometimes wonder whether she could have made all this money by haram means, as it's so much, but as she has a secretive and ambiguous personality who lies incredibly, it's easy to doubt! May Allah forgive her!

My question is:

would it be allowed to ask her and then accept a non-interest loan from her wealth, so that I could buy a cheap property to live in or make a profit from the property? It would give me a head start in life and would allow me to address my education and it would help in business. I don't like the idea, but it seems like the only way for now. Am I considered one who falls under necessity, even though she has provided a roof over my head, but I don't feel 100% secure with her, i.e. I need stability.

There are Islamic banks here in London, but as I am not working and earning substantial amounts of money, my mother is my only hope.

Please would you shed some light dearest brother.

JazakAllah Khair.

Musa.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Musa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

First do not be too harsh on your mother. She may in fact be a lot better than you describe and most of what you said should not be accepted without hard evidence.

If you are sure her wealth is all Haram, then go and work on your own and struggle hard to do better. Take the advice from the example of Tariq bin Ziad, the leaser who opened Spain when he burnt all the ships which carried him and his army to the European side of the Mediterranean sea and told his troop: here you have no way back you must either succeed or die.

Go and work on your own without a loan from anyone. If her money is all Haram, it is also Haram to take it from her and to accept to be nourished from it especially that you are adult.

If her money is not Haram you may take a loan from her and accept food from her too.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hossam

Sent: Monday, December 23, 2013

Question: Organ donation

Salamu Alaykum Dr Monzer

I realize this is not an economic question but in case you are able to help:

is it OK to sign my name as an organ donor in the driver license ? this means that if I have a deadly accident, that they can use my organs for other people.

please let me know

thanks

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hussam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, it is permissible except for the sex organs. Benefiting another person, Muslim or not Muslim alike, is rewardable by Allah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hossam

Sent: Wednesday, October 23, 2013

Question: options in health and accidents insurance

Salamu Alaykum Dr Monzer

May Allah reward you for your assistance.

I have two questions

- My company offers a "Flexible Spending Account" plan (here <http://en.wikipedia.org/wiki/Flexible_spending_account>). Here is how the plan works. The employee estimates their medical spending during the year (say \$1000). Then the plan deducts 1000/12 amount from their paycheck every month (so that by the end of the year they would have paid all \$1000). During the year, the employee is allowed to spend from this \$1000 towards their medical expenses. The benefit of the plan is that the \$1000 is tax deductible. That is, the employee does not pay taxes - a saving of potentially 30-40% ... However, if the employee ends up spending less than the \$1000, then this money is not refunded back to the employee (they lose this money to the government) ... To overcome this, usually the employee can identify an amount that they feel comfortable they will spend during the year. If the employee spends more than that amount, this is acceptable, but will be a normal taxable payment. Is this acceptable Islamically ?

It seems there is nothing Haram in this arrangement. If I were in this company I don't like to take because it seems kind of complicated and too much interference in my own liberty

- My company also offers an "Accidental Death Insurance" (more info here <http://en.wikipedia.org/wiki/Accidental_death_and_dismemberment_insurance>). Basically the employee pays a small amount every month (say \$10). If during the course of one's employment, the person dies, then the family is paid a lump sum amount. This amount is usually related to the employee's yearly income (say one year' salary). Is this an acceptable insurance policy ?

This is permissible in America if needed, but for this price and in a group insurance it seems a little expensive!

May Allah reward you

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hossam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Mohamed

Sent: Sunday, August 04, 2013

Question: buying a business

Assalam Alaykum wa Rahmatu Allah

I'm a dentist in USA, and Alhamdu le Allah, I'm working fine and has been working for someone for 5 years, I started to think to buying a business "a clinic" of my own, but I have to take a loan for that from the bank is that permissible? Thank You

Mohamed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe this is Haram. I know the need for it but I also know that as a dentist you will find better contract such as lease purchase for all the machines and lease an office. Bo buy an already existing business there are contracts based on installment payments even at a higher than the cash price, many retiring dentist prefer it over cash sale for the purpose of reducing capital tax. There is no necessity for taking an interest loan.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Assalam Alaykum

Thank you for your answer, but I think you got the wrong picture or misunderstand the issue When I buy a practice I don't mean the real estate itself, I mean the patients charts and goodwill, so if the practice is already existing and owned by another dentist, what I'm paying for is the patients charts so say the goodwill worth 500k Now for all the dental supplies we do lease, and most dentist lease their space, only few get the opportunities to buy the condo, which is better for stability So now, I'm looking at this clinic, the charts alone is 500k so I need to take a loan for that, I'll lease the instruments and he might sell the condo to me as well for 425k Please advise Let me know if I need to clarify anything Thank you.

My Answer:

No I did not misunderstand it. this is exactly what I meant. Notice that some dentist owns their machines too and some lease them. it is the business that is very often sold on installment because of tax purposes and all new dentist do that (buy on installment)

From: Esam, OnIslam.net

Sent: Wednesday, July 31, 2013

Question: Lessee opened a bar in my rented house

Salam Ustazna,

Could you kindly reply to the following question from Ali?

Assalam Alaykum. I have question that is: I have a house and I rented it to a Christian man where he opened a bar. Moreover, I provide him with power which he uses for fridge to make bear cold and he pays me money every month. So, is this money halal or haram? May Allah bless you.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you rented him without any conditions, knowing that he is not Muslim (or a Muslim who sells or manufacture bear), which limit his use of the house, also if you gave him a power of attorney on the house without restricting the use of the property you are then a part of sale and manufacturing. Our beloved Prophet, pbuh, informed us that ten functions are prohibited with regard to alcoholic drinks one on them is selling it and another is manufacturing it. besides sale of liquor makes its price also Haram and your part of the price is also Haram. You must give it to Muslim charity for distribution to poor and needy. If part of the house is used for his residence, the rent of that part is not Haram although he may drink inside it because a residence is rented for living in it and drinking is only incidental.

If you rented for residence and he violates the condition you must prevent him from that even through courts but the rent is not Haram until the use of the house is rectified.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Esam, OnIslam.net

Sent: Tuesday, June 11, 2013

Question: Writing A Guide to Purchasing Decisions

Salam Alaykum Dr. Kahf,

I am a student working in a Property Development branch of the government. I work for a team that manages assets, primarily buildings and land.

One of my tasks is to write a manual on how to use a Microsoft Excel tool to determine

which properties are most suitable to develop. The issue here is that the calculator deals with interest, and comparing which buildings cost the least to develop with the best value. It also determines if it is cheaper to own a building or to lease it (in both cases, data on the interest is used in the calculation)

I have not written the calculations themselves, and all data regarding the interest rate and building cost are pulled from another site.

My worry here is that writing this guide will be considered the same as helping a financial transaction that involves interest.

Please help,

Aaron

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Using interest in project evaluation is permissible. It is not Haram at all. We must realize that we live in an economies overridden by interest. If we were in an Islamic economy there would be no interest to use as a benchmark. This use in evaluation is not Haram at all, what is Haram to to contract a loan/debt for interest in any form. As long as your company and your work in it does not involve any interest-based contract.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Sent: Saturday, May 18, 2013

Salam Ustazna, Here is one more question:

Question: Economic inequality

From: Manuelo

I do have a question about this economic inequality in this country of mine.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Manuelo

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your question is too general that it cannot be answered as it is, please be specific so that I can answer your question.

The Islamic system does not penalize high net worth individuals and requires taking care of the low income or low net worth persons.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Esam, OnIslam.net

Sent: Tuesday, April 16, 2013

Question: Under debts and not able to save

As-Salamu `Alaykum. My name is Rowda. I have a very important question regarding my Rizq. I have loans and in debt of student loans about 20, 000 dollars for a program that I took but did not complete because it was not for me. I made a lot of mistakes in my life not saving my money properly and spending extravagantly. I am in a serious financial problem; my income went down drastically to the point where I have no money in my bank account. I've been looking for a job now about 9 months and I can't seem to get a job.

I am not getting any financial assistance from anyone. My family doesn't want to help me. I have been begging and pleading to Allah and I have been praying my prayers. But my condition is not getting better.

What can I do in my situation to better my financial problem? How can I save money and pay off my loans without being in a financial squeeze? If you can, please, answer my question back to my email as I can't attend the webinar tomorrow. I am in desperate need if you can possibly give me some advice in how to make some end means on paying my bills if I have no income coming in?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rowda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Honestly speaking I can't give you any advice! You just need to be more responsible. Nothing more. Try to change your habits of dealing with everything around you. Make a drastic change. Move to another city, find a manual job like a taxi driver or a cleaner in a building to make you feel that earning is hard to get and must be also hard to spend. This is the way you can save, change your mentality and attitude and surrounding.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Sent: Monday, April 29, 2013

Question: Investment opportunity on Ijarah or Murabahah

As discussed, my investment club currently have an investment proposal on our table. The proposal came from another company intending to buy a Volvo truck and rent it out to be bringing monthly return using DM
In this kind of investment, the monthly return is not fixed hence might not be able to determine how long for the asset to bring inn return that will be sufficient to pay our equity and profit.

This mean that the company will have to pay us from another source different from the

return generated by the asset, is this allowed under DM?

Another option we are thinking is to use Murabahah (cost plus), in which my investment club completely finance the asset, but my investment club does not have enough fund to finance the asset.

Based on this, we thought of partnering (in a separate contract) with the owner of the SAME company to finance the asset for the company, then add our profit and expect the company to pay back over a period of time. Is this allowed Islamically?

Above all, we would like you to advise us on the best approach that is Islamic considering the fact that we do not have enough fund to solely finance the asset and the owner will not mind to partner with us to finance the asset for his company, but the two arrangement will come under separate contract.

May Almighty Allah Guide us aright (Ameen)

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Isah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If this is a project that you belief is economically good for your objective (here you should be very careful that you have done necessary study about the project ability to generate desirable income above its cost), you can select either of three routes, all are permissible. 1) buy the truck on installments, the price will normally be above cash price. This is permissible, then from its return you can pay the monthly installment. This is a kind of cost plus. You can buy it all or partner with any other person/company; 2) lease purchase it. i.e., you buy a small part now and lease the rest with a promise to buy a small part each time you make a payment. your monthly payment then consists of two parts; one part is rent and one part for purchasing an additional small proportion of the truck, this continues until the price is paid up completely. 3) you can buy a part of the truck and create a partnership with the owner to invest it together on profit and loss basis, each moth you divide the profit between the owners in proportion of capital distribution. You can add an option to buy the remaining part of the truck whenever you can accumulate any amount to do so.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Fouda

Sent: Friday, March 22, 2013

Question: Adjustment of markup in Murabahah

Assalam Alaykum Wa Rahmatu Allah Wa Barakatuh

Dear Dr. Monzer,

I found the attached "fatwa" while I was surfing in one of the version of Al-Azhar magazine. The inquirer is asking -as you will read- that due to the deterioration in

currencies and inflation, is it possible to agree within the terms and conditions of the Murabahah contract to add a term to review the Murabahah markup/rate of return regularly by independent 3rd party accepted by both contracting parties, with maximum defined range which is 2%? In order to compensate the increasing rate of inflation...etc. As you may see, the answer was affirming the possibility of having such treatment within the Murabahah contract due to necessity and to preserve the general interest of both contracting parties.

In my humble view, this is not right as it violates the nature of the Murabahah contract that has fixed pre-agreed return. Instead, the contract can be done from the beginning as Ijarah ending-with-ownership while the rent rate can be linked to the central bank interest rate or whatever.

Is there any way to revise a Murabahah contract after concluding it due to severe economic situation like inflation or currency change out of war -like Iraq- in order to compensate or mitigate such severe impact, as an implication of Shari'ah Objectives.

Sorry for any inconvenience caused. Best Regard,

Fouda

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fouda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Thank you for bringing this to my attention.

I fully agree with you that this Fatwa is incorrect as it contradict the essence of sale which require full knowledge at the time of contract of price and object.

This Fatwa opens a very dangerous Pandora box instability in contracts and more conflict between transactors. Suppose the inflation rate became high to a level that cannot be afforded by the buyer (notice that incomes don't usually increase at the level of inflation) such increases will be disastrous for him! besides the Fatwa talks about price of the goods, suppose prices changes without inflation, does the buyer go back to change the return on such contracts, also where is the justice with those who pay cash? Etc.

You did not mention any date on this fatwa, it is wrong! It does not take into consideration all the implications that may arise out of it.

The alternative that you suggest is correct of course. We all know that Murabahah does not suit for long term installments, it is ok for short and medium term up to a max 4 to 5 years. Ijarah is definitely better for long term. In it you can change the rate of return as time goes by.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Suriani

Sent: Saturday, March 02, 2013

Location: Jordan

Question: In kind capital in Musharakah

Assalamualaikum doc,

How are you? I'm Suriani, ex your Master student in Yarmouk University, year 2004-2005. I just want to ask query and get your opinion on the capital contribution for the Musharakah especially in form of in-kind. My queries are as follows:-

1) What are the types of the in-kind can be considered as capital contribution in Musharakah?

Any permissible goods/assets can be a capital contribution in Musharakah as long as it is evaluated by a third party and accepted by all the partners. It is a myth what some narrow minded Shari'ah scholars claim that only cash can be capital.

2) Whether future rental or future income can be considered as capital contribution?

It depends how it is structured: 1) capital contribution can be paid on installments from future income; 2) a well-defined usufruct is a property and can be used as principal in Musharakah (you must notice that since Musharakah is a Jaiz contract, i. e., breakable by either party at will, if broken the remaining part of the usufruct is to be distributed like other properties through Takharuj, you may see my book on eBooks of Amazon titled Islamic finance Contracts); Human service cannot be a capital contribution because it then goes under Mudarabah not Musharakah.

3) Whether business opportunity or potential business can be considered as in-kind for capital contribution?

No, because these are speculative. It may then go under Sharikat al Wujuh which has a different system of capital: contributions of partners is in as much as they physically brought resources from the market.

Thanks in advance

Regards

Suriani

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Saharuriani

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes I still remember you of course, how are you now and what are you doing?

Please see below:

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2012

From: Muhammad

Sent: Saturday, December 29, 2012

Question: Trading carbon credits

AOA,

I have attached a file on carbon credits for your information. kindly give fatwa on carbon credits and its trading. regards,

Muhammad

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I know what is carbon credit and how do they deal on it. but I don't give Answer to a question on the basis on my knowledge or on the basis of attachments or websites.

If you want to ask me a question please write it down in the email and I will try to answer you according to what I know and the question you ask.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Dear Mr. Monzer Kahf,

AOA,

Thank you for email. I had send info on carbon credits just for help. I want to ask the following:

Question: What is view of Shari'ah on carbon credits? Is trading of carbon credits Shari'ah compliant? regards,

Muhammad

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You were asked to describe the transaction. You did not

If you mean the sale and purchase of parts of the quota right to pollute the air by carbon-based gases exhausted from industries as described in the quotas of the Kyoto Protocol then My answer is: IT IS HARAM TO SELL THIS QUOTA AND HARAM TO BUY AND IT IS IMMORAL TO ALLOW IT IN ANY COUNTRY. The objective of this quotas is to reduce pollution not to allow a given amount of pollution.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam
Prof. Dr. Monzer Kahf

From: Mashaly
Sent: Sunday, October 31, 2012

Question: network marketing

Dear Dr. Monzer Kahf

I am asking about a Network Marketing company Quest International, they have a binary plan, to join the company and be a Representative a person must buy one or more of its products like Watches, Jewelry, Vacation packages, Wellness and Energy products.....etc. For a Representative to be able to earn commissions he must have 2 persons buying a product as direct referrals to him one on his left and one on his right. When he has 3 on the left and 3 on the right direct and indirect he earns 250 USD and it continues this way, is it Halal ? And what if someone is joining for the commissions and not the product ? And for more details about the compensation plan please refer to the attachment. Wa gazak Allah ana Khair.

For more info : <http://www.qnet.net/>

Best Regards,

Mashaly

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mashaly

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I have given my opinion on this kind of trade many times on Islam on line and on my website.

There are several points that make this kind of trade to me not acceptable from the point of view as I understand Shari'ah:

Sale of golden items must be with immediate delivery of both price and item at the time of contract. This is not done.

Their prices are highly inflated. They are not fair prices.

The commission system may be permissible for customers your bring but it should not apply down the chain, what did you do for the others?

There must be full transparency in the commission and prices.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Samy
Sent: Tuesday, October 30, 2012
Location: Ottawa, Canada

Question: Getting scholarship with a claim of zero income

Dear Dr. Monzer, as-salamu Alaykum wa Rahmatu Allah wabarakatu.
Eid Mubarak and may Allah accept from you and us all good deeds.
If you can please answer the following question I have received from one of my community in Canada.

Jazakum Allahu Khayran for your constant efforts.

Sincerely,

Samy

ASC SHAIKH.

After wishing from ALLAH that he will grant YOU and I JANNAT EL FIRDOWS.

I have one situation that I need IFTAA on it which I could not find out with my basic ISLAMIC Knowledge. It's that we are new in Canada and my father works overseas.

We applied for university loan but we wrote in the form that we are zero income family (BUT MY FATHER HAS A GOOD PAYING JOB OUTSIDE THE COUNTRY) and with this form we got some financial help from the government (FOR OUR UNIVERSITY FEES). Please SHAIKH JAZAKA ALLAH KHAIR can u please tell me if my FATHER saying that we are zero income family make the money we got from the government to pay for our university HARAM money . PLEASE LET ME KNOW WHAT YOU THINK BECAUSE I DONT WANT TO STUDY WITH HARAM MONEY AND AM SCARED FROM ALLAH PUNISHMENT IN QIYAMAH

JAZAK ALLAH KHAIR YA SHAIKH.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Samy

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I believe making a statement that the father has no income was a plain lie. Earning by lies is not permissible. Now that it was done my suggestion is either to abstain from cashing it or give the amount to charity and make Istighfar and pledge between the person who made the lie and Allah to avoid repeating it or making any lies.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ahmed

Sent: Saturday, October 20, 2012

Location: Sri Lanka

Question: Israeli products & bribe involved sales.

Assalamu Alaykum,

My name is Ahmed and I am from Sri Lanka. We recently started an "IT Solutions"(Deploying Antivirus, Firewall) company and I am having some concerns regarding the business model we practice here with conventional banks, bribe involved

sales and promoting Israel products (Some firewalls are from Israel). First I point out how our business works here, and please help me with my questions. Below is the business flow to understand the structure better.

- Principle – Software or hardware manufacturer (e.g.: Microsoft, Cisco)
- Distributor – Represent of principle for local territory. Only authorized person to bring down the product for their respective territories.
- Reseller – This is where our company falls into. We purchase from distributor and sell to customer.
- Customer – The last person/company who uses the solution.
- For a principle to sell a product to end customer they have to go through distributor > reseller > & customer.

We, as reseller when we talk to customers regarding a solution they often ask for bribe even though we don't promote or talk about bribe. Also there are instances where distributor negotiates the bribe and they give the bribe or ask us to give a bribe to the customer. Below is our sales funneled from the beginning up to now and we see most of the sales have either banks or bribe involved.

Customer Code, Conventional Bank/Finance/Investments, Company bribe, Israel Products and Normal Sale

None of these bribes were negotiated by us but still we have been asked to give it to the customer by distributor.

1. Could you please tell me if this is considered halal or haram?
 - a. Dealing with conventional banks/investments/finance companies where their total business is with Riba?
 - b. Bribing to close deals?
 - c. Selling or promoting products coming right from Tel Aviv?
2. If I start a new company as a distributor I can avoid negotiating bribe & selling directly to banks. But I am sure I cannot control my resellers selling to banks & initially to promote the product I will have to directly work with customers where they might ask for bribe just like the chart I have given you. Will this be a better solution in the long run?

Also please note that I am from a country where Muslims are minority.

Jazakkallah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Selling IT systems and firewalls to banks and Riba based financial institutions is not Haram because you are not involved directly in any part of writing Riba, also buying such systems from producers in occupied territories is not Haram provided you try to avoid them as much as possible, i.e., only in case of necessity for the business.

What bothers me is the Riba matter. If changing the business model makes you avoid it you may have to do that. You cannot give bribe or negotiate it for promoting business,

not giving it on request from distributor who negotiated it. The only way bribe giving may be permitted is when safety of a person is endangered, as common in dictatorship countries, and the only way to secure it is by bribing officers.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sameer

Sent: Monday, October 15, 2012

Location: Mauritius

Question: Multi-level marketing company

Assalaamualaikum brother.

This is Sameer in Mauritius. I am an educator and I am also a member of AL BARAKAH - Multi-purpose Co-operative Society Limited (ABMCS) in which you are a consultant. I read a lot concerning your fatwa on your websites and other links, Alhamdulillah you are doing a great job for the Muslim community and for the whole humanity as well. In fact there is a multi-level marketing company in Mauritius that was launched in the year 2011. Its success world opportunities private ltd. I just want your approval whether it's halal to deal with this company. I met the director in Mauritius and they will be soon contacting you so that you give the approval of whether it's halal or haram. It will be of great help if you could cooperate in this matter. Thank you.

Jazaka Allah Khair

Sameer

My Answer:

I don't give fatwa on the basis of website.

If you have a specific question ask it detail and I then will try to answer it

Monzer Kahf

From: Musthaq

Sent: Friday, September 21, 2012

Question: Share in Business with fixed monthly payment

Respected Doctor

I would like to get answer for the following

I have a small business running in UAE and going with profit.

During our partition at home, my elder brother wants to invest his portion of the money to my business and to get profit each month.

It is around 20,00,000 Indian Rupee. So I agreed and will pay a small profit around 15,000 INR per month depending on the income.

I told him this will vary depends on the profit or loss and there will be yearly calculation.

I would like to know is it Islamically ok, if not ok what I should do so that it is fully Islamic.

Thanks in advance

Musthaq

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Musthaq

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is important that you should agree in writing on the percentage of distribution of profit. Since your business is already on going you need to make full inventory of all its assets before mixing the new fund with it. Each year you need full inventory and determination of profit/loss. Based on these three points you may agree on giving him 15000 IR every month subject to adjustment at the end of each year when p/l becomes known. It should be clear that such payment is an advance on Profit and there may be losses which must be distributed in proportion to capital as determined in the second point.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Mohamed

Sent: Friday, September 21, 2012

Question: Is paying Kaffarah enough or do we have to make up the fasting days?

Alsalammo Alaykum

my wife had to break her in Ramadan for 2 years in a roll for being pregnant and breast feeding, she's not sure how many total days did she miss, so first if I pay Kaffarah for her is that would be enough or she has to make up the fasting days?

Thank You

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Days not fast because of any health reasons should be compensated by fasting other similar number of days. This principle applies for breaking the fast in pregnancy because pregnancy is a health matter (keep in mind that a fetus is a part of its mother's body). This is derived from the Ramadan verse in Surah al Baqarah

On the other hand, days not fasted on reasons of other person, such as in nursing a baby, should be compensated by feeding the poor at the average of two normal meal, that is a day food, for each day.

In my opinion as American, the two complete hamburger meals today is about \$ 15. This is needed for each day. It has to be given to a poor or through trusted Muslim charity provided you inform it that it is Kaffarah for fasting

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

From: A
Sent: Sunday, September 02, 2012
Location: Dubai, UAE

Question: Defaulting invoices because of investors withdrawal

Dear Amo Monzer,
InShaAllah you are well and in the best of conditions - it has been a while since we have last talked.

I have a very simple and brief query:

I have been managing director of two startups in Dubai for the last year.

Last week, investors have decided to not further invest in one of them. Accordingly, they have stopped sending funds. This means that some invoices will be defaulted on because investors are not willing to pay them.

As far as my legal liability is concerned, I am of course seeing a local lawyer. However, from an Islamic perspective, where does that put me? Am I "Islamically" responsible for these invoices, and am I personally accountable for paying them off? Or does the "Islamic" responsibility apply only to owners?

I would be most grateful if you could shortly share with me your opinion on this.

Thanks a lot for your help, jazakumu Allahu Khayr,
Wassalam Alaykum Wa Rahmatu Allahi Wa Barakatuh,

A

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. A

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It really depends on the legal form of the company. If it is declared and registered as a limited liability company, you are not required to pay invoices on the company (of course, there is an exception, if you personally asked a provider to continue supplying the company at your own guarantee even though payments are delayed to it).if you established an personal office and worked from it, you are then required to pay these invoices.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Dear Amo Monzer,

Jazakumu Allahu Khair for your quick and helpful answer.

The company we are talking about is indeed a LLC. The company is incorporated in the UAE however, where there are no real bankruptcy laws, and where from a pure civil law perspective

managers could theoretically still be sued personally to pay off the company's debts - it is not clear how courts would rule in such scenarios.

Does that change anything in your assessment?

Just for further information: at the time credit facilities were negotiated and used (e.g., bills for advertising were paid after 30 days), things looked bright and investors were sending money as per schedule. When it was clear investors would not be sending any more money, all contracts were immediately cancelled.

There is one more thing: the company that is now being closed was an electronics retailer which offered customers 12 months warranty on all products sold. Now that the company is shutting down, what does that mean with respect to our promise to keep up the warranty? (no more products were sold after it was clear we would shut down)

Am I as manager personally liable to uphold the warranty from an Islamic perspective?

Would your answer be different to the above questions if I were also the owner of that business?

I am most grateful for your precious time and advice. It has always been of great help and guidance to me.

Jazakumu Allahu Khayr and kind regards,

Wassalam Alaykum Wa Rahmatu Allahi Wa Barakatuh,

My Answer

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. A.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The answer for the liability to invoices and the guarantee is the same. If it is declared as limited liability to persons who deal with it, there is no charge on you. If it is run by the manager without being declared as LLC, then you are responsible for both from Shari'ah point of view. I wonder why you were allowed by government to issue warranties without having any Kafalah that support it because the Warranties usually survive the company as it actually happened. If there was a Kafalah for the Warranties then the issuer of the Kafalah is liable in case of bankruptcy.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Samy

Sent: Friday, August 24, 2012

Location: Canada

Question: Failure to pay student loan

Dear Dr. Monzer, As-salamu Alaykum wa Rahmatu Allah wabarakatu

First of all, Eid Mubarak and may Allah accept from you and us all good deeds.

Below is a financial question that I received from a member in my community.

Hisham Canada

I have a question and I need advice. I borrowed money from the government to go to university and when I graduated I did not find a job for 3 years. After 2 years they were going to start to charge interest. I was forced to bankruptcy. This was many years ago. The loans were wiped out as they were the only debt I had at the time.

I am wondering now that I am working should I repay the loans. If so, can I donate the money to a charity or masjid instead since it is not really possible to repay a loan to the government that has been cleared?

Jazakallahu Khairan.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Samy

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Bankruptcy laws are very similar in Shari'ah and in common laws. The Prophet, pbuh, when he realized that, to all visible evidence the man was truthful in his inability to pay all the debts, distributed the existing assets between creditors in proportion of their debts and told them this is all that you can have, nothing more.

The implication is that once bankruptcy is based on true evidence that the person is in fact unable to meet all the debts on him at that moment and has no prospect of rescheduling (of course without interest according to Shari'ah) so that he can pay within a reasonable period. All unpaid debts die out.

Accordingly, there is no requirement to pay this government debt back after it was settled through bankruptcy. Giving to charity is always recommended without any limitation and will InShaAllah be rewarded generously by Allah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Idriss

Sent: Friday, August 03, 2012

Question: Selling goods for a higher price in case of deferred payment

Salam Alaykum Dr. Kahf, Ramadan Mubarak. I've really enjoyed the last time you visited us here in the Netherlands at Leiden University and hope you will visit us soon again InShaAllah.

I've had a discussion with a brother on selling goods for a higher price in case of deferred payment. We both are aware of the disagreement between several Fuqara. However the brother argues that the mark-up charged by the seller is equal to Riba al nasi'a and I argue it's not Riba because it's an (material) asset-back transaction and therefore profit. Could you please inform me on this matter?

Barakallahu feekoum and best regards!

Idriss

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Idriss

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The point is so simple. In reality deferring the price allows you to benefit from the utility of the goods you buy without paying anything. This is not fair and nobody would accept to give you the goods without appropriate compensation. This compensation is the price of financing.

This is unlike debts which do not have utility by their nature. Debts do not produce utility and can't do that.

In other words, prohibition of Riba is not a denial of the return on finance but it is rather a rechanneling of finance from debts to real goods and assets. Because when you give assets you are creating new value and wealth but when you give loans you only transfer wealth not creating it anew.

Our ancient Fuqaha' ancestors recognized this fact and stated that a part of the price belongs to time. This is at the same time that they stated strongly that interest is prohibited as it is a presumed increment in a debt.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Esam, OnIslam.net Fatwa desk

Sent: Wednesday, February 22, 2012

Question: can Sukuk finance government budget?

From: Tarek – Egypt

As-Salamu `Alaykum, Dr. Monzer. We recently read that Egypt was considering issuing around \$2 billion worth of Sukuk to help fund its development projects and bridge the gap in its currency reserves. This option was announced by Dr. Hussein Mamid around one week ago according to this report:

<http://www.onislam.net/english/news/africa/455802-egypt-turns-to-sukuk-to-save-economy.html>

My question is I understand that Sukuk could be used to finance private sector projects on a profit sharing basis, but can Sukuk be used to finance a country's budget deficit and not be considered a form of usury (Riba) from the point of view of Islamic Law?

And how does Sukuk work exactly that makes it different from traditional interest-based finance?

Jazaka Allah Khair

My Answer

Final word to this question: Sukuk have advantage over treasury bills in that they can only be issued for real projects not simply to cover deficit. They have a ceiling which related to real economic activity in the economy.

Of course if you take the opinion of the "some scholars" this advantage is lost because you take existing assets and issue Sukuk on them once and again and they are already there meaning there is no new real economic activity.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam
Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2011

From: Mohamed
Sent: Monday, October 31, 2011

Question: Istisna' on cost plus

السؤال: عليكم أسئلة إذ لا فضل

لعلكم يخبرونني بفضيلة أو عيب أو غير ذلك من فضلكم، أسأل الله عز وجل أن يثبت عليكم من عملي ما يرضيكم معي في كل ما أفيت به لديس وأل أرجو فمضيت بكم إلى تكريم إجتهاد

زنويين اعني وتوطينا من لخبثت ويسي الإشراف على عملي والبن اعني شيئا وجد من دسل مراقبة وملاحظتي يرال عمل ويكون أجراء من دس عبارة عن خمس قبل خطة من إج طلي تظلي المشروع إنكفلن المشروع خطة ألف م التي حصل ال لخبثت لحي خمسة آلاف ولكن هل يجوز الهه اقرب هذا شركل أم يتعبر في نوع من ال غرر حيث قد حصل لي في ربي س عر ال موادل خام ثل اناء اليناء مع ملاحظة أن دور ال من دس إنشرفل فيق طبع عن إن اسرفل ل شراء ال موادل خام وثالث اق م ع ال موادل على أجرتهم وهكذا

وحيث افتراض وجود غرر غير مباح في الصور فل سريقة هل في في الل في ها أن يفتق لحي أن يكون في الخيار لتلف أو ضرفي ال سبة مرة أخرى إذا طرأ لي غير متوق ع لحي أس عار موادل اليناء بل يع بار ل هل كثر الأثني التي يي لمن (أن يثبت في الل في).

جزاكم الله خيرا وتقبل الله جهدكم ووفقكم وبارك فيكم في

محم

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In my opinion this is not Gharar. It is like hiring a salesman on a percentage of the sale. If you sell 100 you get 5. The compensation is known as per piece of activity (100 dollar sale). It is like hiring a shoe maker for each pair of shoes you get 10 dinar.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: ABDALLAH
Sent: Saturday, December 31, 2011

Question: Buying a Car for a Price that is an Old Car plus Money

Dr Monzer,

Assalamu Alaykum.

I want to replace my car with another one. The buyer agreed to buy it at \$5000, but I have paid him another \$3000 so that he can sell me another car of \$8000.

Is this deal halal or is considered as two deals in one?

Thank you.

Abdallah

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdallah

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is permissible; you are buying a car for your old car plus \$ 3000. It is not two sales in one. 2 sales in one is essentially sale at two prices with different dates of payment. The difference in such a sale is Riba.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Atif

Sent: Monday, October 31, 2011

Location: Egypt

Question: Giving Salary to Parents

Assalamu Alaykum Ustead,

I am your student from Paris. I attended your classes a year ago.

As we studied money and Islam and we are continuously learning in Islamic finance, I had a basic question for you.

When a child is young, parents gives him all the child needs. When parents become older, the child gives at his turn all the help he can and from all of that there is one thing that the child must give is Money.

I heard that once the child begins a job, he has to give the entire salary to his parents. That is what Islam says. Is that right or is there any specific rules for that, I mean if the child is single and his salary is \$1,000 and the parents cannot afford all the charges which are \$1,500 so then the child need to help them. But if the child has a pay of \$2,000 and the charges are \$1,500 so can he keep some money for him? or do he need to give everything?

Is there any hadith that can help us to understand that how it works?

Thanks for your help.

Atif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Atif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Your salary is yours not your father's. but if your father desires to take your salary and you can do it give it to him especially if he needs it. of course provided this does not make you suffer any deprivation.

In other words, properties and earning of each person is his or hers and independent from any other, this applies to father and son, mother and daughter, father and daughter and husband and wife. If you parent are in need you are required to spend on them until all their needs are satisfied.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Jamal

Sent: Saturday, September 17, 2011

Question: Return Check Charge

Assalamu Alaykum wa Rahmatu Allah.

At first I want to tell you that I love you for the sake of Allah.

I am a retailer and I have some questions regarding the retail business dealings.

1) As a retailer I do accept payment by check. Usually I never have a problem with checks returned but once in a while I get checks bouncing back to me. My bank charges about \$7.00 for a returned check and I do charge at least \$20.00 for bounced checks. The customers know the fee amount that I charge for these bounced checks. Is this a form of Riba? I normally consider my time of processing the payments, the driving time to the bank and the lost opportunity of selling the merchandise that the customer bought, and the loss of the usage of the money since it is not in my bank account.

you can estimate your time and driving cost but you cannot include lost opportunities, the lost opportunities are a justification of Riba and are not recognized in Shari'ah because they are merely speculative not reality in contrast to your time and out of pocket cost. If this instance is rare I suggest charging only the 7 dollar by offering a discount to the customer of 13 dollar if she makes quick remedy.

2) I sell merchandise to High Schools and I give them bulk purchase discounts but I tell them that they have to pay me within 30 days of receiving the merchandise or else they will lose their discount. Is this a permissible way?

It is permissible but yet on the border because from one angle it is like a sale at two prices one within 30 days and the other after 30 days. The difference in sale at two prices is described as being Riba by the Prophet, pbuh. On the other hand there is a good point in offering a discount for quick payment especially that the objective of it is not to be an increment on deferment but rather an encouragement to pay within the contracted period. This is why I says it is permissible inspite of the similarity.

3) As you know the new government regulations in the US forced banks to change their business dealings and there is no more free checking accounts unless you have a certain amount of money sitting in your bank account at all times which I cannot afford doing. When I talked to my banker he mentioned that the only way to avoid fees on the account is to open a saving account and you can require that the account will be free

from interest which I agreed to do but when I received the paper work. it read " The Internal Revenue Service (IRS) requires us (The bank) to keep a signed, certified Form W-9 for each customer who has an interest-bearing deposit account".

Is it Ok to go ahead and sign the documents for this account? I want to mention that It is not necessary to have this account open although it makes things a bit easier for me.

You can open the account as long as you keep it without interest inspite of this document. What you cannot do is to receive the interest and re-channel it as payment of fees of the checking account.

Jazaka Allahu Khair.

Brother, I appreciate it if you can reply your answers to my e mail

Salam

Jamal

My Answer:

Please see my answers below your questions:

BTW, in your other email you mentioned that you do not have credit cards, it is OK to have them provided you make payment within the grace period and you do not use them to withdraw cash from ATM machines because cash withdrawal generates interest immediately. I use credit cards and I have mortgage with an Islamic finance company, and I have good credit rating.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Mushtaq

Sent: Wednesday, September 07, 2011

Question: Hajj from LTC

Salam Doctor

Hope you are fine and praying for that

It is to clarify an issue.

There is a scheme in Government of India and other public sectors called LTC paying a tour allowance to visit any part of India in every four years.

It can be used for visit abroad and payment will be given partially.

My brother wants to know this can be used for their hajj? Is the hajj will be rewarded and valid?

Thanks and Best Regards

Musthaq

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mushtaq

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If this LTC is a right to the employee and it allows using it for outside India without having to lie to the scheme management it is then permissible to use it for Haj because it is exactly like using your own money.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rashid

Sent: Thursday, August 11, 2011

Question: Trading Sculpture

Salaam

I want to facilitate in a trade between a Seller of Sculpture and a Buyer. As you might know that Sculpture which is used as a raw material for many Halal things but also used for gun powder and alcohol production.

The Buyer resells the Sculpture but I cannot be sure to whom he sell it to.

Two Questions

If I ask a commission for my services in facilitating the trade, will that be halal.

Since the Sculpture will be used in producing haram products, so it will be haram to indulge in it.

Regards

Rashid Iqbal Ata Tung

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rashid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

There is no way to prohibit materials and contracts because someone may abuse them.

Materials that have no other use other than in Haram are Haram because they exclusively lead to Haram but materials that have multiple uses are permissible to trade.

A reservation may come only in one case when you know for sure that the buyer is definitely going to use it for Haram only. Then selling it to this person is not permissible.

Of course if the sale is not permissible, facilitating it is also not permissible so the commission of the facilitator.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ya'u

Sent: Tuesday, August 02, 2011

Question: Enquiry on Salam, and Ijarah Sukuk

Assalamu Alaykum Doctor, hope this mail reaches in good health. Sir, could u please provide explanation on the following:

1) Salam: In agricultural finance where the bank provides funds to farmers in advance with the agreement that the bank will buy its produce at harvest. Sir, can the bank and farmers reach an agreement with farmers that the future price of the produce should be a percentage of the prevailing market price at the time the bank is to take delivery of the goods from the farmers instead of fixing a fixed price ab initio?

Salam price must be determined in advance at the time of contract, it must also be paid in full to the seller at the time of contract. It cannot be left to be set at the time of harvest under whether as full market price then or a percentage of it.

What can be done instead is to secure a purchaser with a binding promise to buy the goods at a given price. This way your finance's expected return will be known in advance at the time of buying on Salam. Also this way, the Salam contract with farmers along with a promise to buy at a given price from users of the goods (SAY FLOUR MILLS FOR WHEAT) would help stabilize the prices of agriculture and serve the same objective as true non-speculative forward market.

2) In Ijarah Sukuk, sir who bears the risk of any calamity that may befall the leased asset (like inferno)? And what is done in practice to prevent such calamity obviously the asset is owned by the Sukuk holders and this ownership is in fact what gives them entitlement to earning the rent. Whatever may happen to the asset is thus the liability of the owner. The owner remain required to always keep the asset available in shape to provide the usufruct which is sold to user/lessee.

The Solution is Takaful and when it is not available we need to create it but meanwhile we use conventional insurance. This is a must solution for any Ijarah Sukuk. Insurance must cover the asset and its rental earning together not only the asset so that Sukuk holders can be fully secured. In addition, since the rent is a debt on the lessee, adequate collateral/guarantees can and should be obtained from lessee to secure this debt.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ya'u

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is good to hear the progressive news of Jaiz. For the answers please see below:

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Esam

Sent: Thursday, July 28, 2011

Dearest Dr. Monzer,

As-salamu `Alaykum,

Hope you are well and at the best of health and faith. Also wish you a happy Ramadan.

Could you kindly reply to this question?

Location: Canada

Question: What to sell and not to sell to Non-Muslims?

As-salamu `Alaykum. I'm currently living in Canada, and a person in my family was thinking of starting a business in our city of residence. We were thinking of selling Egyptian jewelry, accessories, etc. My question is specifically about the permissibility of selling things that are haram to a Muslim to a non-Muslim, such as jewelries, rings, bracelets and necklaces, which cannot be worn by Muslim women, to non-Muslims. Jazaka Allah Khairan.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Esam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The rule is that anything that is Haram to wear or eat or use is Haram to sell regardless of who is the buyer. The Prophet, pbuh, was asked by a person who just imported from Sham a shipment of wine but the verse prohibiting it came just before it arrives in Madinah) whether he can return it to the exporter in Sham (who was of course not Muslim) and he told him no.

God only prohibited what is bad, He did never prohibit anything good. What is bad in genuinely bad for anybody regardless of religion? This applies even to a cross jewelry worn on the neck or hair. It is a bad idolatry.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Saturday, June 25, 2011

Location: Canada

Question: Diminishing Musharakah/Murabahah Agreement

Assalaamu Alaykum Sh. Monzer.

InShaAllah all is well.

Shaykh, there is a commercial property purchase transaction that I am working on right now. The buyer is a physician and Masha Allah is in good financial standing. He banks with a conventional institution here in Edmonton but is extremely reluctant on pursuing conventional financing for his property.

He has approached me to either convince his conventional lender to structure an Islamic transaction for him Or seek private investment from investors who would be interested in structuring the transaction.

As a starting point, I have decided to convince his conventional lender to structure a custom transaction for him. I have met the commercial banker and he is requesting a working copy of an agreement (that may have been implemented in another country)

that would be used for this transaction. He would then pass that along to his legal department to ensure that a custom transaction could be structured. Once they come back to us indicating that the transaction could be done then we will formally proceed towards putting a team together (yourself, their legal department, and myself) to start putting the agreement together with specific details.

Would you have a working Murabahah or a diminishing Musharakah agreement with you that we could use a sample to show the bank? You could delete names if you have on it, or watermark it with do not copy, or however you wish.

I can't think of a better person to discuss this with other than yourself. I look forward to your advice InShaAllah.

Jazaka Allah Khayr, Was-salaam.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I have contracts but they are all copywrited, I cannot send any to you. You may go on the internet and you may find one or to the website of State Bank of Pakistan and find on it forms of contract on Murabahah and lease that you may adopt for this special case.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof . Dr. Monzer Kahf

From: Abu Ahmed

Sent: Sunday, June 12, 2011

Question: Shari'ah ruling on Murabahah

فضيلة الفتور في ذل ح ف ضظه الله
الرجاء الكرم بالإجابة في أفقوى التلوية ولك في دلل شك رتلق دي ر:
لس ال م ع ل ك م ورحمه الله بركته
أرجو منك ان تقيدين ببل ح ك ط ل شر ع في م سأل ال م ر ب ح ق ت ل ية:
شخص صاحب من ع طلب من شخص آخر شر ر ا ع ب ض ا ع ل ل ص ن ع م ن دوله اخرى في ان يبيع هذه البضاعة
بسعر أعلى من سعره بفارق ع ل ي ه ا م م د ه م ح د ل ل س د ا د
ال م م و ل ا ش ت ر ي البضاعة وطلب الاوراق باسم المبتعد واحضر اوراق ملكي ه البضاعة لى ل م ت ب ه م ا ع ا د ا ر س ا ل
الاوراق لى المبتعد (الشاري) في تتمس ل ي م ه ا و ر ا ق البضاعة و ق و م المبتعد ر ي ا ع ط ي ه ش ر ك ا ت ب ق ي م ه البضاعة
شامله الارباح وبل مدة القيق ع ل ي ه ا ع ل م ا ن :
1 البضاعة لم يرها أحد لان البضاعة من دوله اخرى (هذا يقع ارف ع ل ي ه لان البضاعة م ش ت ر ي ب ل م و ل ط ف ا ت)
2 البضاعة ل م ت د خ ل م خ ا ز ن ال م م و ل ب ل ش ح ت ب م ا ش ر ه ل ي ب ل د الم ش ت ر ي و ل ك ن ا و ر ا ق البضاعة و م ل ك ي ت ه ا ن ف ب ت ل ي
ال م م و ل ه م ا ع ا د ا ل م م و ل ا ر س ا ل ه ا ل ي الم ش ت ر ي
الرجاء أفيدنا وجزاكم الله خيرا

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abu Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please forgive me for writing in English. This is because my typing is very slow and difficult in Arabic.

This transaction is a pure permissible Halal InShaAllah Murabahah. The possession is done by the shipping company on behalf of the purchaser because in international trade the shipping company takes charge on possession on behalf of purchaser. This is included in the documents that came to the purchaser office. It is clear that the transaction also include implicitly another Wakalah to the factory owner to make final possession on behalf of the purchaser from its agent (the shipping company)> this is also OK.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Friday, May 27, 2011

Question: is a website an asset?

Assalaamu Alaykum Sh. Monzer,

Insha'Allah T'ALLAH all is well with you and the family.

What is your opinion on Internet Website being an asset-class? One can own websites, such as domains, and information that is made available on the website. The fact that a website is available on the internet constitutes it being a "physical asset."

As well, there is substantial amount of marketing that takes place on internet sites and via the web in general. For example, a site may sell their space for advertising revenue. There is an area called affiliate marketing where by one can send a link (to a product) with thousands of emails. The idea being that a few of those thousands will purchase that product. They keep repeating the process and send links to thousands of emails generating significant revenue.

Jazaka ALLAH Khayr.

Was-salaam

Rauf

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Owning website and selling it is permissible. A website is an intangible property that is recognized in Shari'ah. Of course its trading is subject to the general rules that prevent monopolistic practices and speculation.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Friday, April 15, 2011

Question: Mudarabah Partnership

Assalaamu Alaykum WRB Sh. Monzer;

I pray that all is fine and well with you and the family, Insha'Allah.

I had a question in regards Mudarabah Partnership:

If the Rabb-ul-Mal is interested in partnering in an existing operation/business. However, the business being invested in uses interest-based borrowed capital. Although the business is Halal. Is such a Mudarabah partnership feasible, Islamically? Aside from Mudarabah conditions around profits and losses, are there conditions around how much borrowed capital is permitted? I.e. how leveraged the business is/can be? Cut-offs etc.

As well, the first thought that comes to my mind is that how different is such a partnership from investing in a company on a stock-exchange. Your thoughts on this would be greatly appreciated.

Jazaka ALLAH Khayr Ya Shaykh.

Was-salaam.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In Mudarabah or Musharakah you have nothing to do with the source of capital of your partner or existing business owner. What matters is to know what is to be done with your money in the future and whether any interest or other non-permissible transactions may be done with your contribution or with the combined contribution in the future.

When you make a Mudarabah or Musharakah there is zero tolerance of any interest or prohibited transaction on the part of manager/Mudarib. This means that no transaction can be done on interest basis. This is the reason why some Fuqaha argue that it is not permissible to make Mudarabah or Musharakah with a non-Muslim. Others argue that if you are sure that such a partner/Mudarib will not make any prohibited transaction it is then permissible. This issue is not similar to tolerance in buying shares. In share purchase there is a point of need because of non-availability of Shari'ah compliant listed companies and this need applies to a large number of Muslims. Of course with the

application of purification principle. But we cannot tell a person: it is OK to enter a prohibited transaction and purify it when there is no need that applies to a large number.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hazem

Sent: Wednesday, February 16, 2011

Location: Ottawa, Canada

Question: How to best manage a small amount of money

Bismillah

Asalam Alaykum wa Rahmatu Allah wa Barakatuh, I pray to Allah you are doing great Dr Monzer,

Jazaka Allah Khair for the incredible work and benefit you are providing the Ummah. My name is Hazem Awad, a PhD student in Ottawa Canada (and a startup founder). I would like to ask you 3 critical questions (for me) and hope you will be able to answer me as soon as is convenient for you:

1. Alhamdulillah, my father lends me around 7000 CDN so I may use it to pay some of my student loans (which Alhamdulillah are now in interest free phase for 1 year). He also recommended that instead of paying the money now, I should use this money to make some additional money and then pay all of it before the interest free period is up. My question is: what are some Islamic ways that I can do this AND are low risk? I am all for taking high calculated risks (hence starting a high tech company) but these 7000 are for paying loans so my risk tolerance is low. I read that guaranteed investments are not allowed so the only other option I have is stocks (which are too risky right now).

(Please note I am not asking you for financial advise per say, more I would like to know from your experience what are some Islamic financial options available).

2. I wanted to confirm with you regarding Venture Capital/Angle Investment money: Are they Islamically allowed? I am not talking about debt financing but the typical VC and Angle financing?

3. Can you recommend any resources that a Muslim Entrepreneur in North America like myself should read with regards to what is Halal and Haram in the financial world so I am better prepared and InShaAllah only make or accept Halal business deals and investments?

Jazaka Allah Khair for your great work. May Allah provide you with ultimate success in this life and next with ease and comfort.

Asalam Alaykum wa Rahmatu Allah wa Barakatuh

Hazem

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hazem,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. I don't know any investment opportunity that is Shari'ah compliant and not risky at this time. May be the best in Canada is the Islamic Housing Cooperative in Mississauga, check its later record and facility to withdraw in one year, otherwise keep your money under the mattress for now...

2. I don't know what you mean by Venture Capital and Angle Investment. I know venture capital as being equity purchase or with small firms buying a part or all of the corporation. This is permissible if the corp. does is permissible. Please tell me what is AI and I can perhaps answer your query.

3. At this time may be for a handy reference of Halal and Haram best way is to read my Fatawa on my website www.kahf.net and other financial Fatawa on www.islamonline.net. On another scale there are many reference on Islamic finance on the internet that make excellent readings

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Bismillah

Asalam Alaykum wa Rahmatu Allah wa Barakatuh Prof Dr. Kahf,

I pray to Allah you are doing great. Jazaka Allah Khair for your rapid and very helpful response.

Angel investment is very similar to Venture capital (the only difference is the size of investment). Typically Angel investment serves as "seed" for later investments. They are also equity based. Thank you for the clarification about VC as well.

I have a follow up question: Please let me know the ruling on this approach of making money: Some people make money by the difference in the currency exchange rate (particularly between US and Canada), based on the difference, they make their money. Is that allowed and if not, I would greatly appreciate an explanation to the wisdom for it not being allowed. I want to make money and spend it in the right way but if the money is not halal then there is no point.

Jazaka Allah Khair

Asalam Alaykum

Hazem

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hazem

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The only way to get any return in currencies is by owning currencies and take actual possession of them and if one sells them at a higher price one earns the difference. You cannot earn without actually possessing the currency that you buy and the contract

must be with full and immediate payment of both currencies bought and sold at the time of the contract.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Bismillah

Asalam Alaykum wa Rahmatu Allah wa Barakatuh,

I pray to Allah you are doing awesome ya Dr Monzer. It has been a long time since I contacted you and a lot has changed. One surprising thing I discovered was that I knew your Son Ammar from a LONG time ago when we were both students in Manarat at Saudi Arabia. In fact I did Alhamdulillah meet Ammar in 2009 (after more than 15 years, subhanAllah).

I have asked Ammar to speak with you regarding a very important matter that I would like your Islamic Opinion on. I believe it falls in your area of expertise. He asked me to contact you using this email (and you have responded in the past). Jazaka Allah Khair in advance.

The matter in question is attached in this email as a windows document. If you require further information, please let me know.

Jazaka Allah Khair

Hazem

My Answer:

Dear Br. hazem

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I have read your long letter but I am unable to make any judgment on this matter because I need to hear from them and look in details at the facts of the matter. If what you say is correct and the company at the time they left has any value, they deserve their part of that value at that moment. But if when they left the company was zero and you started anew with a new team you are not required to give them from the new company any shares.

Best Regards,

Wassalam

Monzer Kahf

Subject: helping the poor under harsh circumstances

From: Essam

Sent: Saturday, February 05, 2011

Question: Helping the poor under adverse circumstances

Dearest Dr. Monzer,

Could you kindly reply to the following question?

With the civil unrest in Egypt, which is worsening the living circumstances of the poor, what does Islam teach us about helping and supporting each other?

What role do the rich who are looking to take their money out of Egypt play in helping their poorer brothers and sisters?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Under existing circumstances any Egyptian who has ability to help any person/family in need of food or other basics MUST PROVIDE THAT HELP. The able person would be sinful if he does not help. This applies to food, necessary medicine and any other basic needs (such as transportation).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Essam

Sent: Monday, January 17, 2011

Location:

Question: Land dispute and giving Zakah for emergency travel

Dearest Dr. Monzer,

As-Salam `Alaykum,

Could you kindly reply to the following two fatwas?

1. Property Dispute:

24 years ago my husband purchased a land and constructed it with his money (without my father in law and brothers in law money being involved). When we came to Saudi Arabia 24 years ago, my father in law had the documents of the land. Since then my father in law and my 2 brothers in law with their families have been living in my husband's house. In between my husband had asked for the documents but my father in law refused to give. My husband financially helped his father and took his responsibilities sincerely. Our problems started when my father in law passed away 3 years ago. Before his death he manipulated the documents without our knowledge and gave half of the property to my youngest brother in law. Now my brother in law claims my husband's property. Kindly tell me what all crimes were committed and guide me in the light of hadiths and Qur'an. Thank you

2. Zakah for Emergency Travel:

As-Salam `Alaykum, My friend's mother had died in a tragic accident in another country when she went on a holiday. His father and siblings had rushed to that country. However, he could not go there since he didn't have enough money to travel. One brother helped him with some money from his Zakah since he wanted badly to be with the family and to see his mother's grave (qabr) and say Salam to her personally. Is he

eligible for Zakah under 'ibn sabeel' category? I have seen a fatwa in the following link defining ibnsabeel: <http://www.islamqa.com/en/ref/35889>. Is it permissible to pay Zakah for a person in this situation? Jazakum Allah Khairan.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. In fact I cannot tell you anything. If what you say is correct, the property belongs to your husband and it is Haram for the brothers.

But I like to also think of it in another way after removing the strong words in your statement. The fact that your husband helped his father and for all these long years did not force putting the property in his own name means that he may be in fact giving it to his father, then the father acted in what he thought was in the best interest of his family by putting part of it in the name of the son who may have helped him more or needs a shelter more. It is really possible that your husband did not mind the father owning this property and the father then acted according to his own judgment at the time. Legally(according to Shari'ah) however the property is owned by those who hold its title unless it is proven, with clear cut evidence, that there was a fraud in the documents that transferred the title to the name that it carries. Shari'ah and common law, both cannot accept words of mouth for changing ownership to real estate properties.

2. In my opinion this person is not eligible for Zakah. The idea of Ibn alSabil does not apply here. Here we have a man who likes to travel because of his own desire.

Whatever is paid by the other brother cannot be counted out of the Zakah that is due on him.

Ibn al Sabil in our times applies on refugees and rescue efforts to take people out of disasters and war areas, it may also apply in countries that do not have credit cards on some travelers, and the like.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Shakeel

Sent: Saturday, January 15, 2011

Question: Umrah or Hajj with a student loan

As-salamu `Alaykum.

Is it permissible for a student to go for `Umrah or Hajj, with a student loan, which he intends to pay, in full, within the grace period, without any interest, after completing his college?

Jazaka Allah Khair.

My Answer:

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If his intention to pay the student loan within the grace period is coupled with his real ability to do so I find no reason why not using the student loan for Hajj or any other purpose.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Essam

Sent: Saturday, January 15, 2011

Location:

Question: Hajj with borrowed money and going for Hajj while under debt

Assalamu Alaykum & hoping that my mail reaches you in the best of Iman. I pray also Allah SWT gives you the patience to bear with my stress.

My inquiries goes this way:

1. Please what is the position of the Hajj of the person who borrow money to pay the fares of the pilgrimage?
2. Is it true that once one owes a debt, he cannot go to Hajj until he pays down even if that debt has no linkage with his Hajj meaning he did not use the debt or part of it in anything that has to do with the hajj?
3. Sir, please what is Islamic ruling on hire purchase? I mean hire purchase as is been done in Nigeria where one party buys a car or an item and gives to a driver with a fixed agreement that the driver will pay double the amount of the Car or more and thereafter owns the car. If for any reason the driver could not meet up even if he has almost paid as agreed, the owner can then retrieve his item.

I will be grateful if you will help me with explanations on the above.

Wassalam!

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. It is permissible to go for Hajj on borrowed money provided that you know you can pay it back and you have a set plan to do so.

2. No, that is incorrect. The same rule applies. If you have means and plan to pay the debt, it is permissible to go for Hajj. But payment of a due debt has priority over going for Hajj especially if the debt is due for payment.

3. There are different ways of making the hire purchase. Some of them are permissible some are not depending on the conditions that are made in them. If the company that offers them is Islamic and has appropriate Shari'ah advisement for structuring the contract, its hire purchase agreement is permissible. All banks in Nigeria do not have Shari'ah permissible hire purchase, but there is a bank that is coming to open and there are finance companies that offer Halal hire purchase.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hassan

Sent: Monday, January 10, 2011

Location: United States

Question: Islamic Finance deferred-payment sale contract

Assalaamu Alaykum wa Rahmatullah Dr Kahf;

Please allow me to extend my gratitude for all the work you do for the benefit of all of us living in the United States. I have learned so much from reading the various Fatawa and articles on your website.

May Allah (swt) reward you all tremendously in this world and the hereafter.

I am fascinated by Islamic financing and how it compares to conventional financing.

I have a personal situation that I am hoping that you can assist me with as I am unable to find pertinent information about it.

I have been looking far and wide for an example of a Credit Sale (bai muaajal) contract (not Murabahah) but I have been unable to find one and so I came up with my own by cutting and pasting/modifying

What I believe to be the proper clauses from existing contracts.

I am in the process of selling a property I own. I do not have any loan on the property-I own it completely. The buyer is unable to pay me cash for the property and he does not want to go for a Riba based conventional loan so the buyer has asked me to finance the sale for him for 60 months. He is willing to pay me a small amount per month for 59 months and the balance (large amount) as the 60th payment. He has also agreed for me to increase the price in return for deferred payment.

I live in Texas and the laws are not favorable for an Ijarah wa Iqtina type transaction - the only way I can do this is by a credit sale (bai muajjal) where I will convey full ownership to the buyer and the property will be held as collateral for the money he owes me.

I have researched quite a lot on how to make the contract and I have come up with the following. I would very much appreciate it if you can go over this contract to see if it is Shari'ah compliant. I apologize for tasking you for such a great favor but I trust your input (The contract is not long).

If a particular section is not Shari'ah compliant, please point it out and possible solutions.

Again I thank you so very much and ask Allah (swt) to protect our scholars.

Hassan

Contract follows (attached as well):
REAL ESTATE FINANCING AGREEMENT
THIS AGREEMENT (the "Agreement") is made as of the 24th day of August, 20010, by and between:
(1) Seller. (herein known as Seller), as seller and
(2) Buyer (herein known as the "Purchaser"), as purchaser.
FOR GOOD AND VALUABLE CONSIDERATION, THE LEGAL SUFFICIENCY AND RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED AND AGREED, THE PARTIES HERETO AGREE AS FOLLOWS:
1. SALE OF PROPERTY
The Seller hereby agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller the residential property located at, together with the buildings and other improvements now or hereafter erected thereon, and together with all improvements, easements, appurtenances, fixtures, furnishings, equipment, rights, and privileges contained in, belonging to, or in any way pertaining or beneficial to said premises (the "Property"), whether or not attached to or to be attached to the land, buildings, or other improvements and whether or not specifically described or referred to herein. The Seller shall deliver to the Purchaser a deed conveying good title to the Property. The Seller agrees to give actual possession and occupancy of the Property to the Purchaser at the time of settlement hereunder.
2. PURCHASE PRICE and DOWN PAYMENT
Purchaser is unable to purchase Property for cash and has requested a deferred payment plan for a maximum of 60 months (Term) tendering an initial down payment of \$10,000 (Down Payment). Purchaser agrees to pay an additional sum (Profit/Interest) to the Seller for allowing payments to be made in installments. The amounts of the total Debt is as follows:

Cash Purchase Price	\$125,000.00
Purchaser's Down Payment	\$10,000.00
Original Owed Amount	\$115,000.00
Seller's profit/interest **	\$44,960.07
TOTAL DEBT	\$159,960.07

** Profit is calculated at a rate equivalent to an interest rate of 8.00% amortized over 360 months for the Term of this Agreement (60 months) with a balloon payment due at the end of the Term.
3. ACKNOWLEDGEMENT OF INDEBTEDNESS AND SECURITY INTEREST
Purchaser acknowledges that the above Debt is owed and unconditionally promises to

pay this Debt to the order of the Seller on or before September 1st 2015 (Maturity Date). In consideration of the agreement of the Seller to sell the Property to the Purchaser, the Purchaser agrees that it will execute and deliver a first Trust Deed and security agreement ("Deed of Trust"), in form and substance satisfactory to the Seller, in favor of the Seller as Beneficiary, granting the Seller a security interest in the Property, securing the payment of the total purchase price for the Property due hereunder and Purchaser's performance of its other covenants, agreements, and obligations hereunder. Unless otherwise agreed in writing by the Seller and the Purchaser, the Deed of Trust shall be executed immediately after the execution of this Agreement and delivery of the warranty deed by the Seller to the Purchaser as provided hereunder. The Deed of Trust, together with any and all other documents executed from time to time as security for Purchaser's covenants, agreements, and obligations hereunder, are together herein referred to as the "Financing Documents".

4. TERM

The term of this Agreement is from the date of signature until the Debt has been repaid to the Seller in full but in no event later than the Maturity Date.

5. PAYMENTS

The Debt shall be paid by Purchaser to Seller in 59 equal monthly payments of \$843.83 along with the payment for insurance and real estate taxes. A final payment of 110,174.10 is due on the 60th payment.

Payment is due on the first day of each month beginning on October 1st 2010 and continuing until the Debt is paid in full but in no event later than the Maturity Date. Purchaser shall make all payments due under this Agreement in the form of cash, check or money order. The Purchaser shall make the monthly payments at

PAYMENT ADDRESS

6. BALLOON PAYMENT

Purchaser acknowledges that there is a balloon payment due with this Agreement. The balloon payment totaling \$110,174.10 is due in full on the Maturity Date.

7. LATE CHARGE

If the Seller has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, the Purchaser shall pay a \$25.00 administrative charge to the Seller for actual time and expected costs of processing each late payment, subject to applicable law. The Purchaser shall pay this late charge promptly but only once on each late payment. Seller does not intend to profit from this late payment fee. Any amount of this late payment fee not used by the Seller in its effort to collect said monthly payment shall be donated to a charity of the Seller's choice.

8. EARLY PAYMENT

Purchaser may pay off a portion or all of the Debt at any time without penalty. All prepayments will be deducted from the final amount due under this agreement and will not reduce the amount of any specified monthly payment. When the Purchaser makes a Prepayment, the Purchaser shall tell the Seller in writing that the Purchaser is doing so. The Purchaser may not designate a payment as a Prepayment if the Purchaser has not made all the prior monthly payments due under this Agreement. Seller reserves the right to discount the debt in the event of full or partial prepayment.

9. DEFAULT

In the event that Purchaser fails to comply with the terms of this agreement and the Deed of Trust, the Seller may declare the Purchaser in default. In the event the Seller declares the Purchaser in default, the Seller may declare the entire balance of the Debt due and payable in accordance with the terms of the Deed of trust along with any costs and fees, including attorneys' fees and court costs, incurred in recovering the Debt. Seller may also exercise all of Seller's rights and remedies under the Deed of Trust.

Alternatively, Seller may seek to recover the Original Purchase Price plus an amount of profit due at the rate provided for calculating the profit listed in listed in paragraph (2), any costs incurred under this agreement, and any collection costs including attorneys' fees and court costs minus payments already made to Seller by Buyer.

10. ASSIGNMENT; TRANSFER;

The Purchaser agrees that it will not assign or transfer to any party all or any of its rights or obligations under this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first above written.

Signatures

Dear Dr Kahf;

I thank you so very much for your prompt reply. It is much appreciated.

I wish I could consult with you face to face regarding this - as that would be a more effective medium. I wonder if you would allow me to do so - perhaps a phone consultation would suffice. Please include your phone number if you are so inclined.

Some comments:

The contract is indeed brief and as you indicated, not sophisticated. I purposefully left out Deed of Trust and protection related issues as they were not Shari'ah related (from a financing point of view) and I wanted to give you the least trouble as I could. In fact, most of the clauses were copied directly from Devon Bank's Murabahah Contract (attached for your perusal) as Devon Bank's Murabahah contract is looked upon favorably by most scholars. I hope I am not doing anything illegal or un-Islamic in copying but I don't have much choice at this time.

One of the reasons I stated the cash price and worked off of that is that I am thinking of pursuing this as a business and would most likely be selling to non-Muslims as well. I would need to show them how

I arrived at the fixed (increased) final price (\$169,960.07). They would need to know what 'rate of interest' they are paying for the deferred payment plan. I modeled this clause similar to Devon Bank's contract.

How do you propose I write clause 2 to show the buyer how I arrive at the final price considering the above?

Please have a look at Devon Bank's contract and do assist me with the compilation of this clause (2) in particular.

Thank you so very much.

JazakAllahu Khairan

Hassan

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hassan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't like this contract for two main reasons: it does not seem sophisticated sufficiently to protect your rights, both of you. I suggest that you should start from a formal sale and deed of trust conditions, it is about 15 pages and there are forms that lawyers have and forms sold on internet. Then make changes to make it Shari'ah compliant.

The second reason is its Shari'ah clauses are not tight. You have to make up your mind from the beginning on installment sale or lease. In sale there is no change of price later on and in lease you may make in the contract itself many anticipated variations and options.

You cannot include in the contract any reference to two prices. It must be one price of a sale.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Fareed

Sent: Tuesday, January 04, 2011

Location:

Question: Diminishing Musharakah in arrears

Salaams Br. Monzer,

Hope all is well with you and your family.

Let me take this opportunity to wish you and yours all the best for the New Year 2011.

May Allah (swt) make it easy for you and yours to achieve your goals and aspiration.

I wish to request your assistance on how to calculate arrears in diminishing Musharakah especially if you have foreclosed on an account.

Thanking you most kindly

Your brother in Islam

Fareed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fareed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't understand your question, please give details with example.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Tuesday, January 04, 2011

Question: Istisna' Ownership

Assalaamu Alaykum Dr. Kahf;

I pray that all is well with you and the family InShaAllah.

I've been conducting some research on the Istisna' construction financing particularly as practiced by Islamic Banks.

Since Istisna is a sale contract with future delivery, how does the aspect of ownership work? Especially in the scenario of a construction developer who owns land is and is looking to build a building? There are a couple of scenarios I can think of:

a- The ownership of the land and the construction development is with the IFI until completion and then transferred over to the buyer. Or

b- The ownership of the land and the construction development is with the buyer throughout the construction process.

In case of (a), what rights would a buyer have? Especially considering they owned the land and now it's in the ownership of the IFI.

Jazaka ALLAH Khayr ya Shaykh.

FiAmanALLAH.

Rauf

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If Istisna finance is for construction on a land owned by the beneficiary there MUST be an agreement between the two parties (a clause in the contract) allowing the IFI to build on this land and SEPARATING ownership of land from ownership of building. This is permissible by mutual agreement both in Shari'ah and in English law. This clause is necessary because the IFI has to own the construction it contract the contractor to build on the land and only by virtue of this ownership it can sell it on Istisna and make delivery when completed. The same may also be applied on financing renovation on a building. Please remember the rule in Islamic finance: in order to earn you have to own. Islamic finance is asset based.

If the land is owned by a developer the finance on Istisna can be to the developer as mentioned. If we want to finance the client (purchaser of property from developer) the same applies on the first Istisna (to construct the building, this is between contractor and IFI) the second Istisna is OK but in it the right of the purchase is only with the IFI and has no right on the property except when the contract is delivered on stages then each delivered stage will be owned by the client and recorded in his name if the laws allow it otherwise change of title will be only upon final completion.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2010

From: Ibrahim
Sent: Friday, November 26, 2010
Question: Using pirated software

Hello Dr. Kahf,

I have been searching for an answer to this for a long time now, I already know piracy is haram and I have stopped it several months ago, but I am required to use Microsoft office and other products for my education, I do not want to buy them because I would be supporting Israel is Microsoft is a supporter of Israel, so I want to know, is it permissible for me to use a pirated version of their software instead of buying it & in turn support Israel?

Thank you & may Allah reward you

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ibrahim

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The info you have is inaccurate, these companies are not on the list of the Arab boycott Board that is a part of the Arab League and located in Damascus. They are not Israeli companies either. If you need their programs, you can buy them without hesitation. Besides, if they are on the boycott list still piracy is not permissible. You can boycott them but not pirate them.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Assalamu Alaykum , I am sorry for repeating but I wanted to say , some copy rights are different than others , some allow copying for personal use and not making any profit from the copy , does that mean I can get a pirated version and use it without making any profit from it if the copyrights say what I've said earlier?

Thank you, Jazaka Allahu Khair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br Ibrahim

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is of course permissible to download from companies that permit it for personal use even if you use it in your business for profit making or in your study, but buying it from pirates is different because these pirates have not gotten it for personal use.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Raffick

Sent: Thursday, October 28, 2010

Location: Mauritius

Question: Hajj Savings Account and Fixed Term Deposit Account

Dear Br. Dr. Monzer

Assalamoualaikum wa Rahmatullah wa Barakatuh

Wish that my mail reaches you and the family in sound health by the Grace of Allah. On our side things are not so good, Amiirah was sick and Alhamdulillah she is improving.

I would like to inform you that I will be acting as a speaker in S. Africa at the International conference on Islamic Banking & Finance on 14 & 15th April 2010, at Johannesburg.

My topic will be - Islamic Financial Cooperatives - Case study of Al Barakah Coop in Mauritius. Br. Rajack Jugoo is also acting as speaker. Doa for us.

I am also pleased to inform that our Hajj Savings Account and Fixed Term Deposit Account has also been approved by the Registrar of Cooperatives. Alhamdulillah. We are now left with the Social Takaful Fund which I will work when back, Insha Allah.

Best Regards

Wasalaam

Br. Raffick

My Answer:

Dear Br. RAFFICK

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thanks for the email and I hope that Amiirah would very well by the time you get this email. We are fine on our side.

I hope that this international exposure will give you more strength and the Al Barakah more progress, glad to hear about the Hajj saving and other improvement, this is really great Alhamdu Lillahi.

Best Regards,

Wassalam

Monzer Kahf

Dear Br. Dr. Monzer

Assalamoualaikum wa Rahmatullah wa Barakatuh

Thanks for replying and Alhamdulillah everything correct. Amiirah will be sitting for her HSC exams and she will be having her first paper -Islamic Studies tomorrow 11/10/10 Insha Allah. Pray for her.

Your reply is another source of encouragement and motivation for all of us at Al Barakah. Alhamdulillah, we are progressing. We launched our Hajj Savings Account during Ramadan and we are now marketing it. Insha Allah it will be a success.

I got a question from a member about Zakah on our reserves - At Al Barakah we have a statutory reserve where it is mandatory to transfer about a minimum of 10 % of the profits (when profits are made) on each accounting year. Is that Statutory Reserve or any other reserve such as profit equalization reserve Zakatable.?

Will you please consider the following - We met Br. Dr. Ashraf Dusuki of ISRA in South Africa conference and following our presentation about Al Barakah, conversation and communication he is interested and ready to help us in Shari'ah matters along with you. As you are our Shari'ah advisor, we would like to have your advice before any decision at board level. Jazaka Allah.

Best Regards

Wasalaam

Br. Raffick

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Raffick

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I am glad to hear the good news about the coop and about our dear daughter Amiirah. For Zakah on reserve: it is a very valid question> let us first determine who owns in finality these reserves. If in case of dissolving the coop and after settling all its liabilities, these reserves are to be distributed to members, then you should inform members each year of the amount of these reserves per share, calculate the amount of Zakah on this share and tell them that they are required to pay Zakah on their own because it is a personal worship.

If the net amount in case of liquidation is not going for distribution to members but to charity or any other public use, there is no Zakah on them. Corporations and institutions may have to pay Zakah sometimes but only as delegated by their members directly or by law.

For Br. Dr. Ashraf, of course I don't mind if he likes to share this honor of helping our brothers and sisters in Mauritius.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Dear Br. Dr. Monzer

Assalamoualaikum wa Rahmatullah wa Barakatuh

Jazaka Allah for the reply on reserves and Br. Ashraf Dusuki and about Amiirah.

I have the pleasure to inform you that I have been invited as speaker by Al Huda CIBE at the 4th International Conference on Islamic Banking & Takaful on the 2nd November 2010 at Lahore, Pakistan. My topic will be: Islamic Financial Cooperatives to meet the financial needs of the community. Br. Rajack and Br. Mustakeem another will accompany me. Al Huda is planning to organize a conference on Islamic Banking in Mauritius on the 22 & 23 November 2010.

I am requesting if you would share from your vast knowledge and experience any ideas/concept about coop or Islamic finance in general which can be implemented in coop.

Jazaka Allah for sharing and advising.

Best Regards

Wasalaam

Br. Raffick

My Answer:

Dear Br. Raffick

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is always a pleasure to hear your good news.

Please give my Salam and Duaa to our beloved daughter Amiirah. I received her email but very busy these days that I answer urgent emails first.

I suggest that you should prepare a package to help the very poor reach certain level of sustainability. This is Micro-finance. Make a pilot project for reaching some very poor Muslims to offer them finance that may make them producers, like sewing machines or selling fruits. Think of such a project of this kind and take it as a pilot. Initial Membership fees requirement can be managed through a donation from any member.

Best Regards,

Wassalam

Monzer Kahf

From: Tarek

Sent: Tuesday, October 19, 2010

Question: Stopping the Adahi (Qurbani/sacrificial animals) during crises

Assalamo Alaykum Dr. Monzer

Hope all is well InShaAllah

We look forward to meeting you during your visit to Cairo next month InShaAllah

The date suggested for a visit and lecture/seminar at Onislam is Sunday 14 November, as this will be the last day before the public holiday here

Would this be convenient for you InShaAllah?

Yesterday, we published at our Arabic web site this news item from Turkey:

<http://www.onislam.net/arabic/newsanalysis/newsreports/islamic-world/126041-2010-10-18-12-57-47.html>

صرح مؤرخ غلي برداق أوغلو، رئيس الشؤون الاقتصادية في تركيا، أنه سيصدر فتوى بفتح الأبواب لهذا عافي حل استمرار أزمة الحج والعمرة في قباله.

وقال في حديث لى صخبة "حريات" اليومي في تلاميذ قشرت طاسبت 2010-10-16 :- "اذلثبت لتفق ديم الضاحي في هذا العيد سري هددال ثروة لاجوري في الال دفنل مقديجيز عدم نباح الضاحي الش مرال قبل".

Could we publish on the English an economic fatwa from you on this topic?

This is the question:

It has come to our knowledge that the Head of Religious Affairs in Turkey has recently declared that in view of the increasing prices of meat and the reduced supply of livestock, if it is confirmed by experts that the country's livestock will be affected by the normal level of udhiyah this year, he may allow Muslims not to slaughter sacrifices during the next Eid Al-Adha

From an economic perspective, would this be a sound ruling?

And from a Fiqh perspective, how should Muslims balance between their individual obligation to sacrifice an udhiyah during Eid Al-Adha, and the public interest of preserving the national livestock from depletion or extinction?

Jazakum Allah Khairan

Looking forward to hearing from you and meeting you soon InShaAllah

All the best, Wassalam Alaykum

Tarek

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tarek

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

My answer to this question is YES. It is permissible to order delay of the adahy in case of shortage of livestock and fear of a serious damage to the future of them in a country. This is of course provided experts determine this and find it the only way to avoid a possible disaster is to reduce the big quantity of Adahi in the Season of Eid al Adha. Experts may be Muslim or not but the decision should be taken by Scholars who are qualified to give Fatwa in this subject.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharif

Sent: Monday, September 27, 2010

Question: Electronic cigarettes

Dear Brother in Islam,

As salaam Alaykum,

Sorry to ask you this question, but I don't know whom to ask.

There is new invention of electronic cigarette which is helpful in quitting smoking as it only contains nicotine, but the liquid in the cartridge also contains 5% alcohol as well which provides the vapors or the liquid content? Is it allowed to smoke electronic

cigarette? Like this as there is alcohol in that but helping the body to avoid the other harmful effects of normal cigarette? Please advise us

jazakallah Khair

Sharif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sharif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

My argument is that smoking such a devise is as prohibited as smoking cigarettes. You don't cure a harm with another harm.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ahmad

Sent: Sunday, September 19, 2010

Question: Buying/selling books

Assalamu Alaykum Brother Monzer,

I have a small question regarding buying/selling. If a person A buys a textbook in a foreign country from a publisher X (in a legal fashion), and then resells the same textbook to another person B in another country, is that a halal transaction? Does the publisher's opinion have any role in this transaction?

This is assuming there is no agreement in the initial purchase with the publisher and person A regarding reselling the textbook.

Thank you,

Ahmad

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Except when there is a good reason for making a restriction on the buyer (such as the franchise agreements and the conflict of different-areas Sale Agencies), any restriction on the buyer is not valid in Shari'ah because it amounts to reducing the authority of an owner over owned properties. Accordingly the sale of a book in another country is permissible unless it is put in the original contract and justified by a valid reason similar to what is mentioned earlier.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Assalamu Alaykum Brother Monzer,

JazakAllah Khairan for your reply. My apologies, but I have another question to follow up on the previous one if it's possible.

To elaborate further, the case I am referring to is the importation/exportation of international textbooks. The publisher currently sells two versions of a certain textbook: An international version for outside US & Canada and a version for US & Canada. Both books have the same content however one (US & Canada) is much more expensive than the other (international).

The publisher has placed a restriction on exporting the international edition book to other countries. If a person in the country that is outside US & Canada, buys the book in a legal manner from the publisher in that country, and then exports it to US & Canada, then is that a violation of a "contract" or does that go under the right of ownership of the buyer (to freely sell the book) ?

The publisher states that "exportation or importation of the textbook to another region and without the publisher's authorization is a violation of the publisher's rights". In Shari'ah terms, how does all of this translate?

My apologies again for the follow up question.

JazakAllah Khairan,

Ahmad

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I am not so clear about this matter, I have mixed considerations. I have a feeling that this kind of practice is only monopolistic and Shari'ah does not support monopolies. On the other hand, there is also the consideration of helping the poor in pricing. It is permissible in Shari'ah to give a lower price to the poor and then normal price to the rich. Can this country-wise price differentiation be within this line of thinking? Add to it that the owner of publication write has the privilege to decide on this price differentiation. Of course the intellectual property rights are respected in Shari'ah within the limits of no tolerance of monopolistic practices.

I would suggest, not as a Fatwa, to abide by this condition of no re-export of books with price differentiation at least in order to avoid legal complications and in consideration of the better aspect of it that is, making these books available to the poor at affordable prices.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Wael
Sent: Saturday, August 21, 2010
Location: Egypt

Question: Reduction of the amount of loan

لسالمة عليكم ورحمة اللوبركم
فضيلة الفتور في ذر، كل عام ولهم والأسرق فجر، جل كفي أحسن حل وقرب من اللتغلى، ورضاء كريم..
لتورن اللغلي يري د نكم المساعدي الإجابة على سؤال التلي الذي يتبطن أخين كرهين كان اي ع الن مع
بالحب إسالم أون لاين بالقاهرة، الل سؤالكم لي:
أنا لذي أ. اللطغ من المال وحيث أنه كان قترض من الشركة (قترض احسن) — من ثم لا يجره أن يأخذ
قرضا أخري في وقت فطلب من لذي ب أن يقترض من الشركة فيقوم لذي ب بتبني لقساطه
الشهية، ولطغ لو افق بوظل بقرضا من اللمس سبقا سمه قرضا من اللرب — وصر ف باللطغ وأعطاه
ل اللقيضي حاجب هذا مال، وصارت الأمور كالمعتاد لذي ب ليس بذلك شمر القسط لذي ب
لذي ب بل للؤمس سة بماشرة أوي عطيه للذي ب بليس دد مبنس ه، وحدث أمر لذي ب أن يبيع له، وهو أن اللؤمس سة
من مقررنتتس ربح العام لذي ب أسقطت بطغ 300 دولار عن كل قترض، من ثم أسقط هذا اللطغ من إجمل لذي ب
الذي ب قترضه لذي ب ب لي عطيه للذي ب أ، الل سؤال الآن:
من يفتي ب هذا اللطغ الذي أسقط من إجمل لذي ب القرض ف لذي ب لذي ب ولا القلة ب ما
أسقط من القرض؟ أي حق للذي ب أ أن يفتي ب من هذه الفسخ فيسدد القرض بخصه لذي ب الذي أسقطه اللؤمس سة؟
أرجو أن تساعدني الإجابة على هذا السؤال..
لللكم
وطك ش هاب

My Answer:

Bismillah al Rahman al Rahim
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa
ala Aalihi wa Sahbihi Ajma'in
Dear Br. Wael
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh
I think this 300 is a reduction from the loan on the real debtor of it who is the person A.
this 300 is a help to reduce the debt not a bonus to employees as it is not given to
everyone. It is not even Shahamah for B to ask for it or feel that he deserves it. He was
not going to take a loan and he only took it to help his brother.
Wa Allahu A'lam
Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

From: Shaikh Hosni
Sent: Wednesday, August 18, 2010
Location: Aachen, Germany

Question: Fajr and Isha time

Assalamu Alaykum wa Rahmatu Allah wa Barakatuh beloved Shaikh Dr. Kahf
Let me start by wishing you, your family, your beloved ones and all or Ummah a
Ramadan Mubarak.

1. Your assistance in the following matter is highly appreciated.

When it comes to the determination of Fajr and Isha prayer, which angle should be adopted 15, 17 or 18 degrees or more or less.

To the best of my knowledge ISNA has introduced and adopt the 15 degrees angle for both Fajr and Isha prayer but I came to know recently that it is now adopting the 18 degrees angle for both prayers. This change, if confirmed, has created some confusion within our community. I already contacted ISNA Fiqh council but I did not get a reply.

I would appreciate if you can shed some light on this issue.

2. Insha Allah in the next days I will update you with my meeting with Priscilla from ACU
My warm Salam

Shaikh Hosni

My Answer:

As-salaamu Alaykum & Ramadan Mubarak,
Following is an advisory regarding Imsak times.

Ramadan Advisory

It was reported at the last general body meeting (in San Diego) that some Ramadan time tables in circulation in some Masajid reflect different Imsak time with a difference of up to 20 minutes. And therefore it was suggested that Shura Council should coordinate with Fiqh Council and recommend a standardized Imsak schedule to avoid confusion. We are therefore pleased to share the following and suggest you share this with your communities as you deem fit.

The Fiqh council of North America recommends the use of 18 degrees as the correct criteria for Imsak. The late Imsak time is a result of calculation that considers the angle below the horizon 15 degrees for the dawn time vs. 18 degrees that is adopted by the majority of experts.

We suggest Masajid and Islamic Centers to disseminate this information in order to avoid confusion.

They now adopted the 18 degrees for Fajr in the Fiqh council and Shura council here..

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Dear br. Dr. Kahf

Wa Alaykum Assalamu wa Rahmatu Allah wa Barakatuh

1. I am not sure how to thank you for the invaluable information you provide me. Al-Hamdu Lillahi I changed the Ramadan schedule (from 15 to 18 degrees) just one day before the start of Ramadan and the overall reaction of the community was positive.

2. Attached is a comprehensive paper about the timing of the prayer presented during the second Emirates Astronomical Conference. I received this paper directly from its author. What I like most about this paper is the objective review/critic to the certain studies (including that of Khaled Shauket) pertaining to this matter.

3. I am working on the annual prayer time and your urgent assistance is always highly appreciated.

A) The latitude of Winnipeg is 49 degrees and 54 min. This means, there will be a period of time during the month of June and July when the sun cannot be 18 or 17 degrees below the horizon.

B) Further, when the days become long in May and part of August, Isha prayer is too late, it goes after midnight and in certain days after 1:00 am. This occurs whether we follow the 18 or 17 degrees.

Here in Winnipeg the latest time for Maghreb is 9:42. I am planning to fix Isha prayer to 11:15 during both periods. This means, when the Shafaq does not disappear and when the days are too long (part of May and part of August) there will be a MINIMUM of 90 difference between Maghreb and Isha.

My question is to know if you support/accept the original fatwa of Shaikh Mustapha al-Zarka to set a 90 min limit between Maghreb and Isha prayer when the days are too long? If not what is your take on this matter.

Salam

Hosni

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shaikh Hosni

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You came to the expert on this matter. Don't be surprised if I tell you I am the one who made the 15 degree and it is wrong!

Around 1976 a prof. of Mathematics in Troy, N Y approached us in MSA (before ISNA was born) and I wa its Director of Finance, with a proposal to calculate and publish prayers time for cities in America. He came with several testimonies from some Shuukh in Pakistan that 15 degree gives the exact time of Fajr and Isha. We were convinced and we publish (or rather I did because I was the person in charge of this project and we added to the book an article on direction of Qiblah and some maps about Qiblah direction that are in fact unique drawn by one of our sister artist whose name was Mrs. Zinat Sharif). In Early 1981 the issue was discussed by the Fiqh Academy of Muslim world league in Makkah and several papers were presented that indicate that the correct time is about the 18 degree. The book was never republished, I was not in ISNA (that was born by that time).

In the new century, one of our brother who is a scholar in this area runs moonsighting.com and he gives argument that affect the calculation of the 18 degree. Basically, the Shafaq is affected not only by how far the sun is deep below horizon but also by the day of the year (I.e., the angle of the earth on its orbit) and by the latitude (how far are you from the equator). I am generally convinced by his argument and I agree with his calculation that you can ask him for it by emailing him email@moonsighting.com.

In brief:

1. Islamic finder is guilty and awfully wrong in luring Muslims in North America to the wrong 15 degree, they were claiming it is ISNA position and then they removed

ISNA name but kept North America under the wrong. I wrote them twice and they are not correcting, they created this confusion and they insist on it with no authority at all and no argument. They cause many Muslims in North America to break their fast and be required to repeat fasting because the difference is about 20 minutes.

2. 18 is much closer to the correct.

3. I agree with the view of Khaled Shaukat in general and see it closer to be the best.

My Answer:

Dear Br. Shaikh Hosni

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I haven't done any study on this issue for a long time, knowing that it is kind of settled by good experts.

I really like to refer you to the expert, Dr. Mohammad Hawari, who is in Germany and he is the main person who deals with this matter in the European Fatwa Council.

Please Dr. Abu Mahmoud, Ramadan Mubarak to you and the family. Kindly help my dear brother answering his questions below.

Best Regards,

Wassalam

Monzer Kahf

Dear Brother Monzer

Assalamu Alaykum warahmatullahi wabarakatuhu

Ramadan Mubarak

Please refer to the decision of Fiqh Council in Makkah

Best regards

Prof. Dr. Mohammad Hawari

From: Fawad

Sent: Saturday, August 07, 2010

Question: Copyright policies of some companies

Dear Dr. Monzer,

Assalamu o Alaykum Wa Rahmatullah,

I hope you are doing well by the grace of Almighty.

I have a question concerning copyright policies of some companies and what should be our approach as a Muslim and as general consumers.

A lot of organizations and specially software companies have very weird copyright policies designed to maximize their profits without considering general consumers. I happen to run across few of those and it makes me wonder how much we are supposed to follow their policies. For example, I purchased an online IT training course for me and my wife, this course allows subscriber to watch online lectures and read online documents, I spent \$300 on it. Now if I read the copyright policy of the company it says the purchase is for single user only. According to their terms I cannot allow my wife to read document and listen to the lecture and I should spend another \$300 to buy the same thing again. How ridiculous is this? Of course, they want to draw as much profit as possible. It is like purchasing a book and keeping it to yourself for the rest of life.

I don't think anybody cares about these absurd rules but I guess my questions is how much are we supposed to follow these human made rules, and if we don't, is there any sin on us.

Same thing goes for big companies like Microsoft etc. when they make software the price is so high that people living in third world countries with little means to survive can never afford to purchase original software. I hope and pray they will not be held accountable for this as they don't have means to obey these corporate policies.

Jazaka Allah, Salam

Fawad

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fawad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I agree with you about the seriousness of this matter. Laws of monopoly do not protect small consumers.

In Shari'ah, while intellectual property, including copyrights is very much protected monopoly is prohibited and in such cases the government must interfere and set prices that are fair to both. This is not the case in the monopolies of new products in America and this is a serious matter.

My opinion: until a solution is found by laws, I should say it is permissible to violate the copy right for personal use but not to make money. However in countries that do not apply the rules of corporate America, if the law allows I don't find any sin in violating the copy right that the land law does not protect.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Corporate Social Responsibility

From: Muniruddin

Sent: Tuesday, July 27, 2010

Question: Corporate Social Responsibility and Zakah

Dear Sheik Monzer Kahf,

Assalamualaikum Warahamatullahi Wa Barakatuh

I trust that you and the family are in the best health and happiness by the Grace of Allah.

I have written a short article to explain both Zakah & CSR. After referring to a number of articles including yours papers.

This year, every company is mandated to pay 2% on their book profits as CSR Fund (Corporate Social Responsibility), which will be channeled to organize socio-economic programme in Mauritius. Some Islamic Associations are authorized to collect these fund.

The problem: A number of businessmen paid to these organizations, and mention the following: This is my Zakah fund, and I want you to give a receipt and consider this as CSR Fund. I learnt from another businessman that the organization is encouraging them to do this as well on the basis they have nothing to do with the person action.

First, I would seek your opinion on the above.

The article will be published in local paper. The article is an attempt to explain and indirectly make an appeal to the local government to consider the deduction of Zakah from CSR?

Jazaka Allah Khair,

ZAKAH & CSR explained!

Can one consider Zakah as CSR Fund or vice versa? This is an interesting and somewhat puzzling debate that many Muslim businessmen are engaged in today. To start with, Zakah is one of the five pillars of Islam and a compulsory levy on wealth and income, once they exceed a certain amount termed Nisab (the minimum amount liable to Zakah). It is therefore considered as one of the acts of worship in Islam which has economic and social ramifications.

There is a clear distinction between Zakah, tax (including income tax) and Corporate Social Responsibility Fund (CSR). Tax is based on a contractual relationship between a state and an individual or a company, whereby taxes are paid in exchange for services provided by the state such as security and other public services. CSR on the other hand, is a mandatory policy for Companies to pay 2% of their book profits towards programmes aimed at the social and environmental development of the country.

However, one of the common misconceptions is today that Zakah is charity. Charity is a voluntary act while according to the Qur'an Zakah is a right of the poor on the wealth and income of the rich. It is not a charged income as is the case for tax, but a purification exercise of one's wealth as a religious duty and obligation.

It is worth noting that the payment of tax does not discharge one of the duty to pay Zakah. In some jurisdiction such as Malaysia, the amount paid as Zakah is deductible from income tax. This creates equality between Muslim Zakah and income tax payer and non-Muslim income tax payer. Of Zakah can be claimed as a tax deductible expense. In Saudi Arabia, non-Saudi corporations are subject to in addition to the corporate income tax at a rate of 20%, while all Saudi companies are subject to Zakah only at the rate of 2.5% of their equity. The argument whether the argument whether Zakah amount paid to authorized non-profit organizations should be deducted from taxes is based on the principle of justice that requires the state to treat all its citizen evenly. Can be substituted for Zakah is mainly discussed in an Islamic state and where the Muslim government is justly or unjustly collecting taxes.

As regards CSR, one may argue that it has some common goals with Zakah. However, distinction has to be made between Zakah & CSR since besides apparent similarities there are a number of differences between them?

The main distinctions are: first, one of Zakah's essential features is that the specific intention of fulfilling Zakah (an act of worship) is obedience to God. In Islam, one will eventually be judged according to his/her intention But the historical experience of Muslims since the time of the Prophet, pbuh, has been that it is always collected and

distributed to qualified recipients by the government while individuals are still required to distribute it on their own if the government does not undertake the collection and distribution of Zakah. Second, Zakah has its own specific class of recipients as defined by God. It includes eight categories; the poor, the needy, those employed to collect Zakah, those whose hearts are to be won, the captives who need to be liberated, those in debt, the wayfarer (e.g. a poor displaced person traveler or one seeking knowledge).

It clearly appears that Zakah has spiritual and ethical objectives in addition to its socio-economic aims. Therefore, although CSR program is aimed at improving socio-economic conditions it cannot be assumed that Zakah and CSR have the same objectives although they overlap when the funds is used to support the poor and needy.

There are several major issues that arise when considering the distinction between Zakah & CSR and whether CSR can be considered as a substitute to Zakah. Some of these issues are:

- Although it is common belief that the distribution of Zakah is only for Muslims, a number of Muslim jurists, including Sheikh Al-Qaradawi agree with the permissibility of giving Zakah to non-Muslims. Dr. Monzer Kahf, a prominent Muslim economist argues that the Qur'anic verse does not confine the category of poor and needy to Muslims. Hence, according to him Zakah may be given to Muslim as well as non-Muslim poor and needy, of course the severity of poverty and need would be a determining factor in priority of distribution.

- According to Muslim Scholar Ibn Khathir, Allah mentioned the expenditures of Zakah in this verse, starting with the Fuqara' (the poor) because they have more need than the other categories, since their need is pressing and precarious. Should the CSR program from Zakah fund be categorized in the same order if it is recognized by the government? It is worth noting here that seven of the eight categories mentioned include some form of poverty and need, the only exception from poverty is the salaries of workers who are hired on their merits not poverty and paid market rates. However this category is restricted to a maximum of one eighth of the distribution non-poor too.

- CSR is levied on 2% on book profits, whereas Zakah computation is essentially a percentage of wealth and saved or retained income with certain more details when it comes to livestock and agricultural produce. Differs from business to business. For business working capital, gold and cash, the rate is 2.5% per lunar year. For Agricultural produce, a 5% produce in case of irrigated land and a 10% of produce from rain fed land is charged as Zakah rate. Paragraph 24 of the Bank of Mauritius' Guideline for Institutions conducting Islamic Banking Business states that an Islamic Bank Institution shall disclose obligations towards the payment of Zakah as a business entity. Additionally, it shall disclose the Zakah obligations it is required to meet in pursuance of any authorization given to it in that respect by the shareholders or depositors. If an Islamic Financial Institution follows the Gregorian solar year, then this rate is uplifted by $365/354 \times 2.5\% = 2.5775\%$ per solar year. Most of the funds held by Islamic banks, including cash are subject to the Zakah due on trading assets.

The benefits and objectives of Zakah are not specifically mentioned in the Quran. It only states that the objective of taking Zakah out of wealth is purification and sanctification. Yet, the main objective of Zakah towards the achievement of socio-economic justice is

not disputed because it is apparent from the use of funds and categories of recipients as stated in the Quran. Although the last point above shows that the reaping benefits to the community are more than CSR contributions, but the argument of extending Zakah to socio-economic infrastructure through the CSR is a moot point. It is for approved Zakah Institutions to address this delicate issue. But to start with, the urgency of the local government to recognize Zakah paid to authorized Muslim organizations as a deduction from the CSR as a substitute or deduction to/from Zakah is the way forward.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muniruddin

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I made important changes to the article. Please look at them additions are red and deletions are green.

And I think that if the authorized Islamic organizations are permitted by law to restrict the use of fund to the poor and needy in accordance with the Islamic Fiqh, it is permissible to consider the payment of CSR to these organizations as Zakah, this way a business owned by a Muslim would be treated equally with one owned by a non-Muslim. It seems to me that the law is fair in this regard and maybe it is intended in a pluralistic society like Mauritius this is an excellently good step forward.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sharif

Sent: Saturday, July 24, 2010

Question: Can a Muslim Doctor sign cremation papers?

Dear brother in Islam,

Asalaam Alaykum,

We would like to know, that are we allowed to fill the cremation form as a doctor in Islam? Are we allowed to take the compensation given after filling cremation form?

jazakallah Khair

Sharif

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sharif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

A Muslim is not allowed to fill in or sign a cremation form for anyone. Cremation is an insult to human body that Allah made it respected. If course it is also not permissible to

receive money on such a prohibited act. It doesn't matter who is the deceased and what it his/her religion

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Asalaam Alaykum,

Jazakallah Khair for the quick answer. I have done few in the past & taken money what they have given. May Allah forgive me & never let me do this act again. Do I have to return their money or what shall I do with that money which I have already used without knowing it.?

Jazakallah Khair

Mohammed

My Answer

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I suggest that you should give the amounts you collected for these services to a Muslim charity and ask it to spend it on the poor and needy, it is Halal for them, but not for you.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Nadeem

Sent: Tuesday, June 22, 2010

Location: United States

Question: Education Trust Funds

Assalamu'alaikum Dr Kahf

I hope and pray you are well.

I was wondering what are the scholarly opinions on the permissibility of Educational Trust [ET] plans?

Specifically, we have a local state [government] trust plan - a contract you purchase from the state government. You pay today's tuition in full and in return receive 80-100% of the tuition [depends] when the child attends college in the future.

The ET does not allow you to choose how the guarantee is funded, but they tell you that they will invest in a mix of equity and bonds, progressively increasing in bonds towards the payout date, to meet the contract guarantee.

The question: Where does the ET stand Islamically?

Specifically on 2 fronts:

1. Is the ET a forward contract? If so, is it one of those that is allowed or not allowed?

2. Are we liable for how a contract is fulfilled? Or are we not liable for how the counter party goes about fulfilling its end of the contract? [In this case, the argument would be that we just purchased a guarantee/contract. It's the government's problem how they fund the contract, and in any case, we have no control over it].

The specific education trust I am referring to is the Michigan Education Trust (MET). Details are found on their website at:

<http://www.michigan.gov/setwithmet/0,1607,7-237-43437---,00.html>

The trust is administered by Michigan State government. You purchase a contract today for say \$50,000. In 15 years' time [for example], your child will be going to college. The MET will then pay you whatever the tuition costs are at that point in time. So you are pre-purchasing the undergraduate tuition costs. In the event the child does not go to college, or gets a full scholarship, the initial purchase price is refundable. The MET discloses in its annual report that it invests in mixture of stocks and bonds, and as the contract gets closer to the payout date, the portion of fixed income investment increases to 100%.

Is this sufficient detail? Your thoughts and response would be greatly appreciated

Jazakumullahu Khairan

Wassalam

Nadeem

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nadeem

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I tried to find on the Website what you pay and what you get, but it's not there.

It seems that amount you pay will be determined every year or period depending on the average tuition of different universities and on expected changes in the future.

As such, this seems an insurance contract in the full sense but with a state tax deduction because it is state run. My view is going to be based on my view of insurance. It is an exchange contract between you and the trust. It is none of your concerns what does the other party do with the money that you pay. Of course if Islamic insurance is available, it would not use funds in bonds and other interest based investments. But since it is an exchange contract, the obligation of the trust toward your child (and you) is not based on what they use the money for. I argue that under this view it is permissible to use this contract for Muslims in Michigan. Of course, the other view prohibits insurance all together except the Islamic one that is not available in America.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Maseer

Sent: Thursday, June 10, 2010

Location: USA

Question: Bankruptcy

Dear Professor Monzer:

Salam Alaykum. I have a question for you regarding bankruptcy. I have read a few of your replies to similar questions, but I think my situation is unique and warrants special consideration.

Please correct me if I am wrong or if I have missed any of your previous fatwas on the matter. From my readings of your previous replies, you seem to set the "ability to repay" as the criterion for bankruptcy being halal or haram. Also, you seem to make no distinction between secured and unsecured debts/loans. I am sure that you know better than I the difference between these two types of debts/loans.

My situation is as follows. I live in the USA. In the spring of 2008, I started trading in stocks as an alternative to putting my money in a Savings account and receiving interest on it. Unfortunately, through the summer of 2008, the stock market declined sharply, which led me to increase my investment in stocks as well as trade on margin (my broker's money) to attempt to recover from significant losses, until the market ultimately crashed in the fall of 2008 and I lost virtually all my savings as well as a large amount of my broker's money. I was left with demands for immediate repayment from my broker and I had no money to repay. At the same time, I was receiving offers from my credit cards for cash advances (unsecured loans/no collateral) for a promotional period of 6 months at very little to 0% interest rates. I decided to accept two of these offers and took cash advances from my credit cards to repay my broker, planning to pay back those loans from my salary and as the market recovered within the promotional period, without having to pay the very large interests afterward.

Unfortunately, things did not go as planned. I was a double casualty of the economic crisis: I lost my job two months later and the market did not recover. The promotional period for the cash advances ended in the spring of 2009 and I was left with large interests to pay. I had no other option but to keep making the required minimum payment to those credit cards every month, sometimes using loans from family members.

Now, I cannot make any more payments or ask for any more loans from family. However, I am not totally broke, I have a small piece of land back home that I had bought in installments and hoped to build a house upon, to start a life.

My question is as follows. Would it be halal for me to declare bankruptcy in the USA and just wrap everything up and go home? I have not been able to find a job in this country for more than a year in spite of my education and experience. US lawyers tell me that I can just flee the country and not pay anything back because a civil judgment in favor of those credit card companies cannot chase me overseas, or they can help me file for bankruptcy. The only other alternative to bankruptcy would be to sell my land overseas and pay those credit card companies for the UNSECURED debts. I have no assets in the USA.

The reason that I think that unsecured debt should be treated differently is that, had those debts been secured, say with my piece of land acting as collateral, then the interest rates would have been much lower, down from 32% to say 6%. However, the

interest rate is so high (32%) because without collateral, those credit card companies factor into their interest rates that a number of people default on their unsecured loans and the companies recover and still make profit from those who pay. It is unfortunate that I now fall into that group of people that are unable to repay, but I did not enter into these loans with my overseas piece of land as collateral in the first place. The only collateral that I entered those loan agreements with was my credit rating which was (and still is) "Stellar". I reiterate that, Alhamdulillah, I still have the ability to repay and God provides food on the table. However, am I required to sell my piece of land overseas and repay when that land or any other was not used as collateral, or would it be halal for me to declare bankruptcy? It pains me greatly that I would lose my credit rating by declaring bankruptcy, but it would pain me more to keep any money to which I am not entitled in a halal way, so I would really appreciate your input into this matter.

Kind Regards and Salam Alaykum,

Maseer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Maseer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I read your email more than once. My view is: you cannot correct a wrong by another wrong. Debts, secured and not secured must be paid by debtor as long as they are debt on him. I suggest that you must not flee your own doing and mistakes. Rather face them as a man. Negotiate with companies to accept payment of principal only (you complicated it by moving from one credit card to another, I suppose you transferred principal and interest and this became principal for the new card!). all companies accept payment of principal and drop the interest. The matter of collateral of not and the matter of 32% do not affect anything of your debt although what you said is correct. But the matter is: simply you took money from these creditors and used it for whatever you used it for. This money that you took is not yours, and must be paid back as long as you can, and you can do it as you said by selling your property and that will still leave you some amount to go by.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Dear Prof. Kahf:

Al-Salam Alaykum wa Rahmatullah wa Barakatuh.

Thank you very much for your time and response to my question, Jazakallahu Khairan. I appreciate your view on this matter, although I am having a hard time understanding it. I am not sure what my "own mistakes" were... Were they that I invested money in the stock market or that I took almost ~0% loans (for ~6 months) from the credit cards, or for losing my job and the market crashing due to the financial crisis? I am confused

because I abided by the rules of the US financial system, and according to those rules, several companies whose stocks I owned and traded declared bankruptcy and left me with nothing. This has cost me all of my savings, and now according to this fatwa, I cannot do the same and declare bankruptcy. Credit card companies factor in that a percentage of the debtors will either default or declare bankruptcy and hence their very high interest rates. On the other hand, I had no capacity for companies whose stocks I owned declaring bankruptcy on me. Maybe this was my mistake, but according to the rules of the US financial system, my only option is to also declare bankruptcy -- confusing!

On a different note, my cousin, also in the USA and also lost his job in 2009, is now faced with mortgage payments that he cannot meet. He has put the house on the market for almost a year and it has not been sold, and is now worth a lot less than the loan that he owes to the bank. Is it Halal for him to let the bank foreclose on the house, even if the house is worth than the outstanding loan?

Thanks again and Kind regards,

Maseer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Maseer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Your mistakes are: speculating stocks, trading on margin, borrowing funds from credit cards, are there anymore ruining mistakes than these? You told me that you kept transferring funds from one credit card to another, don't older cards charge interest? You also told me that you have a land that covers your debts, how would you then declare bankruptcy and you are not broke? Of course losing your job is according to what you said not your mistake. Have you played only for investment purpose (by definition longer term) not speculation that you called it (like what many others do) "trading stocks" and only with your own money with no leverage, no margin and no credit cards money, your loss would have been much contained. If there are persons and companies who declare bankruptcy with false pretends and false accounts, does that give us a permit to do the same?

For your cousin, if he cannot pay, under his present situation, for the mortgage, let the bank foreclose then and this is a case that is repeated a million time in America these days. Many houses are worth less than the amount of their loans. House loans are restricted to the house itself and cannot go beyond it. Of course if he can pay from whatever sources he may have he should continue payment even though the value of the house is below the amount of the loan. Again everyone is required to stand like a man for whatever one does. He bought at a high price and he owns the house and the house lost value, should that be charged to any other person?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Tuesday, June 09, 2009

Location:

Question: Carbon emissions trading

Assalaamu Alaykum WRB Sh. Monzer:

Insha'Allah Ta'ala all is well with you and the family.

Shaykh, what is your opinion on trading carbon emissions? Or as they say 'carbon trading.' Effectively companies/countries/individuals can 'sell' their right to emit greenhouse gases (GHG, in this case CO2) which is their 'carbon footprint'. And whoever wants to emit, can purchase this right from the seller.

It is my understanding that currently there is no centralized exchange to regulate this market. But soon I think there will be an exchange, with futures, options, and all sorts of derivatives coming.

Jazaka Allah Khayr.

Was-salaam

Rauf

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

My answer is" this kind of trading is not permissible. My reasoning is: the object of this sale is the "right to hurt others" and this right is not an acceptable "good" it is rather a "bad". Although I argue that government or international treaties may create such licensing system and regulate the GHG because of other considerations that relate to industrial and development trade-offs, a license of this kind must be run only by authorities not by market trades and prices because of the nature of this right.

Of course the prohibition is much stronger when it comes to derivatives based on it because derivatives are "faked rights" on regulation created for trading!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Haroun

Sent: Thursday, May 13, 2010

Location: Trinidad

Question: Website sale

Assalaamu 'Alaykum Dr Kahf

Haroun here from Trinidad

I have a question about the permissibility of a certain transaction.

Many people sell through their websites and the product is drop shipped to the buyer by the wholesaler. Is this halal.

So the steps in the transaction are like this:

- 1) Buyer places retail order for product x through my website for \$10 - this includes filling in their credit card information
- 2) My website sends order request to ACME wholesaler who is a drop shipper
- 3) ACME, who has my credit card info, takes out the wholesale value from my credit card for \$7
- 4) ACME sends the product to the buyer
- 5) So I, through my website, make \$3 profit but I have not seen the product that the buyer got

So this is what happens. I personally am not sure how and when the credit card companies actually move the real money. Is this halal.

BaarakAllahu Feeka

Haroun

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Haroun

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, as described it is permissible. This is sale on description. In it the seller does not have to own the commodity before selling it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Nada

Sent: Thursday, May 06, 2010

Question: Are Carbon Credits Shari'ah Compliance?

Dear Dr. Monzer,

Assalamu Alaykum Wa Rahmatu Allahi Wa Barakatuh,

I read a little about Carbon Credit but didn't really get the idea. Is it payments by companies which its activities involve carbon emission? And to whom?

I read that it is a future contract and a kind of speculation? How these credits are issued? Who would trade these credits?

I know this is not related to Islamic Banking, but is there anything that you could refer me to, to explain this idea?

Thank you and regards,

Nada

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nada

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Carbon credit is an amount of carbon quota assigned to each country and each company inside it to throw in the air. Companies that do not need it sell this quota to others. It is Haram to sell and to trade because you must not trade harms to others and environment. If you do not use your quota just let the environment be a little cleaner.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Mohammad

Sent: Sunday, April 25, 2010

Location: Accra, Ghana

Question: Bribe?

As-salaamu alaikum warah'matul-laahi wabarakaatuhuu

May ALLAH bless you and your family abundantly.

Brother Kahf, in my country, I am working as a Business Development Consultant. I currently have clients who are bidding for government jobs, I have found out that a Minister as well as members of relevant committees in Parliament always requests a bribe upfront or they would not give a contract.

I am therefore being forced to get my clients to pay something upfront to facilitate the contract. If we do not do this, I have been advised my projects will not be given the approval. In this case am I sinning if I give the bribe? Note that I am not trying to give the money to take the contract away from another person, I am simply applying to be awarded a contract.

Please advise me.

Jazakal-laahu Khairan

Mohammed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't accept the definition of the question. Matters in real life are different. I mean to say there is always a way to get your right without bribing anybody and one has to use this way in obtaining contracts. Bribes are prohibited and giving them is a part of them. It is the way that perpetuates corruption. There must be no giving of bribes for obtaining one's rights in all matters of contracts and all other civil matters. This may be tolerated only when there is a dictatorship and lives of innocent people are at stake.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

From: Yinka
Sent: Monday, April 12, 2010
Location:

Question: Open a PayPal account from a country that is not listed

Assalamu Alaykum

Sheik I just want to ask a question which goes this way, I wanted to open a PayPal account but when I got to their site I found out my country wasn't listed among the list of countries on their site and I really need the account to, because after months of searching for how to make halal earnings online I just found some few ways but I need a PayPal account to receive the money and I try to open one just found out my country wasn't listed among the list of countries on their site and what I intend to do is to contact a friend who live abroad to give me his own information(I.e. name, address and phone number) to open the account in my country I just want to know if this is O.K. and if it will by any way make the money haram because I need the money to go and study Islamic knowledge and also help the Ummah with some of the money I make.

Ma Salam.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yinka

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Opening an account in the name of your friend is permissible as long as you trust your friend.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Raffick
Sent: Sunday, February 07, 2010
Location: Mauritius

Question: Murabahah documentation

Dear Br. Dr. Monzer

Assalamoualaikum wa Rahmatullah wa Barakatuh

Jazaka Allah for the reviewed Takaful document and the valuable comments. I will go through it soon and reply to the question raised. All of us are waiting for you. Are you coming alone or with the family?

I urgently need your advice on the following:

We had a board meeting yesterday and a member has applied for a Murabahah, to purchase a car. He is a government servant and is entitled to 70% duty free. He has decided to import the car himself and has obtained an import permit on his name and as such all payments /documents/ customs formalities has to be done on his name to benefit the duty. He has a quotation/proforma invoice from a supplier from Japan. Can Al Barakah finance him through Murabahah and how to proceed.

See you soon in Mauritius insha Allah. Doa for me.

Jazaka Allah

Wasalaam

Best Regards

Raffick

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. RAFFICK

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, you can give him Wakalah with the Murabahah to make the purchase on your behalf but in his name and take delivery on your behalf then effect the second contract of selling it to him. Of course you should have a trust in him or sufficient security for fraud until you can put a lien on the car after arrival and registering it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2009

From: Jeff

Sent: Monday, November 16, 2009

Location: Cardiff-by-the-Sea, CA

Question: AR boon and leverage

ASA Br. Dr. Monzer,

On a different topic from what we last talked about, my existing small private investment fund is a long-short equity fund with a sustainability theme, and I'd like to try to make it Shari'ah compliant. The screening of stocks is fairly straightforward and I am already doing that. The three questions I have are 1) Is there a Shari'ah-compliant way to employ modest leverage in the fund, analogous to buying stocks on margin, possibly using daily Murabahah transactions or some other satisfactory method? 2) Is there a Shari'ah-compliant way to profit from the decline of a stock from a speculatively overvalued level (analogous to short-selling). I've attached the Arbun paper by Shari'ah Capital (Yusuf DE Lorenzo) on this topic. They are using this strategy now. What do you

think of this? Do you think we could structure something similar? 3) What about investing in mutual funds? For example, many large public companies can be viewed as a conglomeration of many businesses, and we apply Shari'ah screens to them as a whole. So for example, Walmart might be Shari'ah compliant according to current standards even though it has some debt and receives some interest on cash deposits and receives a very small percentage of income from the sale of cigarettes or wine. What about the S&P 500 as a whole? If one buys a mutual fund that invests in the S&P 500 and the S&P 500 taken as a whole passes all current Shari'ah screens, is it Shari'ah-compliant to own this mutual fund?

Please let me know if you feel there is a way forward in some of these areas, and perhaps we could work on them. Thanks.

Best Regards,

Jeff

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Jeff,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thanks for the email,

1. Leveraging in stocks: in principle it is permissible to buy on margin, but can you do that in stocks as you do it in commodities and currencies without interest-based borrowing from the broker? If it can be done it is permissible because it amounts to buying with partial deferred payment. On the other hand if a Murabahah transaction can be accepted by your broker or finance provider, it is also permissible to buy stocks on Murabahah. Remember Murabahah requires definite payment date.

2. Salam and Arbun in stocks do not work because delivery of the stock is delayed. You know when we buy stocks we are not buying the security but what does it represent of assets and liability and market evaluation. These are presumed know to the parties at the time of the contract but can't be known at any future time. This is why any contract that has future delivery of stocks is not permissible. AAOIFI is clear on this point. We can short commodities but not stocks.

3. Investing in non-Islamic mutual funds is not far from the examples that you described. The logic would go along with this argument but I am afraid of it as much as I am also afraid of the screening criteria set in DJ Islamic. I am not comfortable with their too liberal denominator (market capitalization) because managers play with actual assets and liabilities not much with market capitalization except to show themselves big when they apply for new loans, besides the 1/3rd is very arbitrary.

4. I have an added point that I am increasingly growing suspicious of: the whole role of secondary market in stocks being overloaded with speculation. It seems to me that speculative placement of funds in the stock market is not healthy and counterproductive. I would rather encourage IPO investment or commitment to a longer term investment in a stock rather than volatile trading, I tend to see day trading

as not permissible in any commodity, currency of stocks because it is essentially speculative, so is short term trading.

Let us talk more about these points and try to achieve sound objectives within the giving of the market as it is today. . .

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ramadan

Sent: Monday, November 02, 2009

Location: Alexandria, Egypt

Question: Download illegally Pc Games

Assalamu Alaykum

Dear Dr. Monzer,

May Allah keep you in safety and in a good health! The following is a question which we need your answer to it.

Ahmad from Alexandria asks:

Peace be upon you. I'm an Egyptian guy, I love Pc Games, it the main entertaining thing in my life. From a little period of time I used to download them illegally from internet. Then I discovered that that's considered violation of copyrights which is strictly preserved in Islam and that's considered transgression on other right. So I decide to buy them. The problem is this: There are no any game retailers in Egypt except just two in Cairo (Virgin mega stores and game valley). I traveled from Alex to Cairo to buy the games I want, but I found that they had a very small and old collection which I don't want, I asked them to import them from outside but they refused. I made a visa internet card and tried to buy the games online from Amazon, eBay and direct downloading sites but most of the games I want are restricted to Egypt. It can't be bought or shipped to Egypt because of VAT and other taxation issues. I messaged the Company that produces the games in USA. I told them if they can show me any method to buy the games by any means. They completely neglected me. My question is: Can I Play the illegal copy of the games? Knowing that the company will never lose anything if played it me because there are already thousands of cracked versions are being downloaded from the net daily whether I download it or not and there is not any method to give them the price of the game. I really want to pay them but I don't know what to do? Can I play the unofficial till I am able to pay them? Thank you in advance

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ramadan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

My suggestion to this person is to abide by the rules imposed by the country. They are intended for certain objectives that may deserve to be respected. I find no need or necessity to obtain the most advanced internet games and in such cases there is no justification for any exception of the rules that prohibit the use of other peoples' properties without paying for them.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Yasser

Sent: Monday, September 14, 2009

Location: California, USA

Question: sale on description

Asalam-o-Alaykum Dr. Monzer Kahf,

Ramadan Kareem to you and your family!

My name is Yasser and I live in California, USA. I have a business in mind to start but I am in doubt if it is Halal or not and need your input and guidance.

I would like to open an online internet website which will list various brand name products (clothing, jewelry, watches, handbag, electronics etc.) for sale that consumers can buy if they like. A quick overview of the business model is as follow;

- I will create and maintain a merchant online store (website) from USA. The website will cater consumers from other countries (outside USA).

- I will publish a list of products on my website for sale.

Customer will place the order and make the payment for the product of their choice. Upon order/payment confirmation I will then purchase the product from the local vendor/shop in USA and will ship the product to the end customer to the country where they reside.

Can you please explain in detail if it is Halal or Haram?

If possible can you please also explain the stand of four madhhab's on this issue, is it permissible or not permissible in all the four madhhab's?

Please let me know if you have any question or need any further clarification from me to keep me on the Halal path.

I am looking forward to your response and guidance. Have a great day!

Jazakallah,

Yasser

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yasser

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This sale is permissible. You can sell a product on description by giving full description and future delivery.

Then you can buy the product and make delivery. This contract is binding on you and you must fulfill the delivery even

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Yasser

Sent: Monday, September 14, 2009

Location:

Asalam Alaykum,

Jazakallah for taking time out and replying to my query.

Can you please also confirm if selling a product on description by giving full description and future delivery is permissible and accepted in all the four major madhhab's? Is the majority of Muslim Ummah united on this concept.

I am also curious if this concept was present during the time of Prophet Mohammad P.B.U.H? Is there any Hadith or a verse from a Quran supporting this concept?

Jazakallah again for your time, your valuable input and your guidance.

Regards,

-Yasser

Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yasser

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If I were you I wouldn't make this addendum to the question. Many thing are not mentioned in the Qur'an or in the Hadith but they follow the general rules that is plenty of sufficient. Besides many things also are not agreed on by everybody because there are always dissents! This called the Istisna' contract. The Prophet, pbuh, bought a ring with engraving on it and He also ordered the purchase of the Minbar (the speaker stand in His mosque) on the same basis. The OIC Fiqh Academy has a decision on this matter that this contract is permissible and both delivery and payment can be in the future in it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Multi-Level Marketing Companies

From: Faisal

Sent: Thursday, September 10, 2009

Question: Network Marketing

Salam Mr. Monzer.

I want to ask about Network Marketing Fatwa.

I read a Fatwa that says it's Halal, can you please let me know your feedback on this...

What I see that people don't end up purchasing a Product, even if they do so, they just join the network because of the commission structure they are promised with.

In other words, the Product itself is no buddy uses it, they all focus on having new customers join, and they don't convince them of the product, they only convince them of the commission value they will get.

I would say this is a very complicated issue that needs a deep understanding, please help me know if it's Halal or Haram...

Thanks

Faisal

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Faisal

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Commissions always come from sale of products or from entrance fees. Networks that are structured on entrance fees, whereby distribution comes solely from entrance fees, are not permissible because they do not sell anything and they base their business on mere bluffing. Networks that sell products, of course it depends on its products. When products require special conditions, such as golden products, these conditions should be fulfilled for permissibility. Some networks violates these conditions.

Besides, there may be sometimes lack of connection when the chain becomes long. What make you deserve commission for a sale done by the third or fifth person down the line? What moral justification there is for this commission? If there is no moral justification, there must be no earning deserved!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Salam Dr Monzer,

In case the product is permissible from religious point of view, but the target of the network marketing concept there is focused on commission structures where you get money from people who you don't even know and you get paid a commission based on their sales activities, and the sales of their contacts as well, so in other words you will be getting commissions while sitting at home and other people are doing the sales activities on your behalf, and you get easy commission..

I guess this is not Halal stuff... Please correct me...

I am speaking about a company called www.agel.com

They are selling Cosmetics and they offer commission based on Network marketing.

Please review this presentation and let me know if this is Halal or Haram.
Your kind attention is really needed...

Wassalam.

Faisal

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Faisal

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It may be fair to get commission, with full disclosure, from activities of person you bring to the organization, based on indicating to do good things concept that gives you additional reward without decreasing the rewards of doers. But when the chain exceed one or maximum two links (that provides for the concept of direct or quasi direct contact) there may be no moral justification for this commission given to the first higher person on the chain. This is why I believe that extended networking loses any moral justification and I do not accept it as I mentioned earlier.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Salam Dr Monzer.

Just for you to know there is a Fatwa under your name that Network marketing is Halal, I suggest you add more description why you believe in the case described its Halal and why in other cases it's not Halal.

<http://www.questnet.zoomshare.com/1.html>

Jazaka ALLAH Khair...

Faisal

My Answer:

I know that, it is on my website. But fatwa is always related to its time and information basis. Now, I believe it is as I explained below.

Monzer

Subject: Copy Rights, Business Promotion

From: Murtada

Sent: Sunday, August 30, 2009

Question: Muslim Business Directory

AA Dr. Kahf,

Jazaka Allah Khair for your answer regarding the affiliate program. We are setting up the Muslim online business directory at <http://salampages.com/>. The vision is to have Muslims support businesses either owned by Muslims or providing services specifically for Muslims.

As we start, we want to set some criteria for accepting/rejecting businesses.
Do you have any suggestions - easy simple criteria to filter businesses through?

Murtada

My Answer:

Dear Br. Murtada

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is a good idea to have a directory. I know there are several other Muslim directories. The very essential condition is that you must not accept putting in it any incorrect info (there some businesses that describe themselves as Islamic or Muslim but they do not stand to their description, this you should not accept even as a paid advertisement).

Best Regards,

Wassalam

Monzer Kahf

WAA Dr. Kahf

Jazaka Allah Khair and Ramadan Kareem.

Would real estate agents be allowed on a Muslim business directory? I understand mortgage brokers or people that give out interest based loans would not be, but we are a bit confused about real estate agents.

Thanks again. Unfortunately we are not in a position to contract your services professionally at this point, but we understand if you would prefer to have a different arrangement.

Murtada

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Murtada

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Ramadan Karim to you and your family,

My answer depends on the objectives and definition you give to this publication. If you mean by it a directory of Islamic business then do not includes in it any mortgage brokers and any shops that sell prohibited things such as lottery and cigarettes. But if you mean this publication to help Muslims know the Muslims who provide services/ things that they may need, then you should include mortgage brokers not only real estate agents. The reason is that even good and practicing Muslims may find themselves in a position that they take an-interest based home finance or business finance.

Of course including real estate agents should be there in both cases, because the function of this agent is only to help buy or sell a real property, financing it is a different matter.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

WAA Dr. Kahf

Jak for the answer. Can you clarify just a little? Our aim was to provide a professional service while also encouraging the community to support each other.

The purpose of the directory is to

1. Help Muslims know the Muslims who provide services that they may need, as long as the services are permissible. But, we didn't want to promote anything haram, for example liquor stores or casinos owned by Muslims. If a Muslim shop sells lottery, where do we set the line of allowing it on the directory or not? Or is this something we need to ask on a case by case basis? We also want to encourage clean Islamic values as much as possible.

Do you say mortgage brokers could be on there, unlike liquor sellers, since while a Muslim should never be forced into alcohol, in N. America many do follow the opinion that out of necessity they have to take a mortgage?

2. help Muslims know the non-Muslims who may provide services that are very specifically Islamic friendly [For example, some stores sell halal certified food such as Canadian Superstore, or a stationery store that sells Eid cards].

Murtada

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Murtada

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I suggest that:

- You should include mortgage brokers, insurance agent, store whose main business is permissible even if they have a beer machine or a cigarette vendor machine or the like. Of course real estate brokers are in. You should avoid businesses whose main business is prohibited such as liquor stores.
- You must mention the reason why you included the above in the introduction and put your criteria and objective very clear.
- Defining main line of business in the directory is by its name and title not by financial figures.
- Also you should be sure that the name of a business is not misleading like for instance a liquor store calling itself super market or a conventional bank calling itself ethical bank or Islamic name, or like Masonic temples calling itself Muslim name such as Murad House or even Murad mosque! Don't be misled by using Arabic words, there are Arab Christian and even Arab Jews (who do not know any other than Arabic language).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hijaz

Sent: Saturday, August 29, 2009

Location: Sri Lanka

Question: Alcohol Denote

Assalamualaikum,

I'm Hijaz, I have a doubt regarding alcohol. Is alcohol denote haram. Alcohol denote which is used in deodorant these days. One of my friend told me that which is not haram. But I want to know will our prayers be acceptable after spraying this deodorant.

Yours truly,

Hijaz

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hijaz

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Drinking alcohol is of course prohibited even in small quantities as the Prophet, pbuh, said that anything that is intoxicating when taken in large quantities, is prohibited to take even in small quantities.

Many scholars consider Khamr (this is the Arabic word for alcoholic beverages) as unclean (Najis like urine). A position that is disputed by a small Minority of scholars. I support the position of the majority on alcoholic beverages. The chemical substance that is used in deodorant and other industrial product is very often methanol. This is a substance that is evaporable but poisonous for drinking. This is unlike the alcohol in Khamr that is called ethanol alcohol, this is intoxicating not poisonous. Some scholars also argue that even the intoxicating alcohol is permissible to use for non-drinking. It is discovered and used by early Muslim physicians, many centuries ago as a disinfectant in surgeries and wounds. I agree with this position.

In brief, it is permissible to use ethanol alcohol in non-drinking as disinfectant on the ground that drinking it is prohibited but not other uses; or use methanol alcohol (which is another substance that is non-drinkable because it is poisonous) for the same purpose on the ground that is a different substance that is not intoxicating.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Islam on Line

Sent: Saturday, August 29, 2009

Question: Begging and Street Performance

Salaams

Dr. Monzer, pls. help replying the following question:

Assalaamu 'Alaykum, I am wondering about the status of street performing (i.e. 'busking'). My parents claim it is a form of begging, and I've heard that begging is a form

of 'fawahish' (shameful deeds). But what if it is done only for the sake of fun, and the money earned as a form of 'bonus', or instead street-performing as a form of work? Also, does its status depend on the type of act done?

Wael

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Busking, as done on European and American streets, is a form of begging and it is of course not permissible in Shari'ah unless the beggar is in real severe need and he/she begs to satisfy the minimum basic needs. Taking it as a profession, or fun is definitely shameful too. The Qur'an praised those who are in real need but yet they do not beg or even show that they are in need to the extent that an outsider who does not know their real situation may think that they are rich.

On the other hand, performing in public, on certain occasions, even for pay is permissible as long as what is done or said is itself permissible. The example is street shows done on special celebration days or on certain occasion such as marriage or birth. This is very often paid for by either local authorities, persons or by the audience.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Suhail

Sent: Wednesday, August 26, 2009

Location: RAK, UAE

Question: Liquidating an Investment Company

As-Salam Alaykum wa Rahmatullah wa Barakatuh

Respected Sheikh

Insha Allah this email reaches you in the best of health and Emaan.

And then we, brothers at Que One Group would like to greet you for the holy month of Ramadan. May the blessing of Allah SWT shower all of us.

As you know we have already setup an Investment company in BVI, UK and current situation in this Company is as follows.

1. All Assets are in form of Lands.
2. Total Assets of this company are around AED 31,000,000/- (Purchase Cost) & there are 86 investors.
3. Expected accumulated losses on total assets are 52% but these losses are varying from Land to land. Some of the Lands lost only 30% and some 70%.
4. 35 out of 86 Investors owning the Assets of more than AED 16,000,000/- want to sale their share and Invest this money with us in other projects and there Insha Allah we

will recover losses. Investors are aware of expected losses and ready to bear the same.

5. Total no. of Lands we have 24.

6. Market situation is that if we go to sell these assets we will lose 52% of assets value so we think that not all of our Investor will ready to do so.

7. Our contract does not say that if there is loss in any transaction we need to take permission from Investors.

So you are kindly requested to please advise us on the followings...

1. Can we liquidate this company partially I.e. only for those 35 Investors at NAV which is 52% down.

If you decide to liquidate the company completely and dissolve it you can force that on the investors who refuse by virtue of the contract that you have with them. If you take this route I suggest that you make an introductory letter and give some two week notice during which you seek suggestions and input from them in case some investor may come with better solutions.

However, if you want to keep the company and liquidate only partially, you may not need to sell all lots of land. In this case why not consider giving the remaining investors, the 51, a choice to keep their lands and sell only as much as you need for the share of 16/31 that belongs to the desiring 35 investors. Actual sale will also give you better estimate of the loss as you can also appraise non-sold lots according to prices you get for sale.

2. If we come at a situation where 95% of our Investors wants to liquidate their share & invest this money with us in other Projects but remaining 5% say no to sale their share at losses & want to wait until market recover fully (which may take years) . So how will we deal with them? Can we just ask them take or liquidate their Assets & leave us.

If there is no additional costs in keeping the company alive for this 5% give them the same choice. I should say even if there is additional costs still you can give them the choice provided they bear this extra cost.

If keeping the company alive is a burden that you do not like you can give a choice of either take lots for their 5% or sell and give them money

3. What can be alternate scenario/ best scenario to liquidate the whole company?

Best scenario is for all of them to agree on sale and re-invest with you in other projects. But if some do not agree you may give them a choice of taking actual lots if this is physically and legally possible. The alternative is that you can always exercise your discretionary power as company management to the best of your judgment and force full liquidation.

Our investors also want to know about the Zakah on their Investment

1. This Investment already lost 52% of their value.

2. This investment is in form of Lands & there is no Cash.

3. Some of our Investors do not have money to pay Zakah on these Investment. Because most of their money they invested with us.

4. Que One Group cannot give them loan or any other assistance to pay their obligation.

Please advise us on the followings...

1. When they need to pay Zakah.
2. At what value they have to pay Zakah.
3. Do they need to pay Zakah for whole period they own their share in Lands?
4. Do they need to pay Zakah now or it can be delayed since some of them do not have money to pay. The only way they can pay Zakah is they withdraw from Investment. **Zakah is undoubtedly due on them because this is investment property intended for sale. Zakah should be calculated for every year on due date and one who does not have other sources of cash to pay due amount of Zakah or does not want to pay it from other sources has the choice to delay the payment of due amount until liquidation of the same item without sin. The reason is that basically Zakah is payable from same Zakatable item and one is not required to pay it from other sources. But in this case upon liquidation Zakah due for all past years must be paid all together even though there may be losses when sold.**

We wait for your valuable reply.

With thanks & regards,

Suhail

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Suhail

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please see my answers in red below each question:

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Adamu

Sent: Thursday, August 13, 2009

Location: Taraba

Question: Inquiry fund placement with conventional banks

Salaam,

Hope you and your entire household are doing great. Sorry, we could not communicate since after the course in Kaduna.

Kindly help me with this clarification pls.

There is this Micro Finance bank that does a bit of Islamic Banking whereby most of their activities are based on profit sharing ideology but problem with them is that they at times place their idle funds on fixed deposit with conventional banks even though they claim that what they place is very negligible. They have been disturbing me about placing with them. Pls what do you think?

Ma'assalam!

Adamu

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adamu

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If their fund placement is for safety, convenience and like benefits, it is permissible and they should give any interest to Muslim charities until an Islamic banks is established InShaAllah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Assalamu Alaykum,

Hope this mail reaches you in the best of Iman. Pls bear with my troubles.

I just write to seek for clarification from the knowledge Allah bestow on you.

Kindly pls clarify the position of buying certain farm produce and keeping it till after a while to sell it. I am particularly concern about honey, palm oil, yams, maize grain and other grains like Guinean corn, millet, ground nut, pine seed, etc. because these are the farm produce in my area and it is one of the ways people around here invest.

Pls clarify for me.

Thanks

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adamu

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Buying agricultural product in the season and selling later is a service to farmers who usually do not have storage facilities. It is also a service to consumers by making the products available during off season. These are permissible activities not monopolistic especially in market where there are many investors who do that. Ihtikar (monopoly) is withdrawing goods from the market for the purpose of raising prices. This is not permissible. In Nigeria and neighboring areas, this kind of investment is permissible in my opinion, it is not monopolistic especially that it is done by many small investors.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Lies in Documents, Pirated, harmful Products, etc.

From: Murtada

Sent: Sunday, August 02, 2009

Question: Affiliate Programs that may promote non-permissible products

Dr. Kahf,

Hope you are well.

I have the opportunity to be part of an online affiliate program that sells others' products on websites through online ads, and makes revenue from that. [Commission]

I am comfortable with most of the products - sometimes electronics, subscriptions to online accounting tools, software etc. Some of the products I am refusing, such as investment vehicles that are forbidden [mutual funds, interest based investments]. But there is a third category which are newsletter subscriptions, such as Motley Fool and others. These newsletters are often advice regarding investing, how it works and so forth [I.e. Motley Fool]. But, some of the stocks they may recommend are haram! As well, there are newsletters about real estate investments.

I am not sure what to do about these - if I were to invest, I would subscribe to these newsletters, for their advice regarding markets / real estate / times etc., but I know many users [non-Muslims and Muslims] may use the advice and invest in haram investments.

What are your thoughts? Is there a criteria I can lay down to accept/reject affiliate marketing offers?

Thanks.

Murtada

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Murtada

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Information is not prohibited including info on Riba and liquor. Promotion is prohibited as being an introduction and inducement for sale. Sale of newsletters that have advertisement for Riba is not Haram especially that some interest tools can also be used for permissible finance.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

WAA Dr. Kahf,

Jazaka Allah Khair. I hope you are doing well.

Do I need to set a criteria in accepting/rejecting newsletter promotions? The criteria I am considering using based on your reply below is that if the newsletter is 'advice based' or it is a 'product that gives analytics on the markets', I will use it in affiliate marketing through the sale of which we will receive commissions. But some newsletters I noticed are only for haram things, such as advice on how to make money from bonds... in this case, I will avoid it.

If you see a problem with the above, let me know, both in the letter of the law and the spirit. Otherwise, Jazaka Allah Khair, again.

Yes, the vast majority of these such as Motley Fool's [www.fool.com] is more advice, but from my last experience in forex I just want to make sure what to avoid clearly.

Murtada

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Murtada

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Here is the criteria:

1. A newsletter that only promotes non-permissible action/products and transaction, we should not promote it although we, personally may buy it and use it to know about the Haram and to know about the tools Haram actions/transactions use.
2. Newsletters that have info about market in general, including non-permissible transactions/products are permissible are permissible to sell and promote and take commission for their sale.
3. Newsletter that are mixed, you look at the majority: info or promotion and inducements, especially if indecent human pictures are added.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Osama

Sent: Sunday, May 31, 2009

Location: US

Question: Creditors' Debts during crisis

Dear Dr. Monzer,

Assalamu Alaykum wa Rahmatullah wa Barakatuh,

Due to the financial crisis in the US, my company lost great business and I cannot pay back the creditors as they owe me huge sum of money that I cannot bear. In addition, it was not my fault as the financial crisis was uncontrollable. What is the solution? Should I declare bankruptcy and what does declaring bankruptcy mean? What about the creditors' debts?

Jazakum Allahu Khairan for your constant help

Yours,

Osama

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Osama

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is of course your action that you undertook debts. When a man takes debts he should have a plan to pay them. Debts do not go away on their own. They require payment. This is the Shari'ah position on debts and you have to pay them back, PERIOD.

It is true that certain unforeseen circumstances happen, much more in business than in personal debts as seems to be your case, which may require consensual adjustments between creditors and debtors or may end up with bankruptcy. Such circumstances are recognized in Shari'ah too. But they rarely apply to personal debts. This is why you find chapters on bankruptcy in most Arab laws in the commercial codes not in civil codes.

I know that American laws permit bankruptcy for individuals. But the Shari'ah principle is that a debt should be paid back except in one case where there is a real inability for payment both presently and in the foreseen future. Then all existing assets must be distributed among creditors in proportion of their respective debts. Only in this case the remainders of debts are wiped out.

Consequently, my advice to you, if you really cannot pay all your existing debts, is to negotiate with creditors for rescheduling and go on paying as you rescheduled. Filing for bankruptcy is a final resort that should be done only under severe circumstances. I must tell you that I don't like your statement "it was not my fault" putting yourself under many debts is your fault. You must learn to live according to your own resources not according to what debts you can take!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hajara

Sent: Friday, May 29, 2009

Location: Africa

Question: Is inventory financing equity or debt?

Dear Dr Kahf,

Salaam Alaykum wa Rahmatullah wa Barakatuh.

For the inventory financing, is it an equity investment or more of a debt.

In other words, could it be used for the following scenario:

Company X has a purchase order from a manufacturer for machine spare parts. They have purchased the goods but the goods are still in the ports and they need working capital.

Can we use the inventory financing method to buy the goods from company X at landed cost, then ask for a markup when they deliver the goods or at installments? How would it work?

Company X is not a manufacturer and is not adding value to the goods before selling. They are simply supplying.

Is it possible to do a Mudarabah in this way? I.e. after the transaction has commenced?

Thank you.

Hajara

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This becomes like factoring; can we finance the sale of a company?

Yes, we can with a little change in the order to buy.

Company X can assign the purchase order to the financier, the latter buys from X and sells to the purchase orderer. This requires to be done before executing the second sale from X to the manufacturer in your example of course provided the purchase order allows for assignment explicitly, implicitly or by usual and customary practices.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hajara

Sent: Wednesday, May 20, 2009

Location: Africa

Question: buying equity and selling it back

Dear Dr. Kahf,

Assaalaamu Alaykum wa Rahmatullah wa Barakatuh.

I hope you and your family are well.

I have a question regarding a financial advisory assignment we are working on.

We are assisting a manufacturing company to deleverage (they currently have a 90:10 debts: equity ratio) by raising equity from a private equity company. They also need capital to expand.

The issue is that the private equity company wants a clear exit strategy.

For the expansion of capital we are proposing Ijarah and Murabahah so that they can exit.

However, for the bank debt refinancing we have a challenge. The cost of funds of the private equity firm is much lower so I want to avoid them just refinancing for a lower interest rate.

The private equity firm is proposing taking equity and selling it back to the owners of the company. The question is:

- a) Can we sell shares in the company today and have pre-determined exit dates and exit prices
- b) Sell shares in the company today and have pre-determined exit dates but prices to be determined at the future date by an agreed valuation method today (e.g. NBV)

As a last resort, the bank debt was taken to acquire the factory and equipment. Can we do a sale and lease-back to the private equity firm to refinance. I suspect this is 'Inah but please advise if there is any structure we can use to refinance without Riba that will also give the private equity company an exit.

I look forward to your response.

Also, the manufacturing company took a bank loan of 400m

180m was used to purchase the factory land and buildings

180m was used to purchase machinery

The rest was working capital mainly for importing raw materials

Now they have the opportunity of refinancing the loan as interest rates are over 22%.

The available finance is approximately 750m 10-20% of which can be in equity with a clear exit as discussed. This is where I discussed the share sale and repurchase. Where say the shares of the company are sold for 5 per share today then some sold back to the original shareholders for 5.6 in a year's time, 6.3 in 2yrs time etc... or else at a mutually agreed price at the end of every financial year.

If we can find a way to handle the equity, that could solve the bank loan refinancing problem.

The rest is to fund the acquisition of additional space (another factory) a new machine and working capital

The manufacturing company would like to use some of this money to repay at least 50% of the bank loan i.e. at least 200m.

How can this bank loan refinancing be achieved? This is where I was suggesting sale and lease back of the initial factory and machinery.

If you require further information, please let me know.

Thank you.

Hajara

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Here is one scenario:

If the inventory flow of this company is large, you can finance it or part for cash that can be used to pay the bank.

How it works? Suppose inventory is 200 million, the company has a production line that uses inputs from inventory, its pricing policy of output is 12% above cost. The financier buys all inventory, leaves it on consignment basis with the company and give it Wakalah to integrate it within its output and sell it to customers on behalf of owner at 12%. Schedule of inventory replenishment and payment to financier can be worked out according to cash flow. Guarantees can also be worked out for the inventory being in the hand of the company.

Another scenario:

Create a new LLC for the desired number of years (temporary Musharakah) between the company and the financier and provide the m750 (or any lesser amount if you finance new acquisition through Ijarah or Murabahah), the financier partner forsakes any profit that exceeds ??% of its capital per annum. Add stiff conditions and strong definition of moral Hazards (especially in regard to reporting profit), and add a clause of buyout your partner (declining LL Musharakah). Of course the risk on the downside is reduced but not eliminated. Eliminating it amounts to interest.

I am confident that we may be able to think of some other scenarios if we set all details, balance sheet, cash flow, prospects, maturity alternatives, medium term business plan, etc.

To answer some of your questions in first email

- a. Setting exit predetermined price and date for purchased shares is not permissible.
- b. Setting predetermined date for exit at market valuation by external factors and appraisal is permissible, you can also add a condition of "give up any profit above certain percentage" (downside risk remains).
- c. Buying fixed assets and lease/sell them back is 'Inah, some scholars approve of it in one case, that is, when a company is completely switching from conventional to Islamic, I don't like it!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Hajara

Sent: Wednesday, May 20, 2009

Location: Nigeria

Question: Inventory Financing

Dear Dr Kahf,

Salaam Alaykum wa Rahmatullah wa Barakatuh.

Thank you for your response. I have two questions:

- 1) Can you please clarify the inventory financing option in more details. I understand it but what contracts have to be entered into and what would the transaction dynamics have to be to make it compliant?
- 2) A variation of the equity buy-back question. Is it possible for us to invest equity in a business at say \$1 per share and have a pre-agreed sale of the equity back to the company/other shareholders at the same price \$1 in installments over a period (in other words a kind of predetermined rights issue or bonus share program with a promise to buy from the other shareholders? At the same time could you have Murabahah/Ijarah financing at a price that compensates. Naturally the equity investment attracts any dividend paid out over the period but limits downside risk (except for company risk) and also limits upside risk. Is this permissible?

I was wondering if you have been able to make any progress on the Takaful act review.

Many thanks,

Hajara

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Hope everything is fine for you, family and company and all brothers and sisters there.

The inventory finance:

Based on agreed info of quantity and cost of existing inventory, pricing system of inputs withdrawn from inventory to production line or to sale and delivery, frequency and size of revenue from sale, etc., we determine the size of finance, duration and period and installments of repayment. Repayment will come from sale revenues and should be synchronized with the receipts of sale proceeds as either the whole sale price of sold items of inventory or a percentage therein to allow for inventory replenishment, it can be made at a given period after receipt of sale proceeds. Income of financier comes from the difference between cost and sale price of items taken to production line or to sale and delivery. Contracts needed:

1. Purchase of existing inventory according to the list of items, quantities, cost price, etc. this is the amount of finance. (this makes the financier owner of the inventory)
2. Assignment (Amanah) agreement to assign the holding and management of inventory to the company. It will authorize it to withdraw items to production line as needed at a price that includes profit of financier. This price may vary according to date of payment to financier. Taking items to production line is not a sale to the company, rather the company still acts as agent on Amanah basis, this agreement will also authorize company to sell the final items for given prices as agreed (these items owned by financier shall be a part/ingredient of a final product or may be themselves final products depending on what inventory the financier owns). And it also authorizes it to receive the sale proceeds. This agreement will also authorize the company to replenish inventory according to a schedule with minimum and maximum quantities, etc. so that a part of the sale proceeds is left to fulfill the installments required to be paid back to financier.
3. Lien and collateral contracts. The inventory shall be under lien to the financier with all necessary protections, the proceeds of sale will also be under lien and better deposited in a separate special bank account. Additional collateral can also be obtained.

Buying shares and getting the purchase price back with a compensatory benefit in price of Murabahah or Ijarah is not permissible. Also not permissible without this compensatory benefit because it amounts to Bay al Wafa' which is ruled not permissible by the OIC Fiqh Academy because it has a dividend return of zero or more and has no

risk born on the low side. (Bay' al Wafa' is a sale with the condition of sale back at the same price with the benefit of sold property gotten by the purchaser during the period between the two sales).

For my comments on Takaful act, please see my email dated 5/5/09. I am resending it again separately

Your email of May 27 is getting a separate answer.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: International Trade and Other Sales

From: Suhail

Sent: Sunday, May 24, 2009

Location:

Question: Custom Duty and Shari'ah Screening

As-Salam Alaykum wa Rahmatullah wa Barakatuh

Respected Sheikh

We hope you & your family are fine with the blessing from Allah SWT.

Dear Sheikh, now a day we are in process of exporting some goods to Africa & there African Port Authority charge around 15% of the total value of the good as custom duty. Now to save this duty generally companies make two invoices one for the customer with the correct value & one for the port authority with around only 30% of the total value. This is a general practice & most of the businesses are doing the same thing.

In this regard we request you to please guide us whether doing so is allowed in Shari'ah or not.

Second, in the contract of our offshore investment company there are some clauses regarding some permissible ratios of assets I.e.

1. Companies whose ratios of debt to total assets exceed the permissible ratio percentage under Shari'ah principles, where applicable.
2. Companies whose liquid assets to illiquid assets exceed the permissible percentage under Shari'ah principle, where applicable.
3. Companies whose cash and cash equivalent assets to total assets exceed the permissible percentage under Shari'ah principles, where applicable.

We don't know about these permissible ratios so please advise us what are these permissible ratios?

With thanks & regards,

Suhail

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Suhail

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You can issue an invoice at any amount. I don't suggest that you issue another invoice for the same merchandise for another amount (instead issue some other document either for price differential, correction or the like or for the difference. In other words, make it in such a way that you avoid an outright lie by using things that may have different meanings.

The principle is that any investment that has any violation of Shari'ah is not permissible because a Muslim is supposed to do all things in full observance of the Shari'ah rules. Then comes here the matter of difficulty created by the fact that we live in an environment that has many Shari'ah violations and to be an observant of the rules may require one to be away from all equity investments because almost every company (say in a market like NY Exchange) has certain violation of Shari'ah. Difficulty, when applied to a large number of people always calls for relaxation of the rule: that is, tolerating certain violation while avoiding the bigger evil. The matter becomes how much tolerance one may have and this differs from one market to another (it does not differ from one person to another because we are dealing with feelings and body pain). Tolerance can here be defined as the degree of relaxation that is required to make a Muslim investor as comfortable (in selecting between stocks) as a non-committed person. This means that to answer this question we need to look at each market on its own rather than applying a general rule for all markets. These questions can be answered for a given market at a time.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Michael

Sent: Monday, May 11, 2009

Location: Switzerland

Question: Cash Settlement and Arbun

As salamu Alaykum,

Our planned Shari'ah Compliant Fund intends to make use of Arbun and send us the attached documentation. I read it and was unsure about the choice offered for cash settlement as an alternative to physical delivery.

Would cash settlement be agreeable for you? Other details are not needed for review as the current document is a draft only.

Best regards,

Michael

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Michael

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The text of the cash settlement may imply implementation of the Arbun sale and a Wakalah to sell and get the cash. For this point I prefer that the Wakalah be explicit So that the text of 5.2.3 gives only once choice: go ahead with the Arbun sale. And then a choice comes of either hold on to the goods, object of sale or give a Wakalah to sell them and get the net cash (this sale price minus the remainder of the Arbun sale price.

On another point, I don't feel comfortable with the Arbun used in shares for two reasons: 1) Arbun sale requires goods be in ownership and possession of the seller at the time of the Arbun contract (i.e., from the beginning) otherwise it becomes "sale of you don't own"; and 2) Arbun sale implies future delivery and sale of future delivery of shares means delivery of an object that is different from what you sold because of what the share represent. This is mentioned clearly in the AAOIFI standards. Still according to Hanbali school Arbun applies to goods and other definite objects that are in possession of seller.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Question:

Dear Brother Monzer,

As salamu Alaykum,

1) In general I have the same understanding to use Wakalah to achieve cash settlement. In this case the contract is meant to be used for Saudi-Arabia, where actual ownership transfer to the foreigner is not allowed. Could this alter your view in terms of the rules of necessity?

2) I am aware of the AAOIFI argument regarding shares only for Salam; Arbun has not been much discussed in the Shari'ah/Accounting Standards of AAOIFI. Do you see it in analogy or is this mentioned specifically and I cannot recall it? I heard previously, that the shares owned at the time of Arbun could be sold after the contract. Is that agreeable to you? Further Arbun for shares is accepted by many scholars and I came across it frequently from other banks.

Best regards & thanks,

Michael

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Michael

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. The matter of Wakalah is not the biggest deal, it can be accommodated by a slight change in the wording of 5.2.3 while you still may avoid the clear mention of ownership of the foreigner (I assume the foreigner is the purchaser! But isn't the seller a foreigner too?)

2. For shares, AAOIFI refers to the sale of share with future delivery in two places, Salam and short. The argument in both is the same (what a share represents at time of sale is different from what it represents at time of delivery. It is not a matter of analogy but application of the basic rule on all its individual ingredients: a share is nothing but a veil and we only looks at what a share represents. Please notice that the whole argument of Islamic criteria of investment in shares is based on this principle too.

3. Arbun sale does not transfer full ownership, it is only a contingent contract. If you buy and possess (you possess only after you complete the full payment) you can then sell. This is yet another point that we also come across in the structure that you sent me (it can be accommodated by making the acceleration a matter of payment of remainder of Arbun price and Wakalah to sell and get cash). My basic point is that in Arbun you sell a share and make delivery in the future (this goes by definition of Arbun contract). Here you will not be able to deliver what you sold because company's contents change every minute.

4. Further, do you have any substantiation of the Shari'ah basis of those who approved of it, or they overlooked these points or did not occur to them?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Saquib

Sent: Tuesday, May 19, 2009

Location: Andhra Pradesh, India

Question: Investing in Pension funds

Dear Dr. Kahf

ASAK

I am 23 & got my first job about 9 months before. I have been thinking over the past few days' ways of investing that is not 'haram'. I will be highly obliged if you can tell the investment devices below is permissible in Islam.

A pension plan in which the government:

* Itself pays after retirement, or

* deducts certain amount towards this end compulsorily per month whereby it becomes mandatory for the employee.

is it permissible?

However, I work in a private firm & they don't offer such pension plans. Hence, if I need a steady source of income after retirement, am I permitted to buy one of the pension schemes offered by banks or other institutions? If not, then what are my options?

Thanks & Regards

Saquib

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saquib

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, even when the government assigns it to a private party as long as it works on the actuarial principles not on interest. This is because actuarial principles are those that are used in insurance. Insurance is controversial not unanimously prohibited and I belong to group that sees it permissible. But being compulsory makes it also acceptable by those who do not approve of insurance.

The basic thing do is to save for old age and invest your savings in a productive way, this is what everybody does and this is what your parents/ancestors and mine used to do through history.

If you find an insurance contract that is not interest-based and yet provides you with this desired pension that will be the second-best option. Most insurance contracts that provide annuities are interest based. Here I need to complete my early statement mentioned earlier. Scholars who approves of insurance have two conditions, the contract should not be interest-based and the object of insurance should permissible (e.g., you may not insure a shipment of liquor or legs of a belly dancer).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Haroun

Sent: Sunday, May 17, 2009

Location: Trinidad

Question: Investing in Trinidad

Assalaamu 'Alaykum Dr. Kahf

This is Haroun from Trinidad. I attended two of your four day course you conducted here in Trinidad.

I am seeking some advice. My contract with the government for my job has ended and I will receive a gratuity shortly InShaAllah.

I wanted to invest the money (not much if you convert it into US dollars) in some Shari'ah compliant way. But I also am still renting and owning a house is a big priority too. So I don't know what to do.

And I am skeptical of the attempts of Islamic finance in Trinidad because I don't see the Shari'ah boards as being qualified. So are there any foreign Islamic banks and/or mutual funds etc. that a Trinidadian can do business with?

Your advice will be sincerely appreciated and JazaakAllah Khairan.

And may Allah bless us all.

Assalaamu 'Alaykum

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Haroun

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Unfortunately, I don't know of any Islamic finance institution that provides retail finance outside its own country. For house finance, the matter is much simpler, if there is an institution in Trinidad that provides Shari'ah compliant house finance, I think you should take it regardless of what Shari'ah advisor they may have, because there is not much large area to opionate.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Housam

Sent: Monday, April 27, 2009

Question: Permissibility of pension funds benefits

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Dear Dr Kahf

My employer has a pension plan for his employee as part of the benefit package. the employer contributes yearly to the plan for each employee depending on his salary and then the employee will accumulate benefit in this plan translate into a monthly salary for the rest of his life when he reaches age 65. That salary amount will depend on the employee yearly income and years of service. This plan is done through an insurance company.

is the benefit salary that comes from this plan at age 65 halal and permissible in Islam?

can a person simulate this plan on his own (if the above is permissible in Islam), by doing exactly the same as the cooperate pension plan, by paying premium to an insurance company in exchange for a monthly salary for the rest of his life after age 65, and that monthly salary amount will depend on the total amount paid to the insurance company over the years and life expectancy. The amount that I will get back from the insurance company could be less or more than the total amount that I paid to the insurance company as it will depend on the number of years that I will live after age 65 (even though the calculated monthly salary by the insurance company after age 65, takes into account the probability of life expectancy). And if I die before age 65 my beneficiary will only get the exact amount that I paid previously to the insurance company not more or less as a lump sum or installment.

Thank you much for your time

Housam

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Housam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. A pension plan given by an employer is a fringe benefit. From a recipient (employee) point of view is that here is an added employment benefit, you make to it a small contribution and employer adds to it two other ingredients: 1) its additive contribution, and its contract with an insurance company. The first is a form of a gift with the condition that you also make savings and enlist into this program. The second is deputation from the employer to its agent to implement its commitment. Of course if this program is done without your contribution. I would say it is absolutely permissible because it is none of your business what the employer does to give you a benefit or whom does it delegate to do that. The requirement of your contribution to this plan adds another point that seems as being contractual on your part. This makes it a contractual relation on your part in accepting this plan and for you to get into this contractual plan with the insurance company the employer induces you by giving a contribution to the company for your account. The problem here is that this contract is interest-based. Paying premiums to an insurance company for getting future payments is a kind of life insurance contract based on two concepts compound interest on the investment part of the premium and probability of how long will a person live after the age of 65. I am one who believes that insurance is permissible but only when it is not based on interest. This condition is not available here. Also if the reward from the insurance company is a lump sum at death or a given age I still accept it without the part that is insurance based. This means that, to me, term life insurance is permissible but transferring the benefit from a given amount to annuity is not permissible because you add here an added double problem: interest implied in the annuity and new ambiguity (Gharar) about the life span. If the amount of premium is very small relative to the employer's contribution I may then consider it a contract with the employer and then it becomes a gift and deputation in execution and therefore permissible because it is not contractual on your part.

2. Answer to the second question becomes obvious. It is contractual and interest and Gharar based!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Housam

Sent: Monday, May 11, 2009

Question:

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Dear Dr Kahf:

My employer has a retirement benefit plan called 457b plan, my employer contributes to the plan alone.

now that I am leaving that employer, the employer gives me the option either to get the money in that plan in the form of monthly payment for the rest of my life (similar to pension) or get the balance in a lump sum (then close to 1/2 of the money goes into taxes). These options are in their plan documentation for every employee as part of the benefit

I prefer to take the first option (monthly payment for the rest of my life) is this halal as it is a part of the benefit from the employer.

Thank you much

Housam

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Housam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please look at it this way: the employer gives you a fringe benefit of a pension for life, is it Haram to accept it. The answer is NO; it is not Haram. In fact, either option is not Haram. Simply you did not pay for it and you did not contract it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Saleem

Sent: Monday, April 20, 2009

Question: Investing in a fund that earns interest

Bismillah Ar-Rahmaan Ar-Raheem

Dear Brother Monzer Kahf,

Assalaamu Alaykum wa Rahmatullah wa Barakatuh

I need an urgent clarification on the above subject.

I and some brothers and sisters have set up an organization 10 years ago with a view of fighting poverty primarily among our Muslim brothers and sisters. We do help non-Muslims through our empowerment programs.

Our funds come from:

- * Zakah
- * Commercial enterprises
- * Government subsidies

- * Banks
- * Well-wishers

To obtain these funds, there is a hard work behind, as they come irregularly. We are sometimes in difficulties to meet our monthly administrative expenses. Alhamdulillah we have never got recourse to bank overdrafts.

My question is this. Are we allowed to place our funds on fixed deposits in view of obtaining interests to run our projects and meet administrative expenses? Does Islam take into consideration the fact that to-day's economic system is different from the one prevailing during the prophet's time. Is the question of devaluation of money and inflation elements that can justify the placement of money on fixed deposits?

Brother Kahf! I know you are a busy person having to attend to you heavy agenda. But please for sake of Allah Subhaanahu wa Ta'ala advise me.

Jazaak Allah Khair

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saleem

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

To the best of my knowledge there is no way that earning interest can be legitimized or acceptable by any knowledgeable scholar. There is no necessity to earn interest at all! This of course including the case of inflation and fear of theft and changing time and all such things. Remember, dear brother, that Allah made this religion the last revelation because it suits all times and lands, it is not for the time of the Prophet Muhammad only, it is also for the time of inflation and need for fixed income! You can earn fixed income by investing in a lease fund or the like...

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: A.

Sent: Friday, April 17, 2009

Question: Installment sale with interest

A friend sent us this question in Arabic

لسم الله عليكم ورحمة الله
شركة في هورتقوم الآن بتسري طلي اراتبماشرة، دون وسري طبكبي ولكن شروط:
الأول فئدقنبية 6,9% من بلي الطبع العقبقي من القسط، وعن لوالسري ارب حئة ألف هفعت أن خمريين، يقى
هلي زودال سبة دي عى خمسين ألف فالقبقي على ثلاث سنوات.
لشرطلاني: عمل حظوي ع عى ال عري في عدمي ع هانق اءقتره القسط.
الثالث: مدقت رلس ما لمتخري القسط لمدة الثين يوم ما بوعدي طبق خمسين عيه غرام قنخي رب عدال الثين يوم ..
فهلي جوز شراسيارة من مدطلش رلق وفقلش شروط طال مذكورة؟

وشكرا

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If the contract says, about the remaining part which is made on installments, loan and interest as mentioned in the question my answer is NO, it is not permissible.

But if the car is sold for a total price, higher than the cash price, and calculated such as the rate on deferment is 9.6% or any other fair rate which is mutually acceptable to both parties, the same is then permissible.

The fine on delinquency of payment is permissible provided it should be given to Muslim charities or directly to the poor and needy not to the seller or finance provider.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Jeff

Sent: Friday, April 17, 2009

Location: Canada

Question: Installment Sale

Dear Br. Monzer,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh.

I hope things are going well for you, and I'm looking forward to seeing you again, Insha'Allah. I have a question for you regarding installment sales. According to Shari'ah, if the buyer defaults, how much exactly does he owe the seller, and when? So for example, let's say I buy an item that would normally cost \$50,000 if paid all in cash, but I agree with the seller to instead pay him \$500 per month for 200 months (totaling \$100,000). Then after making half the payments over the course of 100 months, I default and quit paying, and the seller takes back the item, and resells it for \$40,000 cash. Exactly how much, if anything, do I owe the seller, and exactly when am I obliged to pay it? Or does he owe money to me instead?

Best Regards,

Jeff

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dr. Jeff

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

From a Shari'ah angle this is a definite "fait complis" contract that creates an indebtedness of the full price on the buyer. Therefore, in this example he owes the

remaining 50,000. Not a penny less. However, any early payment and/or acceleration calls for consensual discount provided the amount of it is not preconditioned in the contract (otherwise the transaction becomes Riba based and the difference between the lower and higher prices is determined Riba by the Prophet, pbuh, himself). In case of default all future payments become due at their face value and of course any settlement between the parties on any discount is permissible, such settlement can also be court-imposed, I've read somewhere in the Hanafi Fiqh that in case of a court settlement the judge may use the same rate of mark up as a discount rate.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Sameer

Sent: Tuesday, April 07, 2009

Location: Doha, Qatar

Question: Investing Company money

Dear Dr. Kahf, AA

I work in the construction industry and I do have the potential to expand. In some occasions, individuals are approaching me to invest their money. My company is still small, 100% owned and operated by me and I do not have any idea as of how am I going to compensate those investors or shareholders. What mechanism should I use to implement such concept? Please advise me.

Jazakum Allah Khair

Sameer

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sameer,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The best way it to take this money on Mudarabah basis. The agreement must mention that you are partners, the investors with their money and you with your money and work. It must also assign a way of distribution profit with a percentage to management, say 20% of the net profit, and the rest to be distributed according to capital contribution. Losses will be only according to capital contribution.

Another way may be by using their money each time you need to buy construction materials. Say you need to buy materials for one million rial, you can take the money from an investor for one-year payment and with a Wakalah from the investor to you that authorizes you on his behalf to buy the goods and take delivery and then sell them to you as Sameer with the pledge that you will pay him the price (that is higher than the purchase price by the amount of profit you both agree on) back after a number of days you agree on. This is a Murabahah.

Wa Allahu A'lam
Wa Alhamdu Lillahi Rabb al Alamin
Wassalam
Prof. Dr. Monzer Kahf

From: Hajara
Sent: Tuesday, March 31, 2009
Location: Africa

Question: Scheduling Murabahah Payment

Salaam Alaykum Dr Kahf,

Is it possible to have an Ijarah or Murabahah where the repayment schedule or installments are structured such that the profit is paid say monthly and the principal is paid as a bullet payment at the end?

Or must the installments always have principal and profit components to it?

Thank you.

Hajara

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. You can schedule the payment of the Murabahah price anyway you like, be it small equal amounts then a balloon payment sometime in the future or as a last payment. The small equal installments may be calculated on the basis of monthly markup. This is of course as long as the contracted price fixed at the time of contract is the total of face value of all these payments.

2. Also in lease purchase you can structure payments any way you like as long as the rent is known at the time of contract for the duration of each rental period and the sale price is known and its payment installments or one payment, also known in amount and date. Yes, you can make the rent be paid periodically and one bullet payment made at a certain given future date.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf
Sent: Saturday, March 21, 2009

Question: Charging more for Greater risk

Assalaamu Alaykum Sh. Monzer,

can we charge more for exposure to greater risk? For instance, if I am a supplier, and we get in agreement with a client, that we think would be high risk (liquidity problems, or general market risk may make it difficult for the purchaser), can we ask a higher price for bearing this sort of a risk?

Jazaka Allah Khayr.

FiAmanAllah

Rauf

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, it is permissible. It is a part of the free bargain in determining the price of a commodity.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Funke

Sent: Saturday, March 21, 2009

Location: Nigeria

Question: Real Estate Transaction

Dear Prof Kahf,

Salaam Alaykum,

Thanks for your prompt response on the CBN white paper. It was quite useful.

As discussed with your good self in the past, we are constantly receiving application for investments in real estate transactions both for real estate development projects for resale by our prospects who are operators/developers in the real estate industry and private clients/individuals who want to acquire property for personal residential (and other) purposes.

The main challenges of the real estate industry in Nigeria is the statutory requirement by the Federal government that the applicable government consent must be sought for all "Long term" transactions in real estate and all such transactions must be registered. The conventional players in the industry have devised all sort of means within legal boundaries to bypass / escape the incidence of double transfer / registration fees which usually falls within 10% to 16% percent of the property value.

I have attached for review and recommendations, the model transaction dynamics developed by us to enable us engage in real estate transactions models. The Murabahah model seems most appropriate for these purposes. Our main concern is being able to secure our Capital's position and investment in the event of default such as:

- Client's inability to pay
- Loss of interest in the transaction
- Death of the client
- Bankruptcy and insolvency etc.

Based on the above, our questions based on the transaction dynamics attached are:

- Can we transfer title to the client, if we do not register our title as the owner of the property i.e. purchase from the vendor and resale to the client? If so, how can we execute such? If not, what are the alternatives?
- Can the vendor execute 2 sets of Deed of Assignment (one in favour of the client and one in the favour of our company) under Islamic Finance?

We ask that you please review the transaction dynamics vis a vis our concerns and questions and the final way forward.

We look forward to your views and recommendations on the attached document and pray for God's guidance to you and your family.

Many thanks for your usual cooperation.

Wa salaam,

Funke

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Funke

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Thank you for your kind email.

1. I reviewed the transactions dynamics that you send and I have a few comments that you please see them on it.
2. In Murabahah, you do not have to register the property in the name of LC and then transfer again to the purchaser. I assume if this person goes to a conventional bank, he will be given a loan and a mortgage will be marked on the property. Can you do the same? If you and the seller sign a sale agreement "to your name and/or to whom you assign" as usually done in the states, then on the moment of registering you would have already signed the second sale agreement, you will ask the seller to make the Deed in the name of the final purchaser (your client) and charge a mortgage on it for the total amount of the installments. This way your transaction will be closest to the conventional bank finance and it is within the limits of Shari'ah because you can make the delivery in the sitting of closing before the deed to your client is signed.
3. The alternative of "shift company" looks fine. It has no Shari'ah problem.
4. I don't see it appropriate to have vendor sign two deeds at the same time. It is definitely morally embarrassing. I also think it may not be legal.

Please come back to me to finalize the attached document.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Friday, March 20, 2009

Question: Difference between Risk and Gharar

Assalaamu Alaykum Sh. Monzer,

Jazaka Allah Khayr for all your earlier responses. Very insightful Masha Allah.

What's the difference between "risk-taking" and "Gharar". I know by definition Gharar means uncertainty. But, then, doesn't every business activity carry risk. I guess I am figuring out the difference between "good risk" & "bad risk."

Buying a corner store is taking risk. Buying stocks for investment purposes and profiting is taking risk as well.

Jazaka Allah Khayr

FiAmanAllah

Rauf

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

First Gharar is neither risk nor uncertainty! You may be surprised that most Arab and Muslims who write in English translate it as one or the other! Gharar is ambiguity (not simply unknowability but it includes it) in a contract.

Taking risk is different than Gharar as you notice. Trade is taking risk and owning any asset is taking risk, producing for the market is affording uncertainty but all these are part of life. In fact without this kind of risk and uncertainty (being an intrinsic characteristic of ownership) earning is not justified. (notice only a collateralized loan is risk and uncertainty free).

Owning a property for investment is of course risk taking, it may be any corner store or a share. But buying shares in the market for speculation is bad exactly like buying any other commodity for speculation. How can we define speculation and distinguish it from trade? It is not that easy but the extremes are very clear. For instant, jumping on the internet and watching prices and selling and buying quickly is only speculative.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Rauf

Sent: Thursday, March 19, 2009

Question: Options and Futures

Assalaamu Alaykum Sh. Monzer:

Is there an alternative to Options and Futures in Islamic Economics, or derivatives in general?

Jazaka Allah Khayr.

Rauf

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Some options have no alternatives such as trading indices. Add to it that practically all derivatives are speculative and speculation is not permissible in Shari'ah. Trading stocks and spot currencies whenever it is not speculative is permissible.

The use of options for hedging an existing non-speculative position, whether an asset or a liability, is permissible according to a minority (I am included) but using option for profiteering is not permissible. In other words, trading options is not permissible because they do not create value and therefore can't be a source of profit.

Contracting for a future delivery when the sale is genuine is also permissible. Its example is the producer of cars selling for future delivery and future payment or the user of wheat in a flour mill buying for future delivery and future payment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Wakalah Istithmar

From: Azfar

Sent: Wednesday, February 11, 2009

Location: Pakistan

Question: Wakalah Istithmar

Dear Dr. Kahf

I hope my name has not dimmed from your memory. I had the pleasure of attending a course from you during last summer in Dubai. I would like to acknowledge the fact that this course has greatly enhanced my knowledge about the Islamic banking. I am currently working in the Investment Banking department of the Meezan Bank and we come across many issues which have become easy to understand due to the knowledge added by your good self during the course.

I have heard of one of vary unique structures done with the name of Wakalah-e-Istithmar. I have searched through various sources but could not been able to find anything on the same. It would be very kind of you to forward me any write up

(preferably in English as most of the fatwas in Middle East are in Arabic) on the Sukuk with the name of or based on Wakalah Istithmar.

Your help would be highly appreciated

Thanks

Azfar

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Azfar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Wakalah Istithmar is just a name! has no innovative content at all. All Islamic and conventional investment funds are based on this agency basis. AAOIFI in its standard on investment mentioned Wakalah as a mode of Islamic investment just for the purpose of being comprehensive. Later some Islamic banks coined this word Wakalah Istithmar just to denote giving funds to an agent/manager to invest it for you.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Shouf'a and loan reduction

From: Mokhtar

Sent: Tuesday, February 10, 2009

Location: Canada

Question: Permissibility of Shouf'a

Assalamu Alaykum Brother Monzer,

I hope this e-mail finds you well and in the best of states.

Brother Monzer I have a short story that I would love if you could give me your advice. A friend of mine from San Francisco bought a piece of land about 25000 m2 in Tunisia where I'm from. The land is initially for agricultural purposes however he knew at the time of the purchase thanks to his father's information that the land will be soon a residential area. The change in the status of the land might bring him a return of about 700%. The brother of the Moez seller's sold also a second piece of land 30000 m2 adjunct to moez's land. According to moez a lot of people want to buy the piece of land as they know that a change in the status of the land from agricultural to residential is very likely. Now Moez approached me and told me that the law in Tunisia permits him the right of the "Shouf'a" which will give him the first right to buy the second piece of the land. And that since neither the second buyer nor the second brother told him about the sales of the second piece of land he could exercise his right of "Shouf'a" in Tunisia tribunal and get the Second buyer out of the land after paying him the price of the land plus legal and administrative fees. Since a good friend of mine could not afford

at this point to come up with all the money that needs to be raised to pay off the second piece of land he asked me if we could purchase it together. That means I lend him half of the price and once he got the judgment in his favor he will share with me the second piece of land. Obviously my intention in the transaction if I'm going to proceed with is to profit from the sale of the land once its status would change to residential from agricultural.

My concern is that is this transaction Islamically permissible? And by doing so I'm I not being unethical toward the person who now owns the second piece of land who I would assume is aware of the deal. Brother Monzer I would really appreciate if you could give me your advice in the matter. May Allah protect you and Jazaka Allahu Khairan.

Wassalam

Mokhtar

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mokhtar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is so nice to hear from you again and to learn about your new life in Canada.

Shouf'a is permissible in Shari'ah and there is nothing wrong with practicing it. If your freeing is sincere in getting you with him on board, I suggest that you make the proper papers and go with him.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Wael

Sent: Sunday, February 01, 2009

Location:

Question: paying debt to other than the creditor

Salaams

Dr. Monzer, pls. help replying this brother:

Five years back I (lender) loaned my brother in law (debtor) a large sum of money. Recently, while learning about debts, and the serious consequences of having debt, I decided to request from my brother in law that he starts to make intention to pay off his debts to me. There was no written agreement, though there is no dispute around amount. Though I did not ask for the money back now, Alhamdulillah, he managed to find the sums owed to me. However, instead of giving me directly the money back, he gave the owed money to someone else (another member of my family) to give to me, then texted me "several days later" to tell me he had done so - he tells me it was easier to give to them instead of me, though in reality I live 10 minutes from him, have a mobile phone, have msn, and am in the neighborhood, and the sum of money is very

large. My brother in law says he has cleared his debt because he has given the money, and Allah sbt knows his intention, and intention is everything in Islam. I have also learnt that the individual who he gave the money to owes him money in return. They say they will someday give me the difference back between their debt to my brother in law, and his debt to me. I am left confused with this situation. On one hand my brother in law is telling me he has fulfilled his obligation to his debt making statements such as "as Allah is my witness" he has paid off his debt and Allah sbt knows his intention, he has fulfilled his obligation to me, and I should try and get the money from this other person, and if I can't it's not his issue. On the other hand there is some fitna here from this other person as they are using the money to pay my brother in law back and upset me at the same time. I as the lender still have not received anything from anyone. This situation hurts personally. I am looking for some advice on what does Islam say about debt in regards to the debtor repaying the lender directly and what is the obligation/relationship if any? Has my brother in law paid off his debt in this situation or is he misguided? Does he have any obligation to me as the lender, or is giving the money to someone else to give to me acceptable even though I have received nothing? I don't doubt his original intention may have been pure, but his actions seem strange especially concerning the way nothing was discussed with me until several days after the event, and adding to the fact he is aware they owe him money in return and wouldn't give the money to me directly. I am trying not to get upset by all of this, and I pray Allah sbt gives me patience to deal with this. From this personal situation I understand now far more why debt is disliked in Islam, and the negative actions of those in debt by observing their behavior. Advice greatly appreciated.

I spoke to him face to face, which is where I was given quote "as Allah is my witness" he has paid off his debt, that it's about intention, intention means everything in Islam, and because his intention was to pay me off, he's done it, and I should sort the money out from my other relative, it's my issue now. It all feels wrong inside. I am merely a student of Islam, not an authority, nor do I want to attempt to quote things wrong, in fear that I may say something inaccurate or wrong, hence I'm searching for some sort of Islamic position advice. As I have said his original intention may have been right, but the action doesn't represent the intention, and there is some hint of fitna or wanting to hurt me personally.

Salaams

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Wael

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please seek a socio-psychological help for this situation that seems more of a family dispute than anything else.

From the Shari'ah point of view, the matter is clear, a debtor is required to pay the debt to the creditor and no other way can stand as a payment. The debtor remains under the obligation of the debt until he hands the amount of the debt to the creditor. Payment to

any other person cannot be considered a fulfillment of his obligation. But I really believe that this story is in reality not about this matter but about some other things that are not mentioned in this question!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Mohamed

Sent: Thursday, January 29, 2009

Question: When does Hajj become obligatory

Dear Dr. Monzer,

Assalamu Alaykum wa Rahmatullah wa Barakatuh,

As-salaam Alaykum, I have been reading hajj is obligatory to one who is "ABLE TO" perform it, OR "physically and financially CAPABLE OF performing Hajj"! I'm more interested in the financial "capability" would like to know if there are any criteria in the Shari'ah/Sunnah (except for debt status) which I can use to determine my financial capacity to perform hajj? By criteria I'm mean something (though maybe not as precise but) similar to that of income Zakah, whereby I'm obliged to pay Zakah if I meet certain criteria. So, how do I know if I am capable and thus hajj is obligatory on me now?

Jazakum Allahu Khairan for your constant help

Yours,

Mohamed

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The criteria are having sufficient fund to pay for the travel and other cost of going to Hajj above the normal expenses of your family. What does this mean? If you are a salaried person and you expect your employment is continuing, your net income is sufficient pay for the family needs and normal expenses. In addition, you have savings and other assets that are liquidable if need arises, so that you can pay for the cost of going for Hajj then you are required to go for Hajj, strictly same year according to some views or as soon as you reasonably can according to the majority. Of course one's need vary depending on whether you rent or own, married or not or in need for marriage and under debts that need to be paid from available savings or not (debts that are not to be paid from available savings do not hinder using these savings for Hajj), etc.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Nida

Sent: Tuesday, January 27, 2009

Question: Partnership whose income is not purely halal

Dear Dr. Monzer,

Assalamu Alaykum wa Rahmatullah wa Barakatuh,

Asslam-u-Alaykum, I want to start my own business and I have found a person who is willing to finance me in exchange of share in the business. I know the source of income for that person is not purely halal and it's not haram altogether as well. She runs a business that sell telephone systems on lease (lease in a way that is not considered a right way in Islam) and direct cash payment (which makes the halal portion of her income). I want to know is it right to accept her finance as long as the business I would be running will not be involved in any kind of activities not allowed in Islam and would be completely independent of her other business. I live in UK and it is very hard to find a finance that I can say is completely pure with limited resources. Even if I go to banks for loan, most of the banks themselves are involved in interest based activities. Can you please also support your answer with example from Prophet Muhammad (Peace be upon him) life if possible. Any case where he may have prohibited or allowed someone from using money whose source was objectionable to invest in something that was complete halal. I would also like to ask if you are working for a company that is involved in interest based activities and you are working in a department other than finance department. Is it ok to work for such an employer? Will your income be considered halal? Thank you very much for your time and services. May Allah bless you for your efforts.

Jazakum Allahu Khairan for your constant help

Yours,

Nida

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Nida

1. When you create a partnership with another person all you need to know is the honesty of that person and her/his trustworthiness. It is none of our business to ask about the source of other people's income unless we know that the other person does not in fact own that money (as in case of acquiring it by theft). The Auditing and Accounting Organization of Islamic Financial Institution (AAOIFI) that has a respected Shari'ah board in its Standard No. 12 stated that you can create a partnership with a conventional bank as long as all what you do in the partnership is permissible.
2. You already made a Fatwa that is not in fact correct. Most lease contracts that take place in Western countries including UK and USA are, in general, compliant with Shari'ah because leasing is permissible. Very often you will find some side conditions in these

contracts that are interest-based such as interest on delinquency. Such conditions are invalid but the contract itself remains valid and permissible. Therefore, unless you are sure about it please do not jump to a quick judgment!

3. Working a company that deals with some prohibitions is permissible as long as you do not do any of such prohibited matters. For instance, it is permissible to work in a supermarket that sell fruits and other food items but also sells pork or alcohol, in a bank that gives interest-based loans and in an IT company that takes loans from banks as long as you do not make any prohibited action such as handling the sale or preparation for sale of pork, writing an interest loan or its application or approving it, carrying liquor or selling it, etc.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2008

Sent: Monday, December 15, 2008

Question: Islamic loan contract's form

Thank you again; I have attached the document in word format.

Assalamu Alaykum,

I have just joined Iana financial recently and we are currently in the process of drafting our Student Loan Contract. Would you be able to review and approve our documentation from an Islamic Perspective? We really appreciate your guidance upon various aspects.

Thank you! Rabia

My Answer:

Dear Sr. Rabia

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please receive my comments.

Please notice that heirs cannot be responsible for a debt of a deceased. Rather the estate is responsible and to its extent. Also I suppose that this is also shown to a lawyer in Alberta.

Last, I also suppose that it is based on a credit report that indicates the ability to pay. Another idea that may improve repayment: you may consider monthly or pay check payment and have authorization for deduction from source that installment is sent to you directly from the payer of income to the borrower, or withdrawal from his account directly. The idea of \$1000 payable as one shot seems creating potential difficulty to payer, it is a kind of large sum!

Best Regards,

Wassalam

Prof. Dr. Monzer Kahf

From: Samy, Islam on line

Sent: Thursday, October 30, 2008

Question: Signing on Behalf of Mother on Her Interest Accruing Account

Dear Dr. Monzer,

Assalamu Alaykum wa Rahmatullah wa Barakatuh,

Respected scholars I have two questions: 1.) My mother has had an interest accruing account which she has not used in the past few years. Aside from the money acquired via interest, most of this money has been earned by my mother. When I turned 18, the account then was registered under my name. My mother says that she requires the money from the account. In order for her to get any money from this account, I would have to sign for it. Am I being sinful by signing this account over to her?? It is her money and I may be in the wrong by withholding it from her. 2.) Some people believe that thought is energy and by thinking things we can directly bring them into being. Essentially, it says that we create reality with our own thoughts. It is sometimes referred to as? Mind power? Is this belief heretical or blameworthy in any way? A speedy response would be appreciated respected scholars. May Allah reward you for your honest efforts? The reasons are that the first Question is pressuring me and the second, may have to do with shirk

Jazakum Allahu Khairan for your constant help

Yours, Sami.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul Qayyoom

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

There is no sin in signing checks to your mother to withdraw her money from the account. As long as she owns the money it is not any of your business to take any action on the principal or on the interest that has accumulated in this account. You must however, politely and respectfully, always remind her that interest is prohibited and must be given to Muslim charity and that she also must move her savings to an Islamic bank if there is one in your country. The earning she makes in an Islamic bank is Halal.

For the second question, I know that no mind power can "directly bring them into being". This is untrue and definitely unacceptable. On the other hand, the power of mind is the main mover of changes in human behavior. This is in application of the Verse that means that Allah would not change your affairs unless you change what is inside yourself. But I am not an expert in this area please address this question to other Muslim experts who are specialized in human psychology and behavior. There are quires few whom I know in Kuwait and other countries.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----From: Seid

Sent: Wednesday, October 15, 2008

Question: Bank salary and Hajj

Assalamualaykum

1. Is it possible working in non-Islamic banks, which deal with interest? Is its salary Halal?

Case: My relative who works at bank wants to make Hajj this year with her husband; and they are saving money from other income source (i.e. house rent). Because, they want to perform Hajj from their pure (halal) money.

Unfortunately, its cost becomes almost double this year in our country and so their money will not be enough for hajj. Can they use the provident money from her stay at bank?

Now she already decides to resign working at bank after she returns back from Hajj. Make Duaa for her. But I can't get the answer. Please, tell me the reason because I need the fatwa urgently

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Seid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Working in a conventional bank may be permissible if one does not do anything prohibited, and if the work is permissible its price, the salary, is also permissible. What is prohibited is to write or approve or type or contract or sell a contract that are interest based, but jobs that do not involve any of these and similar functions are permissible, although they generally help these functions.

If the salary is permissible it can be used for Hajj or other objectives.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Investment; Permissible?

From: hajara

Sent: Thursday, July 10, 2008

Question: Millennium Shari'ah Alpha Fund

Dear Professor Kahf

Salaam Alaykum wa Rahmatullah wa Barakatuh. I hope you and your family are well.

We have been approached by Millennium Finance Corporation a subsidiary of Dubai Islamic Bank to invest in their Shari'ah Alpha Fund. I have asked for their fatwa on the Fund for your approval before we consider the investment. The fund structure and fatwa are attached. I look forward to getting your decision on this fund at your earliest convenience. The fund is closing at the end of this month. Much obliged, WA salaam

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This proposed fund works as follows: part of the fund's money shall be used in Murabahah 1 with Deutsche Bank, this part shall guarantee the principal after 13 years plus 9% profit that shall be paid over the first three years. The other part shall be used, I assume, in equities and private equities and shall be backed by an option of, at any time selling the assets Murabahah to Deutsche Bank at the given index. Deutsche Bank gave its undertaking to this Murabahah 2.

Yes on the paper this structure looks Shari'ah compliant. BUT I PERSONALLY DO NOT RECOMMEND THAT YOU GO THIS ROUTE OF INVESTMENT FOR THE FOLLOWING REASONS:

1. While Murabahah 1 seems innocent, we know for sure that Deutsche bank offers it only as a means of getting the cash and invest it in its own business that is essentially interest-based. This is the same that is called the international Murabahah that Dubai Islamic bank and other banks do closing their eyes to the fact that the object of the sale "is not intended for its own sake" but rather to make the transaction appear permissible. The also apply to the second Murabahah promise because the DB is only interested in cash it gets for its way of placements.

2. The fund is said to be related to hedge funds and most of what is said as "Islamic hedge funds" have many question marks on them on how much Islamic they are since they in fact use very controversial contracts that are stretched right and left to suit their structures (such as the 'Urban contract that is switched into future and itself, even without stretching, is rejected by three schools of Fiqh).

3. Is this what you promised your investors to do? I felt that your promise was essentially to invest in developing the Nigerian economy and promote Islamic investment and finance in Nigeria, Is investing in major international market by vehicles of hedging tools one of the objectives of your fund? I have doubts that going into this fund (that is purely Western in its assets, structure and managers) fulfill the image you give to your investors. If Dubai Islamic Bank may do it, it is essentially because they have a lot of excess liquidity that they have no mechanisms of investing it in developing their country and other countries that need development, but are you, in your fund, in a similar situation?

I recommend that, if your objectives include certain investment in private equities, you should do it in productive projects/companies that are safe and promising in Nigeria and the region rather than going Westward.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

بعد سيطرة أهل مرل فلهي جوز لك ثم لب أن للضاعة التي سألتيها تخيية بفسلورة من ال ص در أق و ب عرض ها علي ه
لكم ا هيبدون بق أرباح في.
وجزاكم الله كل خير و ج عل في ميزان حسناتكم
ملاحظة : قظر ال ج و اب ل لال غة ال ل ل في نية لا مل ع.
الم علي كم

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Riyad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This transaction can be Shari'ah compliant if you make it right: He gives you money and appoints you as his agent to buy the goods and also this agency agreement should mention that he authorizes you to sell to yourself on his behalf after you receive the merchandise purchased as agent. Of course you must not make any commission on the purchase because you are only his agent in this purchase and in taking delivery and then in selling to yourself for the higher price that is payable later. This agreement as mentioned above can be only verbal but it is better to make it in writing.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Wael

Sent: Sunday, May 11, 2008

Question: GOING TO UMRAH AND HAVING A LOAN

SALAMS

Dear Dr. Monzer,

Could you pls. help replying this question that we received in Hajj page?

Assalamu Alaykum, I took a loan from the bank and I am repaying it through installments. I have enough money to perform Umrah. Can I perform Umrah with my extra halal money? Please advise. Jazaka Allahu

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Brother,

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

These are two separate actions each one of them is determined, questioned and rewarded on its own As Allah said what means that no action/deed shall affect other action/deed. Yet I should add that if the loan you have is interest-based and can be settled by the amount you will spend on Umrah, the priority should be for settling this loan because ridding oneself from Haram has always priority over doing further acts of worship especially that Umrah is not an immediate obligation according to the Hanbali

school and it is not an obligation at all (just desired) according to the other three major schools. If the debt is to an Islamic bank and you have other resources to pay it on schedule, there is no priority at all for paying it over going for Umrah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Inventory Financing

From: Hajara

Sent: Thursday, May 08, 2008

Question: Can banks and insurance companies be allowed to invest in Halal funds?

Dear Prof Kahf,

Salaam Alaykum warahmatullah wa Barakatuh.

I hope you and your family are well.

It has been a long time since we spoke as we were busy on roadshows etc. promoting the Halal Fund.

Alhamdulillah, it was successful and over 200% oversubscribed!! Now the hard work begins to achieve a good halal return on investment. On behalf of us all I want to thank you for your wonderful support.

So many questions and issues have arisen and we require your expert opinion and decision on them.

1) We have received a few emails/letters objecting to fact that banks and insurance companies can invest in the Halal Fund (they understand that we do not invest in those industries). It would be very useful to have your response to that so that we can put their minds at rest. I have attached a letter we received on that issue.

2) The receiving banks have had the money raised for the Fund for approximately 3 months awaiting final SEC approvals before the money is disbursed to us. Typically this is invested by the banks and the banks and the issuer share the interest. Obviously in our case we do not want nor have we asked for any interest. However, the question arises - should we instruct them to pay what would be our share of such gains to specified charities or should we leave it to the banks and have no part of it as we are doing now? Kindly give us a clear decision on this.

3) We have also been approached by a company leasing dredging equipment to guarantee their lease rentals (or issue a letter of comfort) for a share of their profits from the sale of sand dredged or for a fee. My understanding is that earning a fee for a guarantee is not allowed but please elaborate on this.

4) Many mortgage requests are coming in. However, the challenge is the documentation from an Islamic perspective to reflect a) ownership of the asset on our part before reselling to the client either through Ijarah, Murabahah or diminishing Musharakah. In some cases, it is difficult to get the property in our name at all and in other cases when we can get the property in our name it is undesirable due to transfer costs, taxes and time. What is a viable halal alternative?

5) We are trying to plan and schedule an Islamic Finance training/conference. Due to Ramadan and Hajj, we are proposing early November 2008 or early February 2009. Please indicate what would be most convenient for you based on your schedule and your recommendation for the content and format for such an event given your vast experience with such events. Any recommendations for additional speakers/trainers are also welcome.

Of course we ask that you continue to remember us in your duas. May Allah keep our intention pure and keep us on siratulmustaqeem and grant us success in all our endeavors.

Best regards, WA salaam, Hajara.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is always nice to hear from you and I pray always for your continuous success and prosperity both spiritually and economically.

1) The issue of accepting funds from anyone within Islamic (Halal) investment and finance has been solved since day one. First our classical Fiqh is so generous and accommodative that you never have in it any statement of boycotting persons whose income is doubtful or Haram. Of course we do not approve of any Haram activity or income and we do not share with them their activities but do we have exchange transactions with them? Do we sell them bread, food, cloth and housing? Do we behave kindly with them and even give them charity if needed? The answer is always a big YES. What we may be skeptical about is to give persons who may do Haram authority of decision making in partnerships. This also made clear in our classical Fiqh that it is permissible to have non-Muslims or Muslims who may be lousy about observing Shari'ah requirement as business partners provided that we either manage the business ourselves or clearly restrict their authority to be only within the Shari'ah requirement.

According to this attitude of accommodation and generosity, AAOIFI standard 12 of partnership states clearly that it is permissible to have conventional banks and other conventional financial institutions as partners in companies as long as the company's charter says that it is committed to the Shari'ah ruling in all its transactions. In fact, we even go further, we have today in several parts of the Muslim world Islamic banks that are fully owned by conventional banks both national and foreign (e.g., Emirates Islamic banks is owned by Emirate bank, Arab International Islamic Bank is owned by Arab Bank in Jordan, and Citi Islamic Investment Bank is owned by Citibank in Bahrain).

It is absolutely permissible to invite non-Muslims and conventional finance practitioners to participate in Islamic investment funds and Islamic banks. RATHER, I GO FURTHER TO SAY THAT INVITING CONVENTIONAL INSTITUTIONS TO ISLAMIC FUNDS AND BANKS IS ENCOURAGED IN OUR SHARI'AH because that gives them an opportunity to taste the sweetness of abiding by Shari'ah and consider switching their other activities to Shari'ah compliance.

2) I wouldn't like to see a Shari'ah abiding fund, organization of individual to be fooled by conventional institutions. When we have to place large sums of funds with conventional institution and we know they are using our money and making interest-based returns out of our money we must not let them get away with it without carrying some cost. Therefore MY FATWA is always: First try to avoid placing large funds for any extended period of time as much as possible and second, when you have to place large funds have the conventional bank pay some cost for them.

In our case, I understand the sensitivity in taking the interest and showing it in our account even with giving it to Muslim charities. I therefore prefer that we ask for accrued interest and instruct the bank to give it to a Muslim charity of our selection provided we are very sure that the charity we select does only charity work by helping the poor and needy preferably locally within Nigeria.

3) I go along with the view that we cannot take any compensation for the letter of guarantee except the out of pocket cost of writing and mailing it. The solution I suggest is to sign a MOU with the leasing company on whose basis we create a limited liability company for each LG we issue so that we can get a profit from this LLC that is a fair compensation of the LG issued. Operationalization of this principle is not difficult unless if there are any legal barriers. I suggest that you may like to prepare a draft MOU and a draft LLC that indicates that your responsibility as a partner is to issue the LG and you will liable to the extent of its value and define the responsibility of the other partner, in taking the leasing activities, etc. and also define a process and percentage of distributing profit. You may charge an advance of the profit distribution at the issuance time subject to settlements when profits are known, you may also relinquish any profit in excess of certain amount.

4) In Islamic home mortgage you may assign the customer to be your agent to hold title of the property on your behalf and support it by a lien or charge on the title, thus avoiding double taxation and excessive transaction time. This assignment does not have to be in the mortgage document, it suffices to have it in the finance agreement that is attached to it.

5) After Ramadan or after Hajj both are good, it seems that if you don't act quickly some other training programs are coming around in Nigeria. For me, you can take the week of either Oct 13, Oct 20, Nov 3 or any date in Feb. 09. I suggest "structuring Islamic financial and investment products" as a title of this course, you can take it as a 5 days training course for about 15-20 participants.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Subject: Bankruptcy, Business Dispute

From: Amjed

Sent: Sunday, March 16, 2008

Question: BUSINESS DISPUTE

Asalamualikumww,

I have financial issues with a Muslim business partner, specifically he disregarded the contract we signed regarding the money I invested with him, and rather I think he used the money for personal means. He also hired my brother and never paid him most of his wages. I plan on informing another Muslim brother to help solve this between us. However, if all attempts fail, can I file a lawsuit against him? What are the correct Islamic procedures?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. AMJED

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I think you are taking a good approach. Start with arbitration. I wished you had an arbitration clause in your contract. I always recommend it. Arbitration can be binding on courts in it is done right. If you have to sue this person I find no reason why you cannot from Shari'ah point of view as long as you ask for your right only. You can even get court-imposed interest from him provided you don't take it to yourself but give it to charity.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Riyadh

Sent: Thursday, February 07, 2008

Question: Paying others' interests when cancelling a contract

أخي الكريم
لسلام عليكم.....

للأسف الشديد فإن الضرورة حيث أن التزامكم بالقيمة التي كان لا يرجع إليكم ال بعد الأمور هامة أن تاجر لأجهزة الكومبيوتر من تبي إلى أبي وأعمال أموال الأهل والأبواب نسبة للربح إلى خسارة ونظرًا لتعرضي للالتزام فأشهر الأخرى رطل عدة خسائر والتزامات لم يقرر بل موفقة الأهلبي ع فزل الأسر قديمشق الذي له عدس ونوابدون استعمل وأسقي أنا من حل أنبهي ال لمي قثم أجد لكل واحد حقه... وتم عرض التي تلبي عشواتر اراه بلخ التي ال قيم بللس عوي قبعد أن أرسل أخاه وزوجك وكوليت وتمت الصفاق قبل غ 145 ألف دولار ونظرا حاجتي الماس فتم بلين ألف دولار لرسله إلى يفورا من اللس عوي نوبعدش مر سفلر لدشق وبعد من عي نة المن زلعتين له أنه غير فبلبله التي لمكن تلبي رطل عدم وجود رقة محكمة فلستصل لي لإلغاء البيع فوق الذي ن هيتظر ن تليس دي دال بلغ الدفوع غي وهيت بلين ألف دولار ولكن بعدش مر إن استطعت إرس ال عشرة آلاف دولار لثم هذا الأمو فحاج أن يبض روريقس بي دكامل ال بلغ غل حاجته هل موت فجل خساته حيث ن هاستقرض من شركة س لمال الس عوي فقلنا نة بلغ خمسين ألف دولار وأعطاني ال الفين الأخرى من حسيب الماش خصيول هذاسم ابتخص من نصف منب هكلش مر لذاق الذي أن أريد فك أن تنف غلي متي دمس لجا في كلش هري عي أن لثم مل أن أسدد عي هال بلغ الذي امتيق رضه هوسبب بي فخص فالفائدة أي أسدد بلغ حوالتي سبة وخمسين ربدلا من خمسين أمال الفين الأخرى لخص قف أعي دهال هك ما هي لأن هاش خيرية من حسيبه لخاص عني أن أسدطل حصر فكلش مر 1300 دولار بديلا عي هلمدة أبع سنونوات ولكن هيزي دال بلغ الإجمالي... ف هلي جوزلي أن لثم مل عي للقرض لأفعله لأجل المنزل عمل بلين لي لست أن من بلتداه أن لجا لي لا أمك من بلبل غ ما أعطي به لأن كل ال مال بح ورتي هون لاس والأهل هاش غل في يون أف ادلهال وجزاكم الله كل خير

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Riyad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Sorry for writing in English, my Arabic typing is slow and time consuming. Sorry also for the delay. It seems to me that you are required to manage yourself to pay him the remaining amount with no increment on demand that is now. But you are not required. And it is wrong, to carry the interest to Samba on behalf of him. When he turned off the sale and wanted to cancel it, you could then have told him that you cannot return the money until certain period of time.

Please look at these principles:

1. A sale contract is final after it is signed; he has no right to change his mind. You could force recording it and getting the rest of the price.
2. If one party to a sale wants to cancel, it is recommended, by your beloved Prophet Pbuh, to accept by the other party and cancel the contract. At that moment you are required either to return the money he paid or to agree on a date of payment of that money. You did not negotiate a date of payment, instead you gave him 10,000. This indicates your willingness to pay all the down payment that was paid to you. It is due immediately as long as you did not negotiate a schedule of payment. On the other hand, the point that he borrowed 50,000 on interest is none of your business, it is a mistake and a sin on his part and you are not required to carry that interest charge on his behalf. But you need to manage your affairs in such a way that you pay him immediately the remaining 70,000. It is none of his business that you already used it for other objectives. I also want to warn you not to use any of the funds invested with you for that purpose because that amounts to betrayal of the Amanah as these funds are given to you for a specific trade not for your own personal use.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Samy, Islam on line

Sent: Monday, January 28, 2008

Question: Receiving Donation from Non-Muslim & People Who Earn from Interest to Build a Mosque

Assalamu Alaykum. Is it acceptable to receive donation from non-Muslim & people who earn from interest, to build mosque & other social service?

Jazakum Allahu Khairan for your constant help

Yours, Sami

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sami

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is permissible to receive donations that you do not know their sources to build mosques and other Islamic social and educational services, etc. You need not to ask about sources and you need not to know. Even banks of liquor sellers may have some other sources that are permissible. However, if you know for full surety that the exact money given as a donation itself came from interest and the like just do not use it for the part of the mosque that is the prayer hall. You can use it for other sections of the building and for other projects like education and social services. This is not a Shari'ah requirement in the full sense it is only to keep the prayer hall pure of any such Haram. Of course if you do not know the exact source of the money you assume that it is permissible because people, Muslims and non-Muslim alike are decent unless proven otherwise. This means that you can accept donations from Muslims and from non-Muslims for the mosque and other projects. Additionally, If you know that a given cash came to the hand of the donor by shameful (immoral), illegal means such as theft YOU MUST NOT ACCEPT SUCH CASH AS A DONATION OR EVEN AS A SALE PRICE OF A SPECIFIC GOOD AND SERVICE. Of course this rule only applies to the specific cash not to presumed or even known source. For instance we may assume that the source of income of a prostitute is all Haram or we may know it is YET WE ARE NOT ASKED IN SHARI'AH TO BOYCOTT HER, NOT SELL HER FOOD, CLOTH OR SHELTER UNTIL SHE STARVED TO DEATH. This kind of harsh and inhumane behavior does not exist in our religion.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Housam

Sent: Friday, January 18, 2008

Question: : سؤال في عقد التوريث

لسلام عليكم ورحمة الله،
حسام - طالب بم اجستيير صراف إسلامية:
أرجو منكم الإجابة على الأسئلة التالية في عقد التوريث وجزاهم الله عن الكل خير:
1- هل يجوز في عقد التوريث أن يكون التوريث لسلعة مع مؤجلات عد عام م الوس داهت فيه لحي وأقساط سدل عامين
مثلاً. 2- هل يجوز لمتاجر لدخول في عقد توريث يدرسل مع مهنه وسوفيق بجهت أمينه من خالل عقد توريث آخر ببيت اريخ
تسلي يهي سبقت اريخ ال موال مثلي وتكون هذه السلعة مثلية ونتملف رف في السوق، وماذا إذا كانت هذه السلعة مثلية.
3 في حال دخول تاجر في عقد توريث وليست طعة عقدي ذ هذا العقد تسلي لمسلل هف طيلت اريخ ال مبق علي، ما هو الحل.

My Answer:

Dear Br. Housam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1) Your question is answered through the principle of sale of deferred for deferred. I argue that such a sale is permissible because it is the Fitrah of transactions in all businesses and at all times. It is not vain ('Abath) to initiate a Kale' for a Kale'. Therefore, the Hadith about it (being accepted by Fuqaha regardless of opinion of Muhaddithin on it) should be interpreted to apply only to an existing Kale' for another Kale' but not to creating a new contract. Accordingly I see the answer to your first question as positive, it is permissible. Of course this is not permissible according to those who generalize the kale' for kale'.

2) If you talk about specific goods (Mu'ayyanah) then possession by delivery must precede any sale contract of the same. But if the goods are described, the other contract is independent and goods can be delivered from the execution of the first one or by fetching them from the market. Each contract stands on its own and it is valid on its own merits.

3) In any contract with future delivery or payment, if the obligor did not deliver it will expose itself to damages that must be determined by an arbitrator that applies to delivery of goods of payment of price. The contract may determine a process of arbitration but must not set a given amount for delinquency or failure to deliver/pay.

Best Regards,
Wassalam

Subject: Murabahah and Installment Sale

From: Mohammad

Sent: Saturday, January 05, 2008

Question: Istisna'

بسم الله الرحمن الرحيم
الامتاذاللطفور في ذرق حف
لسالم عليكم
إننا نعلم أنك أنت الذي أسفط بال د اس الية لاي يحق دون ال مذهب الن في وعلى هذا لاي يحق دون ص حة عق هرا لصن ا عمل
قولوني جب أن تفرش روط اللس لم م عدل لاي يتخدمون في بين وك عم عق هرا لصن ا عرف في لس و اق هم ال لية أيضا أوراق
سالصن ا ع مودة أوست و ج طار ش دن ي م ا مواله ليل ل ل ل ك؟
شكراً جزيلاً

My Answer:

Dear Brother Mohammad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I am sorry to answer you in English because my Arabic typing is weak. Please notice that regardless of the prevailing school in any country, Islamic finance is not limited to any one school. It picks up from all schools of Sunni and Shi'i. Besides, for Istisna', the OIC Fiqh Academy ruled (I think in a 1992 resolution) that Istisna' is not like Salam, it decreed that Istisna' does not require advance payment of the price (as taken from the Hanafi Majallah) and Islamic banks follow that ruling.

Best Regards,
Wassalam

Monzer Kahf

Subject: Hajj, Umrah, Ibadah, Fasting, Kindness to Parents

From: Hafeez

Sent: Saturday, January 05, 2008

Question: I'tikaf, its ruling and what acts may spoil it?

Dear brother Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I am attaching here with an email which came to me regarding this incident. One Imam here did socialization with young girls and women during Itikaf when he himself was in Itikaf at Zawiah. Among the ladies some were in Itikaf and some were not. He uses to sit on Musalla with them drink tea together and chat, talk and laugh. in fact he is doing many things against Islam but since he is an imam and Hafiz and a very good speaker like Sahar and Falsafa in his talk some people in the community can't believe that he is wrong and that he has not done any Sahar on these girls and women who can't hear a single word against him and who obey him like he is a prophet or naoozubillah God. He has breached trust between him and friends. A person sends his daughter from ..to..during summer holidays to learn Islam and to stay in his house with his wife. They were family friends since 10 years. During Ramadan he brought this girl into the center where he has his bed room and sit with girl in closed /locked room for hours. When wife asked what you do with a girl in locked room for 3 hours he said I am giving her special teachings. The Wife was in Itikaf as well but she left after 4 days and went home saying that ""this is not Itikaf this is something else"".

Similarly one of the brothers who sit for Itikaf when he questioned the Imam that this is not right that girls and men roaming round the area, talking to each other and you are sitting, socializing with girls and women.

The Imam answered ""it is modern world we have to change"".

The Imam has Brain washed his students specially lot of females and young girls saying "you should give up to God like syetna Maryam RA (as she use to stay in masjid all the time) in order to meet God, once you meet Him you go up then you can come down and enjoy the world. Leave the creation for the creator "".

But in reality in their practice the creation is either husband or Parents and their family. so they leave them stay day night with the Imam in center (before his expulsion from another Mosque in they use to sit day night most of the time with him in masjid) so this is how they leave creation but other than that they go for hiking , picnics, parties functions , etc. with imam and group only . Even Imam marries them to boys and girls of the same group without the presence of wali and in spite of a clear warning from parents they deny the consent for this marriage.

He is breaking families and destroying the religion.

Insha'Allah next time I will send all the cuttings of newspaper which were published since's daughter Irene's case came into public eye. Since then many of his wealthy followers left him Alhamdulillah but still he is working his evil acts at another place now. They moved to another place now in which is small place then before and good news is that very few people are going there for Juma. I wish and pray

that this kazib, fasiq, munafiq and sahir and his cult Allah destroy it and save the youth and the community.

So my question is,

What is the ruling about socializing for women and men in Itikaf and if imam does it? Please tell us what actions are not allowed during Itikaf?

Can these acts of the Imam be accepted like sitting with young girls and women on Musalla and of drinking tea together, laughing chatting together? Is this statement of in support of his actions in Itikaf is right and acceptable in Islam that ""This is Modern world we have to change".

Is it possible that you answer me in such a way that I can publish your answer in the newspaper as a ruling in Islam regarding Itikaf so that those who are ignorant will know the command of Allah in this regard?

May Allah save us all from those who are destroying our religion and our community?
Amen Wassalam, Sister Hafeez

My Answer:

Bismillah al Rahman al Rahim

Al Hamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hafeez

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is nice to hear from you after a long time. I pray to Allah that you, your family and all sisters and brothers around you are in a good health and excellent spirit. And Eid Mubarak to you all.

I'takaf is an 'Ibadah and Sunnah decreed by our beloved Prophet, pbuh. Its essence is to isolate one's self from most of the worldly matters and devote the time for 'Ibadah, for worshiping Allah. The stay in the mosque, for men, symbolizes this full devotion and detachment from Dunya.

The Sunnah for women including young girls is to make their 'Itikaf in their own homes not in the mosque among men or even in the women section of the mosque.

It is not Haram to talk to girls and women during 'Itikaf or even to take a cup of coffee or tea with them. All this talk and tea, when it happens, is always with decency, brief talk and to the point without being in a way of Khalwah (one man and one woman together alone in a place that has an atmosphere of privacy), and of course such talk and even a cup of tea is an exceptional incidence not on regular or repetitive manner while in 'Itikaf. The spirit of 'Itikaf is contradictory with socialization with women and also with men because it is a time that should be used in prayers, reading Qur'an and the like. It is not a time of social chats, discussions, arguments and social activities. It is a time of devotion and bowing down to Allah the Almighty. Finally, there is no modern and ancient 'Itikaf as the Prophet had taught us only one kind of 'Itikaf that is isolating one's self from the rest of the world and keeping the time to Allah alone.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2007

Subject: Musharakah, Mudarabah

From: Ghassan

Sent: Sunday, December 30, 2007

Question: Partner with non-Muslim

Assalm Alaykum

Dear Dr. Monzer,

I have an urgent question and I would appreciate your answer. I want to establish new company and my partner is Christian, I have told him that all financial transactions have to be Sharia compliant and he agreed on that so I will take care of all financial aspects to make sure we only deal with Islamic Bank. Please let me know if this Permissible in Islam.

Can I hire non-Muslim to work for in this company, is there any problem with that according to Islamic rules?

Thanks

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ghassan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

There is no reservation in partnership with non-Muslim and in employing non-Muslims as long as in the partnership there will be no violation of Shari'ah, in matters of products, transactions and contracts and activities carried out on the premises of the company. What we find in some of our classical books of reservation is all based on the assumption that a non-Muslim partner may undertake, for the company or on its premises some non-permissible actions. If this is assured, such Partnership and employment become perfectly permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

From: Ghassan

Sent: Monday, January 07, 2008

Question:

Assakm Alaykum

Dear Dr. Monzer,

Thank you for your answer, I have more questions

1- Am I obligated to find the source of the money that my partners are bringing to the business, I will make sure all transaction are Shari'ah compliant but I have no way to find out if the source of the money is Halal or not?

2- One of our business lines will be to sell Software solution for banks, we will sell to Islamic and non-Islamic banks, is this considered Halal?

3- My wife inherited shares from her father, these shares happened to be in traditional banks so my wife's family is waiting for the stock prices to go up so they can distribute the cash. Is this consider Halal money if my wife took her share of this or we should not take this money?

Thanks

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina

Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ghassan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. It is not a matter that concerns you where do other people get their money from, partners or persons you sell them your machines. Of course if you have a doubt that this money, itself with the exact serial numbers, came from a theft or armed robbery you must not knowingly accept it in any deal and rather you are required, by Shari'ah and all other laws, to report it to police and to the rightful owner if you can.

2. You can sell IT products to conventional banks but I feel uncomfortable with software that are designed specifically to produce interest-loan documents because this may become a de facto part of the activities of writing an interest loan. Writing interest-based loan is prohibited and covered by the Wrath the Prophet, pbuh, mentioned that is on the taker, giver, writer and contract witnesses of Riba.

3. It is certainly sinful to own shares in conventional banks. Your wife may take the principal of these shares as of the day she became owner (day of death of her father), any increment above that must be given to charity. As for the price differential (between purchase by her father and price on the day of his death and dividends before she become owner (day of death because according to Shari'ah the incidence of death transfers ownership) that is the sin of the person who bought these shares, May Allah forgive him. If she wants to be more conscious and give away any increase her father gained in regard to her share of the inheritance that may be even better and will be like a Sadaqah for his soul that will be rewarded InShaAllah. In other words, giving to Muslim charity anything above the market price on the day she become owner is a must, giving anything above that is an added charity and added purification InShaAllah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2006

Subject: Customers Giving Money to Keep Their Business

From: Mohammed through Islam on line

Sent: Tuesday, November 21, 2006

Question

Dear Dr. Monzer, As-Salamu `Alakum

I have an economical question that I am working in a Sino-Saudi Joint-Venture in China, here I am in charge of purchasing of raw materials, I am encountering this kinds of cases as below 1)some of my customers mention by themselves that they are ready to give me some money to keep the business, even if they did not give me any benefits I would continue with them; 2)and some companies came to me and says they will give me cheaper price and same quality of goods as I bought now and they will give me some money; 3) some companies bring their products as a gift or coffee and so on. Now I am excepting their some gifts like coffee or tea that is some thing for public usage in company, but not excepting some thing for personal usage like shirts and so on, this is right in Islam? And I did not except any of their money. So I want to know that can I except any of their money or any benefits in the base of not harming company benefits and give my company cheaper price and good quality of goods according to the market situation. What I can do that some my customers put their gifts in my office as I was out? Can we except gifts between business friends since it is so common in China (I am a Chinese Muslim)? Can I take the money and use it on other Muslim? And my company did not give me good salary and bonus even I work from my heart, so can I take some money to fulfill some part of my income? Many thanks on your detailed answer, May Allah reward all of your works. Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Mohammed

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

The answer to all your questions is a BIG NO. You can't take the money from the companies that you deal with or any personal gift without clear and open information to employer. You are a Wakil (agent) and a wakil must only act for the best interest of the owner. Gifts for use in the company's offices like coffee can be accepted, they also require informing employer. Negotiation of reduced prices must be done to the benefit of the employer. If you have any complaint about your salary, it must be addressed to the employer and renegotiated with it, you can't take a two party agreement and redress it on your own without knowledge and free choice of the other party.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Rights of a Mother over her Son's Salary

From: A Mother through Islam online

Sent: Thursday, April 13, 2006

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Could you please answer the following questions in the light of the quran and sunnah.

1. What right does a mother have over her sons salary. Does the son have to take his mothers' permission to spend his salary. Can a mother prevent her son from spending on his own family that is his wife and children?
2. What rights do parents have after marriage. Does the daughter in law have to take her husbands permission or her mother in laws permission if she has to spend from her husband's salary or even if she wants to give away some clothes which she bought from her husband's salary. Here I would like to state that my mother in law has told me that it is her right that I should ask her before I give away anything from her sons salary because she has a right on her sons salary.

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Sr. Muslim Indian Mother,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

I like to be straightforward with you and very frank because I think that unless we are very clear on these issues, we will not solve many of the social problems in our society and communities and that will give room for the secularists and other people who do not carry the Islamic values to take the driver's seat in attempting to bring in solutions that contradicts our culture and values. Here are the principles that govern these matters in our Shari'ah:

1. A husband is required to spend on his wife in accordance with his level on income and wealth. This is confirmed in the Qur'an and the Sunnah. This obligation is by virtue of the marriage contract and is required whether the wife is rich or poor, has income of her own or not. A married woman is not required to spend on herself from her own money.
2. A wife may take from her husband's properties (wealth, income, salary and other resources) even without his permission what is needed for normal personal and family expenses. This includes giving to normal charity (Sadaqat that persons give to the poor and needy when an occasion arises). This is confirmed by at least two Sayings by the Prophet, pbuh, that a wife is a manager in the house and property of her husband and she is responsible for her actions and the Hadith of Hind the wife of Abu Sufian.
3. Parents have a right of service and spending on their children, married or single, if they need. Kindness to parents is always required whether parents are in need or not. This means that a child is required to spend on his/her mother and/or father only if they

are in need but if they are not in need children are also required to be kind and courteous to their parents financially and socially. But parent can't, legally from Shari'ah point of view, dispose of the property of their adult children including salaries without permission. Here again a parent who lives with her/his child, and spent on by the child may give to charity whatever is usual and customary according to circumstances.

4. The properties of husband and wife are not mingles, legally, together. This means that each spouse is financially independent form the other. A husband has no right to dispose of the property of his wife and she can do whatever she likes with her own property (including gifts given by the husband) on her own with no need to any permission or even knowledge of her husband, let alone his mother or father and the husband has no right to interfere at all.

5. While a married man or a married woman is required to help and serve his/her parents, the relationship between a woman and her in-laws and a man and his in-laws is based on mutuality and general rules of kindness [Husn al Mu'asharah]. A wife is not required to obey her mother in law nor serve her and a man is not required to obey or serve his mother in law. There is nothing in our Shari'ah that puts an obligation on a married woman toward her in-laws except the general rules of mutuality, kindness, courtesy and respecting the elder.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2005

Subject: Assigning a purchased Real Estate to another buyer

From: Zaid

Sent: Saturday, December 31, 2005 12:44 PM

Question

Assalamu alaikum warahmatullah Dr. Monzer,

This is zaid from hawthorne masjid. I attended your 2-week class on Islamic financial issues. I am learning about real estate investing and I came across a method called "Wholesaling". I wanted to know if this type of transaction of allowed in Islam.

Here is a basic example.

1. You find a seller who will sell his house to you for \$100,000. Full market value is \$150,000 but he is in distress or has a dire need to get rid of it.
2. You put the house under a sales contract and give him \$2000 earnest money deposit. You must close in 30 days or he keeps your \$2000 and you get nothing
3. You call up your list of buyers and find someone who will buy it from you for \$110,000
4. you do a double closing at escrow with buyer and seller and collect the \$10,000 difference

question #1: is this allowed?

question #2: what aspects of it make it not allowed?

question #3: if this is not allowed, do you know of any real estate investment methods that are?

If you need more details let me know. I can send you the forms and contracts involved

jazakAllahu khair

zaid

My Answer

Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Zaid

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

This method is permissible in Shari'ah. It is a full sale and buy, a trade in the full sense. The first contract is called 'Urbun sale (it features the condition: if you don't come up with the rest of the money you loose the down payment as a penalty for wasting my time and holding the house for you during this period). Merging the two sales together is also permissible.

Besides, there are other forms of investments in real estates most of them are permissible, buy on description (maps and plans) and sale after delivery, land developing with sleeping partners, etc.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

From: Zaid

Sent: Tuesday, January 17, 2006 6:22 PM

Question

Assalamu alaikum whats your address?

This is zaid from masjid again. Thank you for replying to my question. I forgot that there is another option in wholesaling. You can "assign" the actual contract to another buyer for a fee, handing over your right to buy at the contract price to that person. There are no two closings at escrow. Basically selling your right to buy to someone else is it's own contract that stipulates how much the new buyer is paying you. You are out of the transaction after that. There's only one closing between seller and "new" buyer. Is this allowed? jazakAllahu khair

zaid

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. zaid

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

بعد هذي عام في الشركة جاوني مرة أخرى وقالوا أن للشرك بدأت تكبر وهذا بفضل الله وبدون أنزلنا إلى
البنك إلى الآن رغم أن ذلك في حد ذاته شيء جيد ولكن المشكلة أن أولادي مظلومين بالله الذي أبى مناه حيث
أن الشركة رغم موهة لجبرها لا توزع أرباح في كل سنة رغم أن رأس المال يزداد حيث أن الأرباح التي عاد
أسبقتم أرباح الشركة في زيادة موهة أو أن الشركة تقتصر على شركة أخرى مثلها في نفسها من حيث
لشركة ولكن قالوا أن المال إنك تخرج في نفس الناس وإن يذهب هذه الطريقة لا أحسب في من غير مفي في
تجارتها بقرحوا في أن أسأل أحل عملاء الذين يتقرب إليهم عن الله أني حين في جاد مخرج أستطيع من خلاله
لأدخلي هذه الشركة.

أقترح في ولدي أن أدخل مع هذي الشركة إلا في ذلك عمل للشرك بل بعبءت في يوليكن في أخشى أن يكون هذا
العمل قد يضرب في نفس سي في ال 10% من الأرباح لليون ص.

السؤال هو هل حللي لأدخلي الشركة في كل عمل ما أن أساس عملها حلال إن شاء الله و إن فعلت في أطهر
ملى من ليا وخصصت الشركة الهيبة تنفع ليا ولأخذ في كثير الأوقات.
وإذا لا حل لي لك فملترون من عملكم طريقة أخرى لتعامل مع الشركة.

وجزاكم الله خيرا.

ليسأل مع ليكم ورحمة الله وبركاته،

أخوك في الله

أحمد

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Ahmad,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Kindly notice that it is forbidden for a Muslim to contribute to the establishment of a company if its articles of incorporation or its by-laws mention that it is going to do any non-permissible activities such as Riba, liquor, etc.

On the other hand, the normal practice that such a text is very rare in companies whose main function is permissible like yours. I assume that your company does not have such a text in its Articles or By-Laws. This means it is permissible to be part of the company. When, by majority vote, the company makes a Riba transaction, and if you cannot change it, you may then sell your part in it to any other person (staying in it being not common stock companies and the shares you got them for investment not as active partner) and at the same time purify your money.

The formula to purify is: total net profit from mixed transaction divided by total resources used for it multiplied by the amount of resources obtained on Riba basis. This amount should be given to Muslim charity.

An alternative is to contract the company on the basis of: salary plus 20% of both capital gain and profit distribution. This applies if all five of you work in the company and derive salaries (I understand that you guys agree on 20% ownership each). Or make any similar arrangement/percentage of Capital gain and profit distribution that preserve your write to capital gain too.

Please come back to me if you have any further clarification.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,
Dr. Monzer Kahf

Subject: Investing Money in Quixtar Company

From: Eisa through Islam on Line

Sent: Wednesday, October 12, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
Brother Abdul asked a question about the quixtar company, and you answered that pyramid based commission businesses are permissible in Islam, as long as three conditions are met one of them that the products sold are permissible in Sharia, now I just want to make sure because really this is important to me I have invested a lot of time , money and effort into this business, if the majority of the products are Halal products and most of your money will come from Halal products, am I allowed to continue in this business or do I have to walk away and forget all about it. Jazakum Allah Khairan

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Eisa,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

A Muslim must not sell or produce any thing that is forbidden in Shari'ah. But the price one gets out of selling or forbidden things differ from one item to another depending on what are the instructions given by the Prophet, pbuh. The general principle came is a Hadith ""Indeed God, when He forbids a thing, forbids its price too."" Swine products are forbidden for eating, therefore the use of a swine hide is not agreeably forbidden and a strong opinion argues for its permissibility although it is Najis (not conceptually clean) so you can't pray on it but it may be used for flooring, shoes, etc. By the same token with regard to liquor, we have a Saying that forbids ten activities about it, including brewing, transporting, serving, carrying, selling, buying, etc. Compensations for these activities are not Halal and if it happens to a Muslim it must be given to Muslim charities not as a Sadaqah but as a purification of one's income. Applying the same principle on future sale of currencies, it violates the Hadith that currencies must be exchanged only HA' bi HA', i.e., with immediate and full delivery of both at the time of the contract, here the price of the sold currency is not itself Haram, what is Haram is the difference between spot and future price because it is Riba. Also making and sale of men golden jewelry is Haram, but the price of he gold is not. When the Prophet, pbuh, took off a golden ring from the finger of a man and threw it on the ground, some companions told the man, take it and use its(gold). Please, apply these rules on your investment keeping in mind the following points:

1) a commission is part of the price and has the same rulings,

2) A Muslim has no excuse to establish a business that deals in any thing that is forbidden or in any forbidden transactions such as Riba of future sale of currencies, or be a partner in such a business,

3) If a forbidden thing happens by a partner or a subordinate, the Muslim must prevent it and at the same time apply the above mentioned details for the income that results from such a sale or contract,

4) while the idea of pyramid commission is permissible, if a Muslim has authority to prevent any sale or transaction that is not permissible in Shari'ah, she/he must exercise it, and if she/he does not have such an authority and the majority of products/contracts is permissible, she/he must give away to charity, the part of income that comes from what is not permissible in Shari'ah.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Being Fair Among Children: How?

From: Yosri through Islam on Line

Sent: Sunday, September 11, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I'm getting married soon insha'allah, and my mother wants to help me by giving me money, not as a loan, but more of a gift. She is wondering though that since Islam asks us to be fair among our children, does she have to give the same amount of money to my brothers as well? Jazakumullahu Khayr.

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Yosri,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Yes, parents have to equate their children in gift giving. The Prophet, pbuh, was asked to be a witness on giving to one child and he asked whether the father was giving all his other children equal gift, when the man said no, the prophet, pbuh, said: "I won't be a witness to injustice." Calling it injustice means it is Haram. Unless giving is related to a specific need, such as giving medicine to the sick child, or taking her on a recuperation trip after long illness, giving must be equal.

However, equality may be in kind or in cash, such as getting one child married, and getting the other s also married even if the cost of their weddings are not equal.

You should also remember that boys and girls are equal in gift giving from their parents since this is not inheritance.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin
Wassalam
Sincerely,
Dr. Monzer Kahf

Subject: Sending Parents to Hajj with a Loan

From: Mohammad through Islam on Line
Sent: Wednesday, April 13, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
Please inform me in detail as to whether I can send my Parents to Haj with the loan money. I would be repaying my loan before Haj begins. My query is about if I can use this loan money for Hajj as I need to pay interest on it. Please reply me as soon as possible. Eagerly waiting for your reply.
Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br. Mohammed,
Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh
Taking interest-based loan is prohibited for Hajj or for any other reason unless out of necessities. It is one of the most grave sins according to Shari'ah A God threaten declaring a war on persons indulging in interest.
Going for Hajj is not a necessity; it is not even required if one does not have the money. On the other hand, using an interest-free loan, that you know you can pay it in the future for Hajj to you or your parents is permissible although ones is not required to make Hajj if one is under the burden of debt.
Wa Allahu A'lam
Wa Alhamdu li Allah Rabb al 'Alamin
Wassalam
Sincerely,
Dr. Monzer Kahf

Subject: hoarding goods

From: Ahmed
Sent: Monday, September 05, 2005

Question

Bismillah Hir Rehman nir Rahim, Dear Scholar Assalam o Alaikum:
I appreciate your time to read and directing me accordingly.
The question is about earning premium on sale of car. The scenario is as follows:
In Pakistan, in order to buy new car from the manufacturer one has to book it after paying complete advance payment. The normal delivery time is about 6-8 months. On the car display centers, people can see new models but immediate buying is not

available unless they pay premium. For example if the manufacturer's price is 1 million, the display center might ask 50,000 for immediate delivery. The other option is of course to wait 6-8 months for car delivery.

Now apart from display centers who are authorized dealers of manufacturers even individuals do book the car and wait for 6-8 months, upon delivery of the car the individuals resell it without bringing it in their own use thus charging premium. Sometimes this happens even before the car registration in the name of original person who booked it. It is commonly considered that in order to make more money and dealers and influential individual involved in this business, many end buyers either have to wait for 6-8 months or pay premium on this transaction. Because of dealers and influential individuals long booking for business reasons, the end buyer remains in queue for long time. As a result there is more demand and short supply in the given time.

My question is that if such premium is allowed? Or is it some kind of hoarding or "Zakira Andoozi". i.e. buying something and storing it to create more demand and less in-time supply and charge extra money. Or this is a kind of business transaction and is not Haram.

I will be grateful to your advice in this matter. Wassalam

Ahmed

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Ahmed,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

For the first impression, this premium practice appears as a normal business since the demand for immediate delivery is different from the demand for 6-8 month delivery. Certainly for a normal buyer who finds it lucrative to invest in this kind of business (providing immediate delivery) it appears a permissible normal business. Every body pursues opportunities of buy in order to sell at higher prices.

On the other hand, when individuals of influence and dealers create a shortage by advance booking of future production for the purpose of creating a surcharge on the price of immediate delivery, it becomes a monopoly practice. This kind of monopoly is literally what is prohibited in the Sayings of the Profit and unanimously agreed upon in Fiqh.

So it appears to me that the regulatory authority can put guidelines to distinguish between the two cases of permissible business and prohibited monopoly. Such guidelines may include limits on quantities, enhancing production to void this practice, requiring full payments from such individuals and dealers, etc.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Allocating Profit for Sending People for Hajj or Umrah

From: Shamsi through Islam on Line

Sent: Sunday, September 04, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

About 7 years back during Hajj I prayed to Allah Taala that whatever property I am going to buy for the investment purpose I would allocate 50% of its profit for sending people for Umrah or Hajj. After that I purchased one Apartment whose possession was given to me 5 years back. I could not re-sell the Apartment as the market prices drastic fell down. I kept it vacant for almost 3 years expecting that the prices will get better. Later rented it out. Not being sure of whether this rent falls under the profit term I am keeping aside 50% of it for sending someone for Umrah. Almost entire remaining amount goes for Zakah payment on this investment. Apart from this I have few months back purchased few open residential plots, whose prices is now getting better. Your advice is requested on: (1) How shall I treat the rent received on such property to calculate the amount to be set aside to fulfill my promise? (2) What should be the treatment of other expenses to be incurred on the property like Property Tax, Water tax etc.? (3) Should the profit be calculated property wise or on total property investment during a given year? (As there could be profit on one and loss on the other.) (4) Should the profit on the property be calculated after deducting Zakah paid on the investment since its purchase?

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Shamsi,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

It really depends on your intention. I suppose you meant by profit whatever you get out of an investment. If so I would suggest including rent on the plus side and all taxes and expenses on the minus side for all investments that you meant in your pledge to Allah (Nathr) as a pledge to Allah should be fulfilled.

Zakah is not considered a cost and it is normally calculated after arriving at the profit number since net profits (obviously after expenses, maintenance, taxes, etc.) that are not already used up for family consumption are included in the Zakah calculation. I therefore assume that you probably did not mean to deduct Zakah from profit that you pledged 50 % of it as Sadaqah for sending other Muslims for Hajj/Umrah. But if you meant it, you may also deduct it. Lastly did you mean any profit you make from any business, if so you add all these investments together (profitable or losing) and find the net total profit.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,
Dr. Monzer Kahf

Subject: Marshmallows

From: Jeff

Sent: Monday, July 25, 2005

Question

ASAWRWB Br. Monzer:

It was good to speak with you the other day. I will work up a modest proposal for extending our agreement and get it over to you. One quick

Question: we are rating Kellogg's and they disclosed that they make marshmallows that have gelatin derived from pork in them. So shall we treat that as selling a pork product? For example, we downgraded Pepsi from an A to a B because although their main business is beverages, they have a tiny amount of revenue from making snack chips out of fried pork rind. What about food products such as marshmallows that contain pork-derived ingredients? One issue here is that we don't want to get into a detailed analysis of the ingredients lists for every food product each company makes--I would need to hire an army of food analysts to do that, and even Muslim websites that are dedicated to only that have very limited coverage. However, if it is something obvious, then what do we do?

Best Regards,

Jeff

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Jeff,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

I think we need to be more careful. While one may argue for the prohibition of buying a box of marshmallow that contains pork-gelatin, we can't generalize this position to a factory that produces cereals but it has a small percentage of marshmallow too. If the marshmallow, of which the gelatin is not a majority ingredient, makes a small percentage of the output of the company, say 2-5% I wouldn't even mention it although I don't buy a box of its marshmallow. A company that is specialized in pork-gelatin marshmallow is different, the same is when the marshmallow makes more than 50% of its products, value wise. I would apply the same for a company that uses lard in frying its potato chips whereby the potato chips make only 2-5% of its output and all its other products are permissible, this is not a sufficient reason to give it a b rating on main line of business, although the purification principle still applies to the income and capital gain of its shares.

This is in application of the majority rule that has always been applied in Fiqh especially when the minority ingredient is negligible.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam
Sincerely,
Dr. Monzer Kahf

Subject: buying time sharing

From: salem EL Houti [mailto:salemhuti02@hotmail.com]

Sent: Monday, July 18, 2005

Question

السيد دمن ذوق حفر
ارجو ان يتكلمون لت لو فراد الاسر قب نجر
لو للافسار عن لم في فق هال مع الت
ما و حكم اح اشترى صرة بلوق تفتي بتم جمع شر لم شرخي
له حقت خ ام له اسبو غيل سننة
علي عد ذلك مع استئجار ام ن عقد ملكي لعي سوي ليلي ع ل شراء
وهل يعد هذا التصري لل صرة مس ام في قد ي تكب من مع صرفي ال بجمع
لمتصونه بان يبيع حقه ام ن حين ازل ع ه ان كلت ل حرمة ووضخ في
الامر
ادلكم الله ذخرا ل هذه الامة
اشركوكم حسن لقدم لكم لوس الم عليكم

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Salem,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

You should be a grand Mufti on such issues by now. Here are the points:

- 1) Time sharing can be done in accordance with Shari'ah. When people buy common shares in a property without dividing it they have the right to divide the use of the property in accordance with their ownership. This is called in our classical Fiqh ""I Muhaya'ah"" *المأية*. I don't know how the Egyptian law deals with it. From the Shari'ah point of view, it must be ownership of a certain percentage of the property, say 2/52 so that the owner gets a 2 weeks time sharing in the property. The issue of community services is easy, these services (such as lifts, swimming pools, outside gardens, maintenance, etc.) are to be shared by the owners by mutual agreement or a system laid down by the organization and cost shared accordingly. Notice that this is a permanent kind of time sharing, based on the concept of ""Sharikat al Milk"" not Sharikat al 'Aqd.
- 2) A temporary time sharing can also be done through rent contracts of future weeks such as the first week of Ramadan for twenty years from 1430 to 1449H. This is the basis for the Zamzam Tower Islamic Sukuk that were recently issued to finance the construction of these two Towers in Makkah.
- 3) As long as one does not do any thing that is not permissible according to Shari'ah it is not any of one's business what other tenants do in the properties they own. It may certainly be sinful for the seller to sell properties to a person known to to the seller to

use it for non permissible activities, it is also wrong to rent a property for an activity that is prohibited if mentioned in the contract.

4) The regular fees paid by owners/renters to the association/management are permissible as long as they are not paid to finance activities that are purely prohibited. The example is building or maintaining a drinking bar, thing that are used for good and bad activities at the same time such as mixed swimming can't be said as purely Haram, it depends on which is more.

Finally I would not suggest avoiding such an ownership, for this reason, unless the way it is regulated in Egypt is in violation with Shari'ah, the fees include prohibited activities, or the contract itself has another violation of the Shari'ah rules.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Seeking Help from Sister's Income

From: Hamid through Islam on Line

Sent: Thursday, May 26, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh, I would like to know my obligations Islamically as a brother in a family. My father works and has an income. My sisters also work. I also work. My sisters do not wish to marry or no proposals have come for some of them. They want to study, and my father cannot support them while they study or is having difficulty. Should the sisters contribute the income from their work to help him (paying the food, bills and rent)? Or should I only contribute? Or should everyone working contribute equally? I live on my own and have expenses, rent and bills, I have been paying bills for both households. If I was married where do my priorities lie? My wife's expenses come first? Jazakallahkhair Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Hamid,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

For parents' expenses all their children, males and females, are required to contribute, if needed, in proportion to their income. Of course those children who live within the same household with the parents are also responsible for their own share of the household's expenses in addition to helping parents if needed.

Accordingly working sisters who live with a parent, who cannot fulfill all the household expenses from own income, are required to contribute toward their own shares of the expenses plus helping the parents if needed. A child who live alone is also required to share in helping parents if they need on the same footing, i.e., you are required to help

in proportion to your financial ability taking into consideration your own household expenses as they stand at the time when help is needed..

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Distributing Coupons to Customers and Giving Prizes

From: Bilal through Islam on Line

Sent: Sunday, May 15, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I have 4 scenarios with certain similarities in them: 1) Newspapers carry a question with 3 options as their answers. One of them is correct; and happens to be in the headline of the same newspaper. The answer is filled and mailed to the newspaper's office for a raffle. Thousands of riyals are given to the winner of the raffle. 2) Shopping centers distribute brochures showing what they have for sale from x date to y date (with certain other conditions, not related to my question here). At times they distribute coupons to the customers that buy at their outlets during that time. The coupon may ask for a simple question or may not. You just fill in your name, ID number and telephone number. They hold a raffle and different prizes are won by the winners of the raffle. Things include from latest expensive cars to household appliances. 3) Some company is about to launch a new product or service. It asks a question to guess its date of launching (not known to the general public). It asks to send the coupon by mail or to fill it out on the net. The winner of the draw will win a latest model expensive car. 4) A company launches a site saying that if a person emails his friend to join this site, he could be a winner of millions of dollars. People end up sending e-mails to all their friends because as advertised that having a friend 'pays off'. Multiple entries are allowed too. Plus if your friend wins you also get the same amount of money. Please guide me in the light of the Quran and Sunnah in the above matters. Whether they are Haram all together or one or two of them are Haram or if any of them are Halal? Jaz'ak Allah khair, Bilal Mazhar, Jeddah, Saudi Arabia.

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Bilal,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

All four schemes are permissible as long as they do not advertise a non-permissible thing/action and no charge is put on the chance taker. answering a simple question or guessing a date, etc, are certainly not charges on a potential winner. financial charge is what matter. There is another method of advertisement in the line you mentioned that

is not permissible and I give it to you for comparison. that is to win you make a telephone call to a special number that charges you several multiples the regular charge and the extra money goes to the company that is advertisement and inviting the phone calls. This extra charge is a price of the chance and this is what makes it prohibited in the Shari'ah.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Buying a Plot on Down Payment

From: Mehtab through Islam on line

Sent: Monday, April 11, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I would like to inquire about a form of property business that is practiced currently in my country. There are different housing schemes that offer plots to people on installment basis. When you apply you pay a down payment and then submit installment till the completion of the total amount. Normally a file is given to the applicant certifying the right of the applicant to a plot in the housing scheme at the time of payment of down payment. Now what is happening is that people are selling these files (the right to a plot) to others at margin (as property rates are constantly increasing) before submitting the complete installments of the plots. The buyer then submits the installments and takes possession of the plot or sells his right to someone else. And the cycle goes on. Kindly tell me if this type of transaction is Halal or not. JazakAllah

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Mehtab,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

If this handing over of a file represents giving possession the second sale is permissible and correct. Sale on a down payment and a series of installments or a future one payment is permissible in Shari'ah and ownership of the sold real estate property is transferred at the time of contract by giving a title to the plot to the purchaser. Any further sale after possession is permissible. The new buyer can also sell again upon having the title of the file if it represents a title.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Profit from the sale of a house

From: Mehdi

Sent: Saturday, April 09, 2005

Question

Assalamou Aleikoum Wa Rahmatu Allah, Dear Dr. Kahf:

Two years ago, I entered into a transaction with my boss to buy a house through him using the form of Ijara Mountahia Bi Al Tamlek. Shortly after I moved into the house, he became greedy and I decided to end the agreement and unfortunately bought the house from him using 100% mortgage financing.

I recently sold the house and made around \$65,000 of profit. How much of this money is Halal, knowing that:

1. I have lived in the property for two years and made payment to the bank to cover only and only the interest portion of the loan
2. I have paid homeowner insurance, property, school and sewer taxes
3. Made improvement to the house in the amount of \$20,000

I would appreciate an answer with a very clear daleel. If the source of the money is a mortgage is all the profit Haram? Does the ayat 279 of Surat Al Baqara apply to this situation knowing that the initial invested capital was \$0 but that later on I paid almost \$30,000 between mortgage payments (interest only - no principal paid), insurance, taxes and home improvements?

If the profit from the sale is Haram, can I use to pay for my parents debt (for another Riba loan). Jazakoum Allah Khairoun

Mehdi

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Mehdi,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

It is apparent that the increment (profit) you got was caused by the rise in the price of the house. This would have happened regardless of the interest-based loan you got. There is no doubt that indulging in interest is prohibited and one of the most grave sins in Shari'ah but the increment in the house price (of course unless you got the house in accordance with the exception that is based on necessity or quasi necessity) is not caused by the loan!

If the increment cannot be attributed to the loan, and you owned the house whose price increased this increment is yours only according to Shari'ah.

What is needed is to have a pledge between you and God to repent and avoid any thing that is prohibited, to make charity as much as you can and to remember the Saying of our beloved Prophet, pbuh, that "charity puts out the anger of the Lord."

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,
Dr. Monzer Kahf

From: Mehdi

Question

Assalamou Aleikoum Wa Rahmatu Allah:

Baraka AllaH fikoum. Jazakoum Allah Khairoun for your answer.

I do not mean to argue but just to clarify:

If I did not get the mortgage, I would have not bought the house and thus would not have made the profit. If the source of the profit is Haram, isn't the profit also Haram?

Please help me make the best decision that will please Allah.

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Mehdi,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

You are right, but notice the source of the profit is the house, not the loan. Taking an interest-based loan (under no necessity) is not permissible, it is sinful but the gain did not come from the loan, it came from the house. Had you used the loan to give loans on interest, the gain would be Haram. There is a cloud of doubt, no question about it, as you used Haram money to make a permissible transaction (buying a house and selling it) that produced a profit. The consistent solution is to make repentance, Istighfar and charity.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Can I Ask Him Where the Money Was Spent?

From: Muhammed through Islam on Line

Sent: Wednesday, March 23, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I gave a donation to our Mosque for the specific purpose that Islamic books be bought for our library for general use. Our President took the opportunity to give the money to one of our Muslim brothers attending a conference to purchase the books. The brother did buy books but their cost as I know them to be fall far short of the total amount I gave and I don't know where the rest of the money was spent. Following Allah's (swt) injunction that one should not follow his Zakah/charity with questions etc., is it permissible for me to ask our President where was the money spent and not spent totally on books which was the original intent of the money I gave? I don't want to hurt

the feelings of our brothers but I'm bothered about not having more books for our library. Thank you for your help

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Muhammed,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

I believe that all accounts of all mosques must be fully disclosed to the members of the association, they must be completely and absolutely transparent. You certainly can ask, and I 'm sure there is a way where this can be done without hurting any feeling. This is a right of every member but it has always to be done without pointing any fingers to any body.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Investment in Real Estate

From: Sharief

Sent: Monday, March 21, 2005

Question

Dear Dr. Khaf, Assalamu Alaikum wa rahmatu allah wa barakatu

I have an important question regarding Real Estate that has been bothering me for days. I live in the U.S. and over the past 2 years, I have invested in real estate using conventional mortgages with some of my own money down as a down payment. I bought many homes (single families) with a fixed deposit at pre-construction pricing and by the time they were built, and they were ready for delivery, I financed the houses using conventional mortgages. Shortly after, I rented them to cover all or some of the mortgage payments (improve my cash flow). In the meantime, I made substantial equity gains because of the Real Estate market Boom in my area.

While I had doubts about this being right because of my fear of Riba, I felt the interest collected (average 5%) was not substantial given my intention to use the profit I made and the inflation rate in my country. My only intention to use the profit for is to help elevate the Muslim status in this country. Unfortunately, I also received confirmation from a popular local sheik as well on the fact that 5% interest is lower than the inflation rate and another rate (I forget – I think it may have been the cost rate) put together, so the interest paid is not considered Riba. But after reading your website and learning about Riba and inflation, I learned this may not be the case.

So going on the assumption that this is Haram because Riba is involved any way you look at it, I am currently "metwarat" (in Arabic) or stuck. I currently own 5 properties, each with up to \$100,000 profit, and each are rented. I have an obligation to my tenants to

rent to them for one more year or less. What should I do at this point? Should I fulfill my obligation to my tenants for the duration of the lease and sell the homes at that point? Or should I sell now, even at a loss? In either case what should I do with the profit I made (i.e. capital gains or appreciation)? Am I entitled to it?

I would appreciate your fatwa on this matter very much. Jazak Allah kheir for your time.

Wa'alaikum Asalam wa rahamatu Allah,

Sharief

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Sharief,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Now that you can't undo the past, what you've done is Riba pure! My suggestion it to get out of the Riba as soon as you can without putting your self in a loosing situation. Can you transfer to guidance or any other permissible contract? Please notice that some of what is called Islamic is not really Islamic! It is unfortunate! Also make Istighfar and Tawbah along with giving to Muslim charity the amount you think came from Riba-based contract: estimate the amount of gain until you made the mortgages on the pre-construction contract you made with your own down payments, deduct from the extra increases, after the mortgages, a parentage from this extra gain that is equal the percentage of your own money at that point to the total appraised price, to get the increment that resulted from the mortgage. Give this away to Muslim charity may be through the local Mosque/ Islamic center. Some of the gain is certainly yours and some came from the prohibited contract! make best educated guess that you can.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

From: Sharief

Sent: Tuesday, April 05, 2005

Question

Assalamu Alaikum Wa Rahmatu Allahu wa Barakatu Bismillah Allrahman Alrahim,

Dear Brother,

I wrote to you earlier about my real estate project that I unfortunately involved Riba in. Now that I know what I have done is pure Riba because of all the mortgages I obtained and that I should get out of this situation as fast as possible without loosing, I would like to present you with three choices I have and ask for your recommendation:

Choice 1: Sell all my homes now, with their existing tenants, at a discount to investors, even if it is under one year (therefore I pay short term capital gain tax).

Choice 2: Sell the homes one at a time as the tenants leave achieving long term capital gain and higher sale (which I can donate to charity).

Choice 3: Because I have already bought the homes, move into each home every two years and sell the prior one each time and take advantage of the primary residence tax-free capital gain exclusion available in the US from the IRS.

While it may seem I am only thinking to maximize my profit, the truth is I am only trying to save on taxes I have to pay to the government so they can fund the IRAQ war for example. I much prefer to donate this money to Muslim charity.

Jazak Allahu Khair, Wa'alaikum asalam wa rahmatu Allahu Wa barkatu,
Br. Sharief

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Sharief,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

If option 3 does not take too long I would suggest it, but it seems that option 2 is reasonably shorter. I think you should give to Muslim charity a good amount each time you sell and make also Istighfar.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Islamic Research on Real Estates Finance

From: Elisa

Sent: Tuesday, March 15, 2005

Question

Assalamu Alaykum, Dear Mr. Kahf,

it's Elisa again....I read everything in Your website, and I also had the pleasure to read a chapter You wrote in "the politics of Islamic Finance", about "the rise of a new powerful alliance" between wealthy people in Islamic banking and Shari'ah boards. Now im drawing conclusions of my research, and I want to make a proposal of implementing the Islamic system in Italy, maybe a few banks are interested in this proposal and I want to make a realistic one. I wondered if you have any suggestion about it, I mean about how to implement an Islamic service in a country who knows nothing about it. I know that Muslim population here is enough to justify the proposal, maybe we need a license, or a certification from IDB, or we just can get in touch with some members of shari'a boards to have a shari'a compliant service. If You have any idea or previous experience about such a situation, I would be glad to know it. I really want to bring Halal banking in Italy.

Thank You again for Your kindness.

My Best Regards,

Elisa

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Sr. Elisa,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

What you need is to suggest to some of these banks to start preparing Shari'ah compliant contract, they may start with house financing on the basis of Murabahah and Ijarah wa Iqtina. These two contracts have become well known, in fact they are approved by the US Banking Comptroller a included under ""banking business."" The same contracts can be used in business financing.

Now we have two banks in Chicago, Illinois that started offering these two contracts to households and businesses and there is a new Islamic bank in Britain.

I can help in preparing these contracts, of course in English or Arabic, and the banks certainly need them in Italic.

Please write me if I can of any further help.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Is it permissible to buy and sell these plots?

From: Tayyab through Islam on Line

Sent: Monday, February 28, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
Scholars of Islam, I have two questions regarding financial matters 1. In my city there are certain areas where the basic infrastructure such as roads, drainage etc have not been developed but the development authorities have laid out plans on paper for location of residential plots and are selling them. Is it permissible to buy and sell these plots? 2. Due to privatization of certain firms, the shares of these firms are offered to the public for buying at a fixed rate. The public then sends in requests to the company for purchase these shares as they are speculated to sell at a higher price once they are listed on the stock market. Since the number of requests made far exceeds the shares offered, balloting takes place and the successful and lucky are offered the shares. Once the shares are issued, they are sold at a higher rate at the stock market. Is it permissible to take part in these public offerings of shares? Jazakallah Khair

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Tayyab,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

1- Yes it is permissible to sell/buy plots of land that is not yet fully developed as long as the appropriate authority designated their development plans and the plots become recognizable (i.e., they can be defined and land-marked by a specialist) as in the case of the question. It is also permissible to buy a share (certain percentage) of a land that is not yet designated whereby the plots are not recognizable.

2- It is also permissible to buy shares at initial public offering the way described in the question; but once you are assigned such shares you cannot sell them until you (or your broker/agent) actually receive the documents of these shares physically or electronically because these documents represent the possession of the shares that represent common ownership in the privatized company. Besides, the fact that some of these companies were in the past nationalized does not negatively affect the permissibility of buying its privatized shares now.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Question on Islamic Economics

From: Yuki through Islam on Line

Sent: Sunday, January 30, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear respected scholars, As-Salamu `alaykum. I like to ask you about Islamic economics, whose features are banks bearing no interest and Zakah (some economists name it? especially commissioned goods). In the beginning, does Islamic economics really exist? Some western economists say that there does not exist Islamic economics. But others especially Muslim economists insist that there does exist. Could you tell me what exactly the definition of Islamic economics is and what the theory of it is like? And one more question. Is it permissible to analyze Islamic economics by using the method of modern economics, which is often utilized for doing research on the theory of capitalism or the economy of countries based mainly on capitalism, whose features are private ownership and market economy. Also recently this method has been in use for analyzing communism, whose features are public ownership and planned economy, and socialism, whose difference from communism is not to control consuming goods. As a matter of fact, there wouldn't be a country based on complete capitalism or complete socialism, let alone complete communism. All the countries are based on mixed economy even though some countries hold up ?socialism?f or ?communism?f. The matter is what extent a country leans to. Now since Islamic economics allow private ownership and market mechanism even though there are some conceptional differences, in that sense, I guess Islamic economics is not so different from capitalism. Could you shed more light on this point?

Thank you in advance. Jazakum Allah khayran May Allah Almighty give me a clear understanding of the teachings of Islam and guide me to the straight path.

Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Yuki,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Your question is the subject of a full course and I suggest that if you are an economic student, you should take such a course in any university that offers it such as the IIUM, in Malaysia, Yarmouk University in Jordan. In fact most university all over the Muslim countries nowadays have certain course that touch on this matter.

a brief answer, is yes Islamic economics is a branch of the science of economics it deals with both the positive arena and the normative arena of economics. The Islamic economic system is not similar to Capitalism but Capitalism is similar to the Islamic economic system because it is the system of human nature. the IES relies on a mixture of private and public ownership (all minerals and properties of direct public benefit such as energy sources are public), it relies on the market, The Prophet, pbuh, established a market in Madinah and set its rules of functioning, interest is prohibited, it is not an allocator of resources nor a distributor of income in this system, the third sector is large in this system, much larger than what exists in most economies today, Awqaf and Zakah are the main pillars of the third non-profit sector that replaces several of the government functions. The whole system of financing is based of sharing, sale or leasing principles not on interest, etc.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: RESP (Registered Education Saving Plan) Inquiry

From: Baig

Sent: Thursday, January 27, 2005

Question

Assalamu 'Aalaikum,

Hope this email finds you well. Is conventional RESPs (Registered Education Savings Plan) currently available in Canada permissible?

I would greatly appreciate you thoughts. Regards,

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Baig,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

The RESP itself is permissible. what is Haram is investing it on interest basis. In Canada, the Islamic Housing Cooperative is qualified to accept RESP funds and its investments are Halal. Of course I do not give advice of any institution to invest with but I give it as an example that I know and there may be several other Islamic institutions that may be equally qualified that you must search for and invest with the one you select. But investing such funds on interest basis is not permissible and any accumulated interest that may result from such placement must be given away to Muslim charity and cannot be kept to your children according to Shari'ah.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Hajj and Debts

From: Salim through Islam on Line

Sent: Sunday, January 16, 2005

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
Pls advise if we can perform Hajj if we hv debts due to loss in business.
Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Salim,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Yes you can spend on the Hajj trip if you have debts on you. But if these debts are due and the money you have is not sufficient for both the priority should go for debts payment and then delay Hajj for later. Because Hajj is obligated on Muslims who can afford it and having due debts that takes most of the available cash puts you in the category of those who can't since debts payments is considered one of the basic necessities a Muslim has to fulfill.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Paying Hajj Agent with Loan from My Father

From: Akbar through Islam on Line

Sent: Tuesday, November 23, 2004

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
I intend departing for Haj on 13 December 2004, Insah Allah. I am however R3000 short of the amount required to pay my Haj Agent. I will have this R3000 available on 15 December 2004, 2 days after my intended departure. Can I pay my agent with my father's money (loan). This loan will be repaid on 15 December 2004? Shukran Jazakum Allahu Khairan for your constant help

My Answer,

Bismi Allahi al Rahmani al Rahim,
Al Hamdu li Allahi Rabbi al 'Alamin,
wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi 'Ajma'in,

Dear Br. Akbar

Assalamu Alaikum wa Rahmatu Allahi wa Barakatuh

Yes, certainly you can borrow this part of the cost of Hajj from your father, whether you will pay him back on Dec. 15 or any other time as long as by mutual agreement between the two of you.

Wa Allahu A'lam,

Wa al Hamdu li Allahi Rabbi al 'Alamin,

Wa Assalam,

Sincerely,

Dr. Monzer Kahf

Subject: Hajj with Income Tax Return

From: Abu Mas'ud through Islam on Line

Sent: Tuesday, November 23, 2004

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,
I'm writing in regards to umrah , my question is it the same as to hajj that a muslim's money must be from halal sources. like if a muslim use his income tax return(that is a tax that the u.s. take from you for a year ' s time then return it) sometimes with a little more for there use of it.would this be riba or non halal money to use . thank you, brother in the deen (abu mas'ud)

Jazakum Allahu Khairan for your constant help

My Answer,

Bismi Allahi al Rahmani al Rahim,
Al Hamdu li Allahi Rabbi al 'Alamin,
wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi 'Ajma'in,

Dear Br. Abu Mas'ud

Assalamu Alaikum wa Rahmatu Allahi wa Barakatuh

A Muslim should only use Halal income for every thing, no difference between Hajj, Umrah, food, education tuition and any other expenses. Tax return money is certainly

Halal because it is yours. If in the letter you receive, it is clearly mentioned that the IRS added interest, the interest only is forbidden and you should give it to Muslim charity. Do not return it to the IRS. Then use the rest for any purpose including Hajj and Umrah.

Wa Allahu A'lam,

Wa al Hamdu li Allahi Rabbi al 'Alamin,

Wa Assalam,

Sincerely,

Dr. Monzer Kahf

Subject: Is the Use of Paper Money Haram?

From: Fadzil through Islam on Line

Sent: Tuesday, October 26, 2004

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh, i would like to know if it is true that the use of paper money as widely practised globally is considered haram. Is the best form of money silver and gold coins which has intrinsic value as opposed to paper money which has no value except for what legal tender it is supposed to represent. Thank you in advance for your answers. wassalam Jazakum Allahu Khairan for your constant help

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. FADZIL,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

No, the use of paper money is as permissible as the use of of silver and gold used to be in the past. Culture, economics and people habits change with that money changed too. Today's money is paper and yesterdays money was commodities. Imam Malik argues that if people use animal hides as money , it will be treated in Fiqh as money too. Those who dream of going back to digging in the underground in order to mine for gold and spend all these resource to prepare it for use as money are wrong because now we discovered a way of saving all these resources and using them to produce food and cloth instead and we can use worthless paper to make =money instead!

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: The financing contract

From: Jaafer

Sent: Wednesday, October 06, 2004

Question

Assalamu Alaikum:

I hope you and the family are well. I just wanted to touch base with you pertaining the structure of the agreement. The 'STANDARD TERMS' agreement that is used for conventional mortgages is the major obstacle in any of my discussions. Is there a way for us to use the standard terms agreement with an attached schedule with the Islamic terms? I know that the Guidance example had a fatwa indicating that even when the word interest is used to cover requirements for tax deductibility, the scholars have found it to be permissible (or at least that is what I remember from two years ago in Washington). Any thoughts on this? I'm just really struggling with this as it truly is difficult, Thank you. Wassalaam,

Jaafer

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Jaafer,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

We may under extreme circumstances use a standard agreement provided that we clearly redefine the terms in a way that makes them stand in court. I assume: If we do that we go back to square one because it will have the same effect on investors as a brand new contract.

The example of tax reporting is different. It is an external document, not a part of the contract.

One other point: why do we need to use a standard term contract? Is it for the ability to resell it to investors? In resale, we have to use only a lease purchase contract because Murabahah cannot be resold without indulging in interest (discounting is interest). Do you have a standard lease purchase that is known in Canada? If so, would you email me one so that I can look at it and suggest either changes or an addendum. The main items in both the Islamic and conventional lease purchases are very similar. Differences come only in peripheral matters relating to insurance, liability, delinquency fines and the like.

By the way, I like to inform you that effective from last month I took an Assignment as a professor in the graduate school on Islamic economics and banking in Yarmuk University, Irbid - Jordan. And I am now some 10 thousand miles away from California. My phone number is 962 2 721 1111 Ext. office 5522, home 3252 and temporary cell is: 962 7 762 82 88.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Copyright in Islam

The question

From: Mahbub through Islam on Line

Sent: Tuesday, August 10, 2004

Question

As Salamu ALyikum,

I have a question regarding to copyright of islamic lectures. In this day and age many muslim business produces great quality islamic lectures and they add a copyright to it saying ppl should not be making any copy of the lectures since it may harm their business(In this case a muslim business). I don't feel it's right to copy and share the lectures since the publishers copyrighted the materials but I came across someone who told me there is no concept of copyright in Islam and these kinds of islamic knowledge should be free. Can you please shed some light on this issue and tell me what's the right stand on this issue? jazak ALLAH khairan.

My Answer,

Bismi Allahi al Rahmani al Rahim,

Al Hamdu li Allahi Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi 'Ajma'in,

Dear Br. Mahbub

Assalamu Alaikum wa Rahmatu Allahi wa Barakatuh

There is copy right in Islam and our Shari'ah respects the right of writers, publishers, lecturers, etc. these are their businesses and they are entitled to collect the gains/returns of their intellectual properties. The OIC Fiqh Academy has a very clear resolution on this issue.

On the other hand, knowledge should be extended with affordable prices, not necessarily free. Our ancestors of the Ulama used to mention in the introduction of their books that they make their writings free for Muslims, and people in general, to benefit from. This means they are making it a kind of Waqf to the benefit of their readership.

There is another element (that may be the reason for confusing your friend): persons who have Islamic knowledge are required to make it available to other who may benefit from it. This is an implication of "not hiding the truth" that is ordered in the Qur'an. But this does not mean to make the human intellectual products free. It certainly means to make it available for affordable (non-monopolistic) prices. Monopolistic prices are also prohibited in our Shari'ah for Islamic lectures and for other intellectual and non-intellectual products.

On the other hand, copyrights laws do not usually prohibit the personal use of a hard or electronic intellectual product. In other word, making a copy for yourself of a book, video or cd is not un-allowed by laws, what is prohibited is to make copies for sale.

Wa Allahu A'lam,

Wa al Hamdu li Allahi Rabbi al 'Alamin,

Wa Assalam,

Sincerely,

Dr. Monzer Kahf

Subject: Last will during final illness

From: lubna

Sent: Thursday, August 05, 2004

Question

Dear br Monzer,

Assalam u alaykum warahmatullahi wabarakatuhu

I pray this email finds you well.

We are now coming to the final stages of design/ development for the Islamic Wills website which is set to be launched in September insha'Allah.

Your helpful advice and input has been invaluable - and I am to take advantage of your good nature to put to forward a few further requests which I hope you can help with insha'Allah:

The first is to ask permission to have a link up to your site (kahf.net)- and most especially the catalogue of your FAQ's. I am working on putting together much simpler FAQ's but it will be an extremely useful resource for people to be able to access your website also.

The second is to ask whether you would give some feedback to the overall content of the site just before we launch. I would hope to email it to you in the next few weeks insha'Allah.

Finally a question on inheritance which I hope you can answer:

If a Muslim is in death sickness - is he permitted to make bequests out of the 1/3 of his estate to non-heirs? - Or does the rule that he cannot make gifts in death sickness apply to the entire estate?

Jazakallah Khair once again for all your help. Wassalam

Lubna

My Answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Sr. Lubna

Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

All your points are well taken: you may make the link, I will review whatever you want me to review and I will look into the content of the web pages when you want me to.

The only thing, please do not press me with time; give me as much time as you can.

For the question on the will within the one third, wasn't the Hadith about Sa'd during what he thought was going to be his final illness? The Hadith itself mentions it!. A last will within the one third can be undertaken during last illness. Confessing to a burden of a debt is a different matter because it gives a right to others on the estate without giving any reward to the deceased. A last will is a one party action while confessing to a debt is an implementation of a two party transaction.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Renting Muslim's Property to Banks

From: Islam on line

Sent: Sunday, August 01, 2004

Name of Questioner Adil

country of Residence India

Question

Assalamalikum Is it correct to rent Muslim's property to Banks.

Jazakum Allahu Khairan for your constant help

My Answer,

Bismi Allahi al Rahmani al Rahim,

Al Hamdu li Allahi Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi 'Ajma'in,

Dear Br. Adel

Assalamu Alaikum wa Rahmatu Allahi wa Barakatuh

I used to say it is permissible because the bank has several permissible activities. But now I hesitate to give that opinion on the ground that the main activity of conventional bank is to give financing and receive deposits on interest basis and we normally count on the majority. This is not like working in a bank in jobs that do not make you a writer of interest an being in IT department, because the activity you will then be doing is permissible although the bank's revenues are mostly from Riba; but this fact may not hurt since it is permissible to sell goods and services to people whose earnings are from Haram.

Wa Allahu A'lam,

Wa al Hamdu li Allahi Rabbi al 'Alamin,

Wa Assalam,

Sincerely,

Dr. Monzer Kahf

Subject: Is it permissible to pay brokers fees to agents?

From: Habib

Sent: Wednesday, July 28, 2004

Question

Bismillah Arrahman Arrahim,

Assalam 'aleykum wa Rahmatullahi wa Barakatuhu,

Thanks a lot for the very good website, may Allah reward you for the help you provide to the muslim community.

I am looking for a given answer concerning brokerage. I am sure that it is describe in your site but I am loosing myself in the amount of information that could match my request. I think that it would be nice if one could look for something through a key word.

Concerning my question and it should be very easy: is it possible to purchase for a flat through an agency/broker/agent who will get a brokerage from me. In general, they ask a two months flat rent for the leasing. As far as I can understand a broker will earn money from both sides and asks in general a percentage for the goods from both sides. Is it islamically lawfull?

May Allah (SWT) be pleased with you for your answer

Wassalam aleykum wa Rahmatullahi wa Barakatuhu

My answer

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabbi al 'Alamin Was al Salatu wa Al Salam 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi 'Ama'in

Dear Br. Dr. Habib

Assalamu 'Alaikum wa Rahmatullahi wa Barakatuh,

Yes, the broker's commission is permissible because she/he provides services. If a broker/agent takes commission from the two sides of a contract he/she is required to disclose it to both parties. It is wrong on her/his part to make you live under the impression that he/she has no interest with the other party and is exclusively serving your best interest if he/she actually also takes commission from the other party too. This dishonesty makes the broker/agent liable toward you (or the other party) on the ground of not providing the service she/he took commission for. Disclosure should be of the fact that she/he takes also commission from the other party; it does not include the amount, unless she/he volunteers. It is also sufficient as disclosure if it is the custom of the industry that brokers/agents take commission from both sides, so that this point is generally known to people who deal with them.

Wa Allahu A'alam

Wa al Hamdu li Allah Rabbi al 'Alamin,

Wa Assalam,

Dr. Monzer Kahf

Subject: Turning a British Pound into Lots of Money

From: Islam on line

Sent: Wednesday, July 14, 2004

Question

Asslamlaykam. According to an article there is a way of turning 6 British pounds to lots more money. Send 1 pound to six people and ask each to put your name on a mailing list. Now send the list of six names with your name at the bottom of the list. now send this list to about 200 publishing boards in u.k. If 5% reply out of the 2 hundred, you make a lot more money. According to the postal lottery laws, this is legal. My question is to know if this is permissible in Islam, to make more money this way?

Jazakum Allahu Khairan for your constant help

Yours,

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

This practice is unlawful in our Shari'ah regardless of what any secular law may say otherwise. The question is: by what virtue are you taking the money of other people? by none. A very similar question was asked by the Prophet when some one wanted to take the money of another for a job that was not done because of a natural calamity.

In Shari'ah you can take the money of others only with their free consent as a gift or in an exchange deal. there is no gift and what are you exchanging? nothing. In the standards of our religion, this is a Fraudulent practice.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: percentage of profit and borrowing from retirement plans

From: Badre through Islam on Line

Sent: Monday, June 21, 2004

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Dear Scholar, My Allah reward you for your efforts. I have 2 questions: 1- What is ruling in regards to making profits in Islam? Is there a certain percentage limit and does it matter what product is being sold, whether is a necessity or commodity. 2- I voluntarily contribute into a retirement account where I control whose stock I buy and I have the option to borrow from my account but I have to pay my account back with interest. My question, what is the Islamic ruling on this situation, since I am paying myself back with interest. May Allah help you and Assalam aleykoum. Badre Chraibi

Jazakum Allahu Khairan for your constant help

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Badre

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

1) The truth is that there is no limit on the rate of profit given in our religion. There are examples from the time of the Prophet, pbuh, to this effect. Once Hakim Bin Hizam was given one Dinar by the Prophet and sent to buy a sheep. He bought one for a Dinar and sold it for two (100% profit) then bought another for one Dinar and came back to the Prophet, pbuh, giving him the Dinar and the sheep. The Prophet accept them, prayed for a prosperous future for the man and told him not to sell other people's property without prior permission next time. There are stories of Ibn 'Awf making such high rates of profits, and the famous story of "uthman when he bargained with other companions on several hundred percent of profit, then he donated the whole thing to finance the battle of Tabuk. There is a rule though that requires a seller not to be way above the market: the rule of excessive Ghabn that may cause the contract to be void if the price is substantially higher than the prevailing price in the market (an element of cheating or ignorance may be involved). Unfortunately, there are some late Fuqaha, especially Malikites, who argue for a limit on the rate of profit and such a limit varies from a commodity to another. This is generally based on the idea of Maslahah (public interest) and the authority of a government not on the Shari'ah rules and principles. This

means that in fact they are talking about exceptional cases of government intervention not about the normal market practice.

2) It is permissible to borrow from one's own retirement account and to pay interest to that account, it is only a matter of tax arrangement that does not affect your property in reality, it may force you to save more, which is permissible. Payment to yourself, under any name including the name of Riba/interest, is permissible because the substance is what matter not the name.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Renting a Gas Station to run it with Lottery Machine

From: Islam on line

Sent: Saturday, May 29, 2004

Name of Questioner wahid

country United States

Question

salam aleikom my brther in canada just rented a gas station that has lottery machine.he is concerned about Halal and Haram.his understnding is that the profits are distributed to charity by the government after the winner gets the money.if he doesn't supply this service his business would be affected since customers would go to another place to get their needs from one place only. I told to keep the machine and give the profits he gets from selling lottery to charities. would like your opinion in this matter. thank you very much for giving us a chance to be able to get help and advice from Islam on line.

Jazakum Allahu Khairan for your constant help

My Answer,

Bismi Allahi al Rahmani al Rahim,

Al Hamdu li Allahi Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi 'Ajma'in,

Dear Br. Wahid

Assalamu Alaikum wa Rahmatu Allahi wa Barakatuh

Lottery is prohibited because it crates a distribution of wealth on the basis of a false reason (mere chance) and the Maysir that is mentioned in the Qur'an had charitable purposes as the unbeliever Makkans used to practice it at the time of the prophet, pbuh. It is incorrect and unacceptable to claim that business becomes unprofitable without a lottery machine! There are many gas stations that don't have such machines. Besides, if it unprofitable for your brother he should take another kind of business. It is forbidden to sell lottery tickets, even though the government uses the net proceeds for good causes and it is prohibited to have a lottery machine on a Muslims property or within his/her business. Giving the profit generated by the machine to charity does not change the prohibition and the only way acceptable in Shari'ah is to remove it.

Wa Allahu A'lam,

Wa al Hamdu li Allahi Rabbi al 'Alamin,

Wa Assalam,
Sincerely,
Dr. Monzer Kahf

Subject: Are we Obligated to help younger siblings?

From: Sr. Marina through Islam on Line

Sent: Thursday, April 29, 2004

Question

Thank you very much for helping all of us! I couldn't get reply from you last time due to the detailed question of mine. I will try my best to tell you the facts because I am determined to change myself in the light of your response if I am wrong. My question is that: Do older brother and sisters owe more responsibilities to their younger siblings and help them out from tough situations if they are needy? As me and my husband is self-maid couple. My husband works very hard. I was able to manage his money good, and now we own roughly 6 millions worth assets. My family members think that we are getting too greedy, and don't give any time to the family members (we are actually too busy), we should stop investing more. We cannot stop that because we are in 50% tax bracket. And also we (me and my husband) enjoy very much and like to make money more and more. We are about 50-52 years old with one adopted son. My (6 year younger than me) sister is married with my husband's younger brother. They had lost everything because of their mis-management. We have given them a loan of \$50,000 charging them fair amount of interest which they are still paying (they have odd jobs, but they work very hard) but we had feeling that they expect more from us. It's our money, we don't want to give it away to them. Were we suppose to forgive the loan we had given to them? Are we obligated to help them? If yes, then what about their self-respect? And how much help a generous person can give if he/she wants? By the way, other day, I tried to teach my sister a lesson. She was trying to say that nobody in the family had helped them (her and her husband). She is suffering manic depression and had no children. She has only one eye (with cataract) and lots of other health problem. I told her that she has had been a bitch since her childhood and she should be thankful of us. Am I on right track? I told her that she pisses me off because of her wrong decisions (which she likes to make herself)in life and should have self respect, dont' expect money from anybody. As being older sister and brother to them, do we have any duties towards them. My sister's husband was in the hospital in a very critical condition after our conversation, was that due to the my curses on her you think? Was I too cruel with her? Do we examine ourself also that what kind of people we are? To be honest I have had never seen anybody (financially strong in family)helping others in bad shape then why we?

Notes

Please don't print this question as my family read this site regularly; I don't want them to put myself in any trouble. Please answer this time.

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Sr. Marina

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

This is the first time I receive your question.

Yes you need to review your position.

Let me begin from the peripheries of your statement. Adoption is Forbidden in Islam. The Qur'an said about children who were adopted that you must "call them to their fathers." This does not mean that we do not take care of children who are not ours, especially orphans and the like. Taking care of children, who either have no one to take care of or whose parents are poor, is one of the best deeds in our religion, so much so that the beloved Prophet, pbuh, said that: "I and a sponsor of an orphan are like these in Jannah" and he put his two fingers together side by side. Adoption is Shari'ah is not valid and an adopted child is not yours, even you have to wear Hijab in his presence (if a boy) when he reaches puberty, and she has to do the same in presence of the adopting father if she is a girl, of course at puberty.

Second, interest is a kind of Riba that is prohibited in the Qur'an (2: 275-279) with the strongest words ever. Dealing with interest provokes a war to be declared by God and His Messenger on those who deal with interest (the Qur'an 2: 279). Taking interest from your sister and brother of your husband is certainly Haram. It calls for a CURSE from God as the Prophet said in an authentic Saying reported in both Sahih Bukhari and Sahih Muslim.

Third, YES, your family has a right onto you. Loosing (or gaining) money or becoming poor or rich is not always the result of stupidity and mis-management or smatness and prudence. There are many outside circumstances that affect it. Even most personal factors (like risk taking/averting, health, degree of perseverance, tolerance, even judgment) are not always in our hands to determine, although learning and training influence them as you well know. Those who succeed are required to help those who fail, especially in basic things. That is why God imposed Zakah (2.5% of all your wealth) that has to be given to the poor and needy every year. Zakah comes exactly next to prayers, it is the third pillar of our religion. Besides please read the Qur'an and you will find too many verses that talk about helping others and giving voluntary charity to the poor and needy regardless of whether they are smart or stupid, in addition to Zakah (that is obligatory and determined by the Prophet, pbuh). People who are most worthy of your help, Zakah and voluntary charity are your kin relatives. Here you are talking about your sister and your husband about his brother! The Qur'an more than once mentioned that ""There is a recognized RIGHT to the destitute and the deprived"" in the wealth of the rich, even if they are not relatives. Giving does not have to be in a humiliating manner, it can be a loving gesture. I don't like the word you used about your sister in your statement, and I suggest to you to change your attitude toward her and help her and her husband be better organized and better managed in a positive and loving way so you can reach deep in her heart.

Remember that needy parents (if yours are alive) have a right on you to make them live and enjoy exactly the way you live and enjoy and if you make them better than you it is even better, that opens for you the way of salvation and Jannah; and what you spend on

parent is not counted out of the Zakah that is obligatory on you. Zakah may be given to a sister or brother but not to parents.

Obviously, What I say to you applies also to your husband in his relation with his family. Lastly, remember that your Muslim community, in America has also a right on you to help in Islamic centers, mosques, schools and the like.

What I suggest to you is to please read at least a few pages of the Qur'an on daily basis, not only the Arabic text for the blessing of it but read a good translation to understand it; I am sure it will help you understand the spirit of your religion and uplift your spirit to stand for your duties.

My final word is that I admire your hard working and making good money. This is very much encouraged in Islam and you should add to it what I mentioned earlier.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Islam's Stance on Private Property

From: Muinul through Islam on Line

Sent: Sunday, March 14, 2004

Question

Salam Alaykum

My question relates to Islamic stance on Private Property. I have once argued with a noted Marxist Dr. Sirajul Islam Choudhury of Bangladesh about the ideals of Marxism and Islam. I put my logic that like your belief in Marxism Islam also ensures equality in society. He argued that Islam believes in Private Property and this is always a matter of discrimination and inequality in society. Please enlighten me against his logic, though his logic did not seem to me pretty convincing. Regards, Muhammad Muinul Islam mmislam92@hotmail.com

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Muinul

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

I suggest that you need to read details on this issue few words in a Fatwa session do not give much. One little thing: please read the item of Property in the Encyclopedia of the Modern Islam World.

In brief, he is right and you are wrong. Islam believes so much in private property that one of its pillars, Zakah is actually based on it. Live is an absolute awfulness without private property. Further Islam believes that the actuality of living would make people not equal in their abilities to produce and in their ability to save and accumulate. This reality is completely accepted in the Islamic ideals.

Equality of humans comes in matters of dignity, in opportunities offered, before the law, and similar matters. But if you can produce more than me and you actually do, you have full command on what you produce. Additionally, recognizing real life differences, Islam also installs a principle of mercy, so that in spite of the real life differences, no human may be let alone to fall below a humanly dignifying level. This principle of mercy is implemented through the obligation of Zakah, obligatory financial responsibilities (family, neighbors, etc) and voluntary charities... Islam is the only system/religion that makes helping others an obligation and an unequivocal right of the needy that does not need a state legislation nor depends on it.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Scholarship from a Cigarette Company

From: Islam on line

Sent: Wednesday, March 03, 2004

Name of Questioner zaki country of Residence Indonesia

Question

Is it ""Halal"" to receive scholarship from cigarette company ? How to implement dinar-dirham gradually ?

My Answer,

Bismi Allahi al Rahmani al Rahim,

Al Hamdu li Allahi Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad

wa 'Ala 'Alihi wa Sahbihi 'Ajma'in,

Dear Br. Zaki

Assalamu Alaikum wa Rahmatu Allahi wa Barakatuh

I didn't understand your second question.

Yes, it is permissible to take a scholarship from a tobacco company provided it does not require you to work in the company after graduation. Its funds (that come from the sale of cigarettes) are forbidden for the company but not forbidden to be distributed to the community through different assistance programs including scholarships

Wa Allahu A'lam,

Wa al Hamdu li Allahi Rabbi al 'Alamin,

Wa Assalam,

Sincerely,

Dr. Monzer Kahf

Subject: Commissions of transfers of International NGO with Interest

From: A Questioner through Islam on Line

Sent: Wednesday, February 18, 2004

Question

Giving a Loan to the International NGO with Interest. As-Salamu Alaykum, As we know there is no Central Government in Somalia and also no Banks available. For that reason when any international NGO wants to do some Project in somalia most of them first they take a loan from the businessmen or hawaala comapanies here and they send the money through that hawaala companies only. That is not bad but the problem is that the businessmen or hawaala comapanies did agreement to that NGO when they want to pay or send the loan, they should pay the loan with 2% extra which is the commission for that job. We asked some scholars (Uluma) here but they gave us different answers. Some of them said it is haraam to take that extra money (unlawful), and others said it is halaal means it is a commission (Khidma). That is why we agreed to ask Sheikh Yusuf Qaradawi: Is it allowed to take this percentage? Is it a Ribba (interest) or it is a commission?

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

In principle, the Hawala must have no charge. The Hawala is a transfer of a debt between three people, i.e., A is a creditor to B and B ask A to accept B's debt be paid by C (who is normally a debtor to B).

Transferring money from one country to another does not fall under this definition and it is closer to what is called in Fiqh "Suftajah." This transfer requires cost, effort and risk, and the service of providing transfers across countries can be sold to its users at a fair market price. But since most components of the service are mot proportional to the amount transferred calculating the charge the same way as interest is usually calculated makes it similar to interest, it should be a given amount that may differ in stratus of the amounts transferred.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2003

Question:

From: mimi

Sent: Wednesday, December 03, 2003

Subject: Christmas Parties

Salamu Alaikum Dr. Kahf:

this is sr. Mimi , I would like to ask you if it is ok to go for Christmas party for my work , or if I get invitation from non Muslims friends. I use to go to all the parties I can go to never say no, but now I have to know the Islamic way , it just about time and pass it to my kids and other Muslims they do not know.

My daughter's in laws are non Muslim, can she and her husband visit his family in Christmas and exchange gifts too.??

Your answer very much appreciated,
Gazak Allah Khair..

Mimi

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Sr. Mimi

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

It is absolutely forbidden for Muslims to celebrate Christmas or any other religious feast/celebration of any other religion. The Only religious celebrations Muslims may enjoy are Eid al Fitr and Eid al Adha. There is no disagreement among all Muslim scholars on this and there is no disagreement also that participation of Muslims in celebrating religious festivals of other religion amount to accepting their FALSE gods and FALSE worships.

HOWEVER, visiting a non-Muslim, on the occasion of her/his religious celebration is not a contribution to the celebration or a participation in it. So is congratulating her/him on such an occasion as long as you do not say or do any thing of their worship or religious practices. In fact this is a form of kindness to people from other religion that is covered by the general Islamic guidance that we, Muslims, should always be kind to other people; this is more so if such persons are friends or relatives as in-laws. Hence, visiting, sending cards of congratulation that do not carry Christmas symbols even if you mention inside the card "on the occasion of Christmas," attending their evening of celebration without participating in any of their rituals (such as carrying candles), sharing food with them, and sending them food; all these are permissible in our religion, This is the view of the Majority of Muslim scholars. Remember, there is a minority that prohibits these actions on the claim that they are participation in their religious practices but this is incorrect as long as one makes one's position clear and remains keen to avoid any action that has a religious connotation.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Ibrahim

Sent: Tuesday, December 02, 2003

Subject: Shari'ah Credit Union

As Salam Alaikum, Dr. Kahf,

Jazakallah Khairan for your previous email. Here is something that may interest to you. FSCO is the regulator in Ontario.

Salam,

Ibrahim

From: Geoffrey

Date: Tue, 2 Dec 2003 15:45:06 -0500

LEGAL ADVICE - PRIVILEGED AND CONFIDENTIAL

I had a long conversation with John Harper at FSCO this afternoon. FSCO has NOT received any submission from any other group on the issue of Shari'ah compliant mortgages. However, John also noted that FSCO is not likely to even entertain the submission of any concept that would involve the Credit Union becoming owner of the residential properties. In his opinion, the very low limit on the real estate holdings a credit union can have [Regulation 76/95, s. 66(2): "The total book value of all investments by the credit union and its investments in improved real estate in Canada must not exceed 10 per cent of the credit union's regulatory capital and deposits."] makes the concept impractical for a credit union if it wishes to make more than a few Shari'ah "loans". The value of each home financed in this fashion would have been considered part of the credit union's portfolio of investments in improved real estate.

On the other hand, John seemed interested in my alternative concept of having the credit union purchase, as an investment, at a discount [to arrive at the full price the vendor wanted on closing anyway], a vendor take back mortgage for the balance of the purchase price [inflated to include imputed "return" for the deferred payments]. The credit union would not receive interest, but it would retain profit from the difference between the discounted price it paid for the stream of payments under the mortgage and the present value of those payments over time. He thinks this could be workable. I did not receive from you a definitive answer as to why this approach might not be acceptable to your Shari'ah scholars, but I speculate that some of your Shari'ah scholars take the position that it is not acceptable for a Muslim to give security for his payment obligations. The vendor take back mortgage would indeed involve the purchaser giving security. Please advise if this is the case, or if this is not a consensus opinion among your scholars.

It seems to me that I would be wasting your time and money proceeding with the submission as originally contemplated if the alternative is ultimately acceptable to your scholars.

Geoffrey

Question:

From: Ibrahim

Sent: Monday, November 03, 2003 7:39 AM

To: gcauchi

Cc: jebsary@yourcu.com

Subject: Shari'ah Credit Union

I hope you are well. Your assistance would be beneficial in drafting the submission. The submission would NOT be crafted as a financial lease to avoid the real vs personal property issue you noted, but most likely in the original structure outlined by our Shari'ah scholar. You offered to draft certain questions to pose to the regulator. It would be beneficial to return this line of thinking as soon as we can.

Thanks,
Regards,
Ibrahim

My Answer

Dear Br. Ibrahim

Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I think your consultant does not get the point. Giving security is permissible and has no problem from Shari'ah point of view.

I certainly need more details about this "vendor take back mortgage" what is it? How it works? Give me a detailed example. The way I understand it is the following: 1) a Muslim buyer gets self financing from the vendor (the contractor who built the house) so that the price of the house is inflated by the amount of interest wanted as a return [if this contract is done as principal plus interest it is not permissible but if it is done as higher sale price, it is permissible]. 2) vendor turns back to the CU and sells it these future monthly payments at a discounted price which is presumably the principal of the financing [this transaction does not mean anything to the Muslim buyer because she/he has nothing to do with it. But if the CU is Muslim, it cannot do that because it is a sale of future debt for a present value that is less than its face value, it is not permissible being interest, if the credit union is not Muslim this is none of our concern]. In this case we do not need a Muslim credit union. All we need is the vendor to accept the contract be written without interest (although the future payments are calculated on the basis of interest) and the Ottawa Credit Union to cover the vendor.

Please correct me if I am wrong and give me details to discuss.

Also do we have to hang up on Credit Unions, why not approach banks with our lease/purchase and our Murabahah sale?

Wassalam
Sincerely,
Monzer Kahf

Question:

From: Islam on line

Sent: Thursday, October 23, 2003

Subject: Is the Money Haram?

Name of Questioner Usama

ASSALAMU ALAIKUM. My father has got special money that he gets with his lawyer because he was depressed and he could not work. But now, he isn't with the depression anymore and he's still getting that money, that is illegal and Haram for him. He is paying my studies and sustaining me, but if this he's paying with that money that is Haram, are my studies "Haram" and what I buy with the money?

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br. Usama

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Are you asking, dear brother, or giving a Fatwa. Where did you get it from " that is illegal and Haram for him"? If your father gets the money as a result of a court order through a legal procedure that is in accordance with the law of the land, he is still entitled for the regular payment unless the court decision itself specifies that he should be subjected to a medical inspection at a given time. If your father got the money as a result of a medical condition proven in the court he is entitled to it unless the evidence he then presented are untrue. You don't have to continue to be ill to deserve a compensation for a work-caused illness. The money he gets may be Haram if he either provided false evidence to get the first court decision or he is required to subject himself to a medical exam and he bribed the physician who examines him and gets untrue results. Otherwise the money he gets is not Haram even if he is able to work now as long as it is in accordance with the law of the land and without cheating or false evidence.

The other general question that may arise from your query is what a person does if the person is financed from the person's father and she/he knows for sure that it is from Haram? If the person is not minor and able to work or has income of his/her own, he/she must not accept this money and must spend from his/her own earning or wealth. If the person is a minor she/he may take the minimum needed for sustenance. The point here is that such money is still owned and deserved to be returned to the payer. (Although it may have to be given away to charity in the case it was given to the father in exchange for certain benefit because the payer has already gotten what he/she paid that money for).

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Thursday, October 23, 2003

Subject: Purchasing a Warranty for a Product

Name of Questioner

Assalamu Alaikum. Is it permissible to purchase a warranty for a product? This is basically paying extra insurance so that if anything happens to it, the seller will replace it or bear the cost. Wa Alaikum Assalamu.

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br./Sr.

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Warranties included in the price or added in the same purchase contract are permissible with no descent between the Shari'ah scholars that I know of.

Warranties purchased separately from the seller or from a third party are similar to insurance contract. They are in fact one of the different kinds of insurance. What applies to insurance applies to them. Here there are three opinions: forbidden all the way, cooperative insurance permitted while insurance offered by profit seeking is not permissible, the third view is that insurance is permissible regardless of the provider as long as it does not have interest in its contract. I go along with the third view and I argue that warranties purchased separately are permissible.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Saturday, September 20, 2003

Subject: joint venture based on Islamic principles

Name of Questioner Silajdzic

Country of Res. Bosnia

AsSalaamu Alaikum, I would like to ask you for some information about joint venture based on Islamic principles. For example what is or not involved as expenditure on side which receive the capital and how to share profit at the end which will be based on which issues. Almighty Allah knows best.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Silajdzic

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

When you ask a general question I can only give a general answer. Joint venture can be taking either of two forms: capital and entrepreneurship from both parties; and all capital from one side and entrepreneurship from the other. In both forms net profit can be distributed in proportions different than capital contribution provided that a party who contribute both capital and entrepreneurship together is not assigned any percentage that is less than the percentage of her/his capital to total capital. In both forms losses must always be distributed in proportion of capital.

In the second form (that is BTW called Mudarabah) expenses that are chargeable to the partnership venture varies according to the nature of the venture, the principle is that any expense that replaces the responsibility of the entrepreneur must be charged to the entrepreneur alone not to the collective venture.

If you describe to me a specific joint venture contract and the nature of business and expenses I will be able to explain to you what items of expenses can be chargeable to the joint venture.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Wednesday, August 27, 2003

Subject: 4. A Product Made Without the License of the Firm

Name of Questioner Jawahir

1. If a product is made without the license of the firm, and the product has the sign of the firm, for example false adidas produced in china or Turkey. May you work or help such a firm the imports such products. 2. How long does the "chain" of controlling the Halal and Haram goes. For example, do you have to control if a firm has the money from a bank that is with interests or you should rely on the fact that the firm doesn't sell Haram products? Notice: You don't need to give long answers. Thank you in forward.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Jawahir

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

1. It is not permissible to sell product with false trademark because this is cheating.
2. If you specifically know what you are given as a price (of an item or man-hours you sell) is itself is stolen (as an example) you must not accept it because it belongs to another person. The owner can take it from you without compensating you. You deal in Halal exchanges (like sale of labor or of things) with any person or company without asking or even caring where does it get its money from, that is not of your business.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Monday, August 18, 2003

Subject: Question on Bankruptcy

Name of Questioner Syed

Country of Res. India

If a person is bankrupt and has placed an insolvency petition in the court with the list of individuals and companies whom he cannot pay and when the creditors did not respond to the court notice and the case was closed without declaring the person as insolvent. The Question is: 1. Does the person still needs to pay to the individual? 2. Does the person needs to pay to the companies 3.Can he performs hajj 4.What was the concept at the time of prophet. SAS 5.Pls.note though some individuals and companies did not respond , the money was paid to theme 6.There are few companies from whom it the money was taken on interest Thanks for clarification

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Syed

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Take these principles and see how do they apply to your questions:

1. Debts do not evaporate from a religious point of view (in contrast with judicial not in contrast with secular law of the land). they remain as obligations on the debtor and must be paid whenever she/he can do that even after bankruptcy, court restriction order on the debtor, and distribution of assets in settlement. Unless voluntarily forsaken by the creditor, the religious position is that a debt must be paid in full.
2. Debts owed to natural persons are exactly the same as debts owed to legal entities (companies).
3. Declaration of bankruptcy by a court followed by distribution of assets to creditors in proportion to their respective debts, as normally the case would be, releases the debtor from a judiciary (in contrast with religious) point of view from all balances of debts. This means that creditors cannot sue again for these balances unless bankruptcy is proven fraudulent.
4. Hajj is a religious obligation and determination of financial ability to go for Hajj must follow a religious standard Which is: a debtor of future debts (not mature yet) who has sufficient money to go for Hajj and believes that when these debts become due she/he will be able to pay them from future flow of money, she is required to go for Hajj, i. e., Hajj becomes obligatory in this case. On the other hand, due payment of debts must has priority over going for Hajj even if creditors do not demand payment unless in the case of creditor absenteeism with ability to pay when they appear.
5. It doesn't make a difference whether a creditor responds to debtor or to a court request, if a person knows she owes a debt she is required to pay it and the cost of payment if any is hers not the creditor's.
6. The prophet, pbuh, was not at all easy on matters of debts, and he, pbuh, ruled on the distribution of present assets to creditors in case of bankruptcy.
7. Principal in interest-based loan is considered like any other debt, as above.

Contracted interest is not due, from a religious point of view because because Riba is forbidden. But if a Muslim commits the sin of entering into an interest-based borrowing

contract, she/he is required to fulfill it in order to avoid any harm or damage to his assets and/or reputation; this includes the payment of interest. Certainly she is required to make repentance and Istighfar (ask God for forgiveness) and do good deeds and charity because God Said what means "Surely, good actions wipe out bad actions."

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Saturday, August 02, 2003

Subject: Buying pirated software

Name of Questioner Zoab

Assalam o Alaikum, I would like to ask this question from Sheikh Yusuf Al-Qaradawi: Is buying pirated software prohibited in all circumstances? What about a situation in which the software is extremely expensive buying it is necessary for education, or if we want to buy it only for learning it for future and we cannot find it anywhere around us because most of the people buy pirated software? I have a big stock of pirated software and I do not want to buy anymore because it is un-Islamic, but what should I do with the existing software?? I want to refer you to a fatwa in our own fatwa bank in which it was deemed permissible to buy them if for educational purposes or if it is too expensive. Please answer soon!

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Zoab

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

I'm not Shaikh Yusuf al Qaradawi and if you want his opinion send your question again and insist on his opinion. My answer to this question is the same I gave recently to another person who asked a similar question:

intellectual rights are respected in the Shari'ah and pirating software is not permissible. At the same time, charging monopolistic prices is also forbidden. What is worse is the effect of such monopolistic prices on users of software in the poor countries that means keeping them poor and unable to use modern arts of education and development.

Although I do not atone pirating other people's intellectual property I cannot tolerate exploiting the poor who cannot work toward improving their economic stand because of such exhortative prices of software produced by companies that practically exercise monopolistic powers.

Remember that making a copy for your own use is like making a Xerox paper copy of a book for personal use that is not forbidden by laws of intellectual properties and that when you buy a pirated copy it is the seller who violated the rights of producers not you.

Wa Allahu A'lam
Wa Alhamdu li Allah Rabbi al 'Alamin
Wassalam
Sincerely,
Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Tuesday, July 29, 2003

Subject: Muslims and Benefit Systems

Name of Questioner Mohammad

Country of Res. U K

Subject : Halal Earnings Dear Scholars, Here in the U.K, like most of the western world, there are state benefits such as unemployment benefit, low income benefit, housing benefit, etc. These are designed to help poor and needy families so that they do not lose their home and so that they and their children do not go hungry. The Governments provide reasonable payments for bills, mortgages, food, clothing etc until the head of the house finds work. These systems originate from the 2 World Wars so that poor families would never go hungry or become homeless. In some regards it is like the Zakah system of Islam. Unfortunately, there are quite a lot of Muslim people that I know of who are taking advantage of the benefit system to get personal financial gains. There are some who are claiming unemployment benefit when they are perfectly capable of going out to work and earn money but do not do so due to laziness. Some claim unemployment benefits but secretly work during the day or nights so that they are not caught. And, regrettably, some claim housing benefit stating that they are poor when they already have a few houses and earn good income from renting out their houses. I have been most disturbed by those Muslims who have claimed "separation" or claim to be "divorced" under the English legal system but continue to live secretly as husband and wife because they state that they are still married as they did not divorce in the Islamic manner. They only "divorced" so that each partner can claim more money individually from the state. Please shed some light on what Islam says about these wrongful activities, especially the latter as that is harming the good-character of Islam. As a husband and father, I go out to work in order to earn Halal earnings for my family and sometimes it is very difficult for me to accept my fellow Muslims taking advantage of a system designed for the poor and needy people. I am more than grateful to Allah for the work that I have but sometimes I get depressed and angry when I see that the people who claim benefits (falsely) appear to be better off than me. 25% of my Halal earnings go to the TAX man in the UK and no-doubt some of my income is providing for the Muslims who are dishonestly claiming benefits. I would like to inform our local council about the activities of such Muslims because these activities are wrong and go against the teachings of Islam but I do not wish the small children of these Muslims to suffer because of the conduct of their parents. Neither do I want to be cursed by these people when I have exposed their dealings. Do I allow things to continue as is, because ultimately they will be held to account by Allah for obtaining money illegally, or should I

report them to the authorities because Islam advises people to do well and do all things necessary to discourage bad deeds. Salaam to you all.

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br. Mohammad
Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

It is evident that you know the answer to your question, let me put it in my words:

- 1- It is forbidden to provide false information on whose basis welfare money is taken from the government.
- 2- A divorce made in a Western court or clerk is considered divorce in Shari'ah and unless reversed if it is not the third time any husband/wife relation between the divorcees is certainly Haram and it comes under the act of Adultery (Zina).
- 3- For those Muslims who really qualify for the welfare payment it is certainly permissible in Shari'ah to take according to law.
- 4- Imams and leaders of Muslim communities must speak out on these issues and make it clear that the most Halal food you get is that which you earn yourself, laziness, dependency and taking government assistance without proper justification/procedure are forbidden in our religion.
- 5- You are not required, and you better not, to poke your nose in other persons' affairs unless you are asked to testify in a court of law and then you only tell what you know as the truth. You really do not know who deserves and who does not. such knowledge requires more than general observations. This means you must not tell authorities or any person about any other person unless you are asked to testify and then you must only tell what you know for sure without any speculation or guesses.

Wa Allahu A'lam
Wa Alhamdu li Allah Rabbi al 'Alamin
Wassalam
Sincerely,
Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Tuesday, July 29, 2003

Subject: Hajj from Daughters Money

Name of Questioner Shahid Country of Res. Pakistan

Can parents demand money from their daughter for performing Hajj/Umrah. Daughter has good job but not enough savings. Correct I if I am wrong father can't perform hajj with daughter's earning. Father and mother both are in sound health and currently working. Daughter is already giving money to her parents for regular house expanses and also for the cars driven by the family members.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br. Shahid

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

The daughter's money (both income and savings) are hers. She can do anything she likes with it and she is under no obligation -even pure moral- to give either of her parents any money unless they are in need to satisfy basic living expenses and live comfortably like their daughter if she lives out of her own resources (but if she lives out of her husband's resources the comparison with her style of living does not apply and she cannot give her family from her husband's resources without his approval).

If a son or daughter - on free will - gives any of his/her parents any money out of his/her income and wealth she/he would certainly please them and this brings great reward from God InShaAllah. It makes no difference whether the giving is for Hajj or any other purpose. This gift from children to parents is certainly Halal for the recipients.

It should be noted, however, that if a parent does not own sufficient funds to make the trip for Hajj she/he is not required to make Hajj (Hajj does not become obligatory for her/him) and if any of their children (or even other persons) provides for the trip it's fine and well and Hajj becomes permissible and it fulfills the fourth Pillar of Islam but still Hajj out of gift does not become obligatory because you are not obligated to accept a gift from your child or from any other person.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Tuesday, July 22, 2003 12:23 AM

To: Monzer Kahf

Subject: Bribery

Name of Questioner ahmed

Country of Res. Egypt

I am asking a very important question connecting with bribery as I have been sent to the UK by my Arab company but I have discovered that this collage deals with bribery trying to convince trainees that they want to help them in housing as it is very expensive here and they help paying about 15% of the course fees and in return of this they pay nothing for specification training, they only give them English lessons joining them with full classes from different nationalities the thing which does not cost them apart from a minor sum of money and this is not the agreement most of students accept this in order to get more money from their allowance. I really refused that totally as it IS (HARAM) AND WROTE TO MY COMPANY INFORMING THEM ABOUT THIS BUT I FOUND OUT SOME OF THEM KNEW THAT BEFORE AND DON'T WANT TO DO ANYTHING TO AVOID WHAT I CALL IT SHAMBLE AS THIS WILL DESTROY THE COMPANY IN FUTURE. THEY THREATEN ME IF I WRITE TO HIGHER RESPONSIBLE THAT I WILL LOOSE MY JOB AND ALL OF THEM

WOULD BE OFFENDED OF ME IREALLY FEEL THAT I CAN SACRIFICE EVERY THING TO PREVENT THE COMPANY FROM THIS CORROPTION. AND I DONT CARE ABOUT THAT BUT I DONT WANT TO MAKE (HARAM) by hurting my self so I am really in complete dilemma and not knowing what to do exactly please do your best to help me giving me the best solution (Jazakum Allah kolla Khair) wa Assalamu alaykum Rahmatu Allah

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br. ahmed

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

I did not understand where the bribery you are talking about is. What is the agreement between the college and your company and what is the part that the college does not fulfill? Could it be that you were expecting something but you found something else that is within the contractual relationship between your company and the college? what is wrong in helping finding reasonable housing and paying 15% of the fees? Please explain to me what the problem in details is before I can give an opinion on it.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Tuesday, July 22, 2003

Subject: Further Questions on the Boycott Campaign

Name of Questioner Noaman

Country of Res. Pakistan

Dear Sheikh Assalam alaykum. I am a Pakistani Muslim. I read the fatwa on your website regarding the prohibition of using American products by Muslims. I forwarded it to some friends and there are further 3 questions related to it that came up. They are: 1) If consuming American products are Haram then what is the fatwa on working for companies that produce and sell these products. Unfortunately such companies provide safe and successful careers to Muslims of today. 2) Is Islamic financial products by American banks also Haram. Especially given that all other Islamic banks in the country have rejected a person's application. There is another fear that if we boycott Islamic products of American banks then it might result in the destruction of Islamic banking industry. 3) Are countries like England, Australia, India and Spain included in such fatwa as well as these countries have also shown their contempt towards Muslims openly. May Allah reward all of you for your efforts. Wassalam Noaman

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Noaman

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

The intention of the Boycott Fatwa is to give a message to the makers of American foreign policy that their unjust, unbalanced and aggression-based policies toward the Muslim countries is harmful even to the corporate America that they think they are serving. Therefore this Fatwa applies to all American (and obviously Israeli) products whether they are goods or services, financial or physical. You must notice that the American foreign policy has taken, over the past few years a very bullish anti-Muslim world position. The Fatwa does not intend to hurt the interest of individual Muslims or non-Muslim, American or non-American.

The Fatwa also applies to working in American companies if this can be avoided without harming the interest of any Muslim.

The Fatwa came as a result of the American foreign policy unprecedented support of the atrocities of occupation forces in Palestine. There are several other countries whose governments have taken certain stands against the Muslim world but there are no other country that has taken such a sweeping support of immoral atrocities as the USA did. The Fatwa does not apply as of today to other countries because of their mixed positions on issues related to the Muslim countries. But certainly things may change as policies may change.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Tuesday, July 22, 2003

Subject: Can I Use that Copied Software?

Name of Questioner reza

Country of Res. Iran

Assalamu Alaikum I have found this program very helpful to me and am very grateful, may Allah be pleased with your efforts. I had a question about property rights which has bothered my mind for a while. 1)I had paid for a copy of a software that I cannot afford to buy because to buy the original is too expensive for its worth. my argument was that this particular company which I will not name charges in usury. (the company also destroys competition so the price doesn't come down).please clarify if it is lawful to use it or if not what to do with it now that I have paid for it. Thank u very much

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. reza

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

intellectual rights are respected in the Shari'ah and pirating software is not permissible. At the same time, charging monopolistic prices is also forbidden. What is worse is the effect of such monopolistic prices on users of software in the poor countries that means keeping them poor and unable to use modern arts of education and development.

Although I do not atone pirating other people's intellectual property I cannot tolerate exploiting the poor who cannot work toward improving their economic stand because of such exhortative prices of software produced by companies that practically exercise monopolistic powers.

Remember that making a copy for your own use is like making a Xerox paper copy of a book for personal use that is not forbidden by laws of intellectual properties and that when you buy a pirated copy it is the seller who violated the rights of producers not you.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Thursday, July 17, 2003

Subject: Islam online financial 4

Name of Questioner Kawtar

Country of Res. Morocco

Salam o alaykum; Please I would like to ask you about a particular thing in the work of my father. All his work is Halal except two things that we don't know if it's Halal or not and don't know what to do. First, his boss told him once to receive a committee from the world bank that came to see a land to invest on it. So was it Halal to receive them and to watch them this land? second, he was told that he must find a way to help a company that is going bankrupt. The problem is that this company is dealing with Ribawi loans. So what must he do ?is his all money from his work Haram knowing that this is just about 1% of all his work ? Must he leave his work? and from what shall we eat? Thank you.

Notes

I would like to know if the father earns from Haram sources are we (children and wife) responsible about his money that we use. Help me please I don't know what to do.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Sr. Kawtar

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Let me begin from the last question. If the father works in a job that involves him in Haram activity for all his work, the children and wife have to advise him politely but it is still permissible for them to eat and use the money he gives to/spends on them. He is required to spend and he gets his money for the work he provides. On the other hand, if

the father gets money from theft or bribery, it is forbidden for any body to consume/use it because it belongs to its true owner and must be returned to the owner. Your other questions are a lot easier. 1) it is permissible for your father to receive the mission from the world bank and to show the land they want to make a project on. What is wrong with that. In fact it is most likely very beneficial to your country. The world bank gives assistance as grants and gives interest-based loans. In either case it is none of the business of the person who shows them the land how are they going to finance the project. Showing a land for sale to any person is permissible, even if you know that this person is going to finance his purchase through Riba-based loans because showing a land and selling it is different from financing it by the buyer, each act is separate from the other.

Also making a study on how to help a company avoid bankruptcy is permissible because it is helping avoiding a financial harm to its owners and other people who deal with it. IT is permissible even if the company is an interest-based bank because bankruptcy brings a lot of harm too many innocent persons such as depositors, customers, creditors and even owners. Remember that in the case of Riba (interest) the Qur'an did not call for the loss of capital (which is normally the least result of bankruptcy) of Riba dealers. The Qur'an in fact says that their capital must be given back to them but the increment that is Riba is not to be given (the Qur'an 2: 279).

If other work activities of your father are also Halal, InShaAllah all his work, and consequently income, is Halal including these two things you are asking about. Remember, Sister that the Qur'an says : " ولا تنزر ولا تنزر وأزره وأزره أخرى " which means that no action can be judged by the judgment of another action. For instance, theft is prohibited but if help a thief from drowning in a river you have a great reward because you are saving a life and your action cannot be judged by the action of the person you saved from drowning.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Friday, June 20, 2003

Subject: Obtaining a Welfare System in Canada Illegally

Name of Questioner sumia

Country of Res. Canada

I have question as here in Canada Govt has welfare system as if you lost your job you can apply for assistance and Govt give you money just to live hand to mouth , Govt also allow you to work a little bit for extra money but here some people work on cash so Gove does not know about that money they also receive welfare(assistance) and getting extra money so they are not paying taxes , I want to know that Govt is paying money and the people also getting cash money to save to visit their family in back home or any

other reason so they don't have to use credit card to stay off the interest. is this extra earned money Halal or not please tell me if you don't understand my question

Notes

To avoid interest free cards earn money and hiding from the govt ,and getting welfare money is this Halal

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. sumia

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Giving false information or making false written declaration to the government to get welfare is not permissible in the Shari'ah as repeatedly mentioned in the Qur'an. besides, this is lying and the Prophet, pbuh, said that a believer does not lie. lying is one of the gravest sins in the Shari'ah, we don't lie to any one. The welfare money obtained by lying is not permissible too and must be returned to its source. But getting welfare you are entitled to by law is permissible even if you may think you are not qualified because the legal definition of qualification may be different than yours.

On the other hand, avoiding providing information or evading questions is not the same as lying and may be permissible under certain circumstances.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Wednesday, June 11, 2003

Subject: Is It Halal to Keep This Money?

Name of Questioner Usman

Country of Res. U K

Assalam Alaikum Scholars. I work part-time at a supermarket to help me through University. Recently my store gave each member of staff a £40 cash gift, because our store had the highest sale of alcohol in the area. The letter with the cash said: " Thank you for all your support and commitment over the Christmas period. Especially for the drive to win the record breakers on wines and spirits. As a thank you, there is £40 enclosed " Is it Halal for me to keep the money? If not, what should I do with it? Please could you provide some Qur'anic/Hadith references in your answer? Jazakum Allah

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Usman

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

As long as your work in the store does not include any handling of alcohol whatever compensation, including special awards like this one, is Halal for you and you can keep. It is forbidden in the Shari'ah to handle alcohol. this prohibition includes carrying it to the customer, ringing it on the register of sale and packaging it in the shopping bags. Certainly if you surely know that the bag has alcohol in it. Any compensation for a prohibited work is not Halal for you but you do not return it to the payer, as the payer is required to compensate for the work she received. Therefore you must give it to Muslim charity as money that is deserved by no body, not as a Sadaqah on your part!

This is based on several rules of Shari'ah that came explicitly in the Qur'an and the Sunnah: 1 - the Prophet, pbuh, prohibited any handling of alcohol and said that the Wrath of God is on ten persons related to alcohol handling and he counted the brewer, producer carrier, seller, drinker, receiver, etc. 2 - The rule of Original innocence/permissibility applies on all non-prohibited actions and sources of income. The Qur'an mentions that prohibition applies to bad thins "al Khaba'ith" and the prophet mentions that thing not mentioned in the orders of do or do not do are not left out or forgotten by God but are kept out of prohibition as a mercy from God. 3 - Certain incomes earned for prohibited actions are mentioned as prohibited in the Sayings: the compensation of a prostitute, the grant to future readers and the price of dogs (that are prohibited to keep), similar incomes is taken by analogy. 4 - income paid for compensation of work cannot be returned to payers because payers must not take that work free, even though the work is Haram. Allowing a recipient of prohibited work to take for free defeats the purpose of prohibition (in fact the principle is that such a payer deserves punishment instead of getting such work for free) therefore the rules of money deserved by no one applies on it, thus giving it to Muslim charity. It is not Haram for the poor who takes it because he did not provides a prohibited work.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Saturday, May 24, 2003

Subject: Buying the Pentagon Playing Cards

Name of Questioner reuben

AsSalaamu Alaikum. My question concerns a purchase I was asked to make as part of my job with the Smithsonian's Museum Of American History. I live near a store which sells the "playing cards" issued by the Pentagon with the names (nicknames, if you will) of Iraq's former leaders on them. A curator asked if I might pick up a set for his division's collection. Though I did not approve of Sadaam Hussein's more brutal side, I feel these cards are racist and barbaric. I do not want this on my conscious, even though we are talking about roughly 5 dollars. What is your ruling on such a potential purchase for a Muslim? Ma Salaam Reuben Jackson

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br. reuben

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

I think these cards should be in the Smithsonian collection because they are part of the history of the present administration. They represent the mentality of Mr. Rumsfeld and the Gang around him. They are very typical of the low moral standards and lack of respect of human beings this administration will go in the history characterized with. Of course the names on the cards are names of persons who behaved with extreme atrocity and brutality against the people of Iraq especially during the period when they were befriended by the American government, when Mr. Ramsfeld visited the dictator of Iraq and shook hand with him! Go ahead and buy the set of card and let the boss who order the purchase place it as one of the representation of this administration, you may ask him to place beside it pictures of looting the Baghdad museum with American soldiers protecting only the oil ministry! or pictures of Iraqi children killed by the American bombs with the famous quote Mr. Ramsfeld about "collateral damage"!

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Tuesday, May 06, 2003

Subject: Money Gained from Winning Prizes

Name of Questioner Kamal

Country of Res. Pakistan

Is it fair to receive money as a result of winning prize on a prize bond issued by a government approved bank?

Notes

In Pakistan, State Bank offers prize bonds. Purchase price of the bond remains same and it can be sold back to the bank on the same price. After a certain period, there is a lucky draw and some holders of bonds receive prize money. Some people think that it is not forbidden in Islam as the invested amount is safe and can not be lost and therefore it is not gambling. Is it correct?

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Kamal

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Prize bonds are interest bonds' They represent loans that gives a benefit (the chance to win a prize and the prize itself). The OIC Fiqh Academy in 1412 (1992) ruled that prize bonds are forbidden on the ground of interest.

Consequently, money gained by prize winners is interest that must be disposed of like any other interest procured from institutions that deal with Riba. To begin with, Issuance of these bonds is prohibited in Shari'ah and the government of Pakistan has several other alternatives that are Shari'ah compliance such as utility bonds and lease bonds but I really wonder why it selects the route of what is forbidden in Shari'ah. Also buying such bonds is prohibited in Shari'ah unless there is necessity. In Pakistan such necessity does not exist because there are several Islamic banks (private sector) that can satisfy the safety needs of deposits as they offer several kinds of deposits with and without return that all are in line with the Shari'ah requirement.

If it happens that any Muslim buys such bonds (the prize bonds) she/he must repent, make Istighfar, sell the bond back to get her/his principal and any won prizes must be given to Muslim charities or the poor and needy with clear keenness of not allowing such "dirty" money to be mingled with one's own Halal money

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Question:

From: Islam on Line

Sent: Saturday, May 03, 2003

Subject: Importing Towels from Disney Company

Name of Questioner Muslim

Country of Res. USA

salaam alaykum w... dear sheik:\ I'm importer of textiles goods such as towels and I'm importing a towels has cartoon picture on it and .I don't have any license to sale this goods from the Disney company. meaning that I copy their product with out their perdition .. can u tell me is it Haram to import these goods.. and if it Haram ..what shall I do with the money I gain from it. best regards

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Muslim

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

You got me confused. From where are you importing and to where? Because if you are importing to Egypt, there is the issue of boycott in addition to the issue of trademark. Please explain your question in details before I can give you my answer.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,
Dr. Monzer Kahf

SUBJECT: What to do with unlawful property (mal Haram)?

From: Islam on line
Sent: January 28, 2003
Name of Questioner a sister
Date: 3/12/2001

Question

I understand that there are different schools of thought: Hanafi, Salafi, Malaki etc. What are the key differences between these schools of thought? Where can I find out more information about each of them?

My Answer:

Dear sister,

Assalamu Alaikum wa Rahmatullahi wa Barakatuh,
Al Hamdu li Allah wa al Salatu wa al Salamu ala Rasuli Allah

There is not really much of differences between these schools of Fiqh. They all take the Qur'an and the Sunnah as their uncontested sources for finding any ruling of Shari'ah. There are good sources in Arabic about the schools of Fiqh and differences among them. The best source is the series of books by the late Imam Muhammad Abu Zahra on the founders of these schools of Fiqh. There are actually more than four schools of Fiqh, and he has books about the four main schools (Hanafi, Shafi'i, Maliki and Hanbali schools). He also has books about other schools and their founders, including Ibn Hazm. Imam Ja'far al Sadeq, and Ibn Taymiyyah.

The differences in brief are: Abu Hanifah is usually described as the leader of the ra'y (opinion) trend. Ahmed is very much described as a main representative of the Texts trend. That doesn't mean that there are no opinions in the Hanbali School and there is negligence of the Texts in the Hanafi school.

Imam Malik was a leader of combining both ra'y and Texts together. One of his sheikhs was Rabi'ah bin Abd al Rahman, who was known for his scholarship in ra'y. Imam Malik got a lot from this teacher. At the same time, Malik has the first collection of the correct Sayings in his book "al Muwatta'". He was a leader in the Texts trend. In this way he combined both Texts and opinion.

Ash-Shafi'i, although he came before Ahmed (Ahmed was his student), was influenced by the Texts trend from Malik, but differed from Malik on the issue of deepening the opinion trend. In this sense, Ash-Shafi'i was more of a Texts follower than Malik.

Wa Allahu A'lam.

Wassalam,
Dr. Monzer Kahf

SUBJECT: Price difference between cash sale and credit sale and sale of gold

From: Islam on line
Sent: January 22, 2003
Name of Questioner Fatima

Country U K

Question

I sell goods to people from my own home and that includes gold, most of the people buy by credit and pay me whenever they get the money. I was told by my local Imam that selling (gold) by credit is Haram. I can not get the point where I do not increase the value of the product if it sold by credit. Also is it Haram to make a difference between the cash price and the credit price of a good (by fixed amount)

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Fatima

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

It is permissible to sell at any price you want, certainly provided that you do not charge prices that are way above the market, otherwise the contract becomes subject to cancellation from Shari'ah point of view. You can sell at a higher price if payment is deferred (on credit). However the contract must be definite either cash or credit. The price cannot be either or.

Selling gold, silver and all currencies must always be cash, payment by credit card or checks is considered cash because you can go and deposit it in your bank immediately. Any time difference is forbidden in gold, silver and currencies. The prophet, pbuh, called this a Riba and prohibited it in a correct Saying.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Un-coding services to get them free

From: Islam on line

Sent: January 11, 2003

Name of Questioner

Country of Residence

Question

Assalamu Alaykum, I live in Canada. There are two companies that supply satellite TV services here. None of them carry Al-Jazeera. There is a satellite TV supplier in the USA that does. A co-worker told me that he bought the satellite dish from the USA and he breaks the codes on it to get the channels (this is so easy since a lot of web pages provide those codes). He said the satellite TV supplier from the USA doesn't care if people do that since they aren't allowed to provide their services in Canada anyway. In other words, there is no way to pay them (except that some people give a phony US address and have someone in the States subscribe for them). The only people who aren't happy about this are the two Canadian satellite suppliers (even though they don't give us the option of using them since they don't supply the channels we are interested in). My obvious question is: Can I buy this dish and use it here in Canada to watch Al-

Jazeera and other Arabic channels for free or is there anything wrong or immoral about that. Jazakom Allah Khairun,

My Answer:

Bismi Allah al Rahman al Rahim
Al Hamdu li Allah Rabb al 'Alamin
wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in
Dear Br.

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

It is unfortunate that the service of al Jazeera is not available in Canada. However, the way you mentioned is a form of piracy of private rights of the company and its coded broadcasting. It does not fit the moral standards the Shari'ah inculcate. The retailer who sells the dish doesn't care about your payment of monthly subscription because (s)he got the profit of the dish sold to you and left you with the sin of "un-coding" a private system that is given only for a monthly subscription. Had (s)he sold you a subscription too, the retailer would get an added profit, in the form of a commission on the subscription. But remember the subscription doesn't go to his/her pocket. Hence, the retailer concession to breaking the code is a concession from a non-owner. It means nothing. I don't think that your viewing these channels with an intruded code is compatible with the Islamic morality. It is wrong.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2002

SUBJECT: Price differentiation between residents and foreigners

From: Islam on line

Sent: September 30, 2002

Name of Questioner amina country

Question

As-Salamu Alaykum wa Rahmatullahi wa Barakaatuh. In the Name of Allah, Most Gracious, Most Merciful. Thank you for your wonderful service. I have recently visited an Arab country that is mainly Muslim. I noticed that there are posted prices for citizens of that country and for foreigners in hotels and tourist attractions. Of course, there are unspoken differences in other areas of commerce but the ones I am asking about are posted and legal within that country. Is this Halal? I thought the Prophet Mohammed (PBUH) said there was no division of Muslims by nation. I have looked at this from many different angles trying to rationalize the different rates but can't justify it in my mind. For example, the residents of this country make less money than residents of other countries. However, do they adjust the rates for citizens of countries that have even less

money? No they don't. So, what do you, dear scholars, say? Thanks again for this wonderful service.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Sr. amina

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Pricing commodities and services is left to the seller and buyers to agree on. There are market conditions that make one of them more or less powerful. And there are certain services and sometimes goods that may be monopolized by individuals and by government. Monopolies always call for government intervention to either break the monopoly or determine prices at non-exploitative levels. This is the Shari'ah position on monopolies.

Government's monopolies may very often be exploitative. They are often considered a source of public revenues. They are in fact bad sources of revenues because they are often unjust and discriminatory. Both private and government monopolies usually hold on obsolete technologies and contribute little to development and research.

Price discrimination between classes of customers is very common. You may notice that in Disney land and in Sea World, even popcorn price are triple their prices outside. Also tuition fees in universities discriminate between residents and foreigners. Price discrimination of essential goods is very bad unless it is done to give concessions to the poor. In fact the Shari'ah prohibits any price discrimination that charges the poor anything above what other customers are charged. Price discrimination in non-essential goods and services is left to be determined by the public interest of the country and whenever it serves the public interest it is permissible. In California, for instance, there are different prices in several entertainment parks between Californians and non-Californians, and there are such price discrimination in Morocco, France, Egypt, France, Briton to mention only a few that I know. What is unfortunate is that Muslims are divided in many countries and this ends up in considering Muslims from other countries as foreigners where they are treated like other foreigners!

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

Subject: Are pension schemes permissible?

From: Islam on line

Sent: September 25, 2002

Name of Questioner Rezki

Country UK

Question

Dear Br. m z

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Declaring bankruptcy that allows you to get away with no payment at all at a time you can settle and pay part of the debt is not permissible in Shari'ah it amounts to a fraud. Settling with the creditors or their collection agents on paying any amount up to the principals of the loans, i.e., without accumulated interest, is certainly permissible if you can afford that much. Certainly the principal is due on you in this life or in the Life after, regardless of the religion, ethnicity or citizenship of the creditor, and if you can reasonably pay it you MUST. Otherwise settling on any amount you can afford is the second permissible option. Bankruptcy can only be declared if you are really bankrupt in the sense that you cannot pay your debts and have food on the table to survive at the same time.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Debtor's and guarantor's obligations

From: Islamic Bank of Brunei

Sent: August 14, 2002

Question

Assalamu Alaikum,

Dear Brother Monzer, I am Tazmin, Officer working with Islamic Bank of Brunei. It's been quite a while this question in my head. I try to read several journal or article to find solution. Please brother can you help me find the answer according to our religion. What are the obligations of debtors and guarantors in settling their financing. Thank you.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Tazmin

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

The debtor is required to pay the debts in full at the place and on the date specified in the contract. The debtor also carries the cost of executing a payment (such as cost of bank transfer) if any, unless they agree otherwise as it is permissible to agree otherwise. This is clearly covered by the general command of the Qur'an (5: 1).

If the debtor fails to fulfill this obligation, can she/he be charged a delay fine? The principle is no because any pre-agreed on damage compensation becomes interest for the delay no matter how it is calculated, even if it is a lump sum. However, there are two exceptions: 1) The added cost caused by the delay of a payment that includes additional labor and paper work, (you know very often, a default case may be treated manually while regular payments are treated electronically in the system) cost of

litigation and lawyers, cost of contacting guarantors, overhead cost. Only the actual cost can be charged and it has to be carefully calculated so that it does not include any cost for the money (interest); and, 2) Any damage caused to the bank which may include actual, not presumed, loss of opportunity and profit. This can be determined by a court or a special contractual arbitrator/tribunal panel/board of arbitrage. What you cannot do is to charge a flat fee that normally exceeds the actual cost caused by default if it is a small amount that makes it certainly below the actual cost it is permissible because this means that creditor forsakes the rest of the cost and only recover this flat part of it. A guarantor has exactly the same responsibility and it is permissible to demand payment from either of them at the same time or one before the other (you don't have to exhaust the debtor before you reach the guarantor).

Wa Allahu A'lam

Wa Alhamdu li Allahi Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Boycotting American companies that support Israeli Occupation

From: Islam on line

Date: May 28, 2002

Name of Questioner anonymous

Country USA

Question

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh, My question is two-fold regarding the boycott of Israeli and American products. I do my best to boycott all American products that support Israel and any Israeli products. However, I am an American so I still have to pay taxes here which I feel negates all my efforts. I can't avoid everything American. Also, my husband and I have been considering moving to an Arab country for his work. Should wanting to stop supporting America be a factor in our decision? Jazak Allah Khair

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Sr. anonymous Muslimah

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Boycotting Israeli products is certainly a must for all Muslims including those who live in the United states whether they are American citizens, residents, students or illegal immigrant. The same also applies, to the extent possible for Muslims who live in the part of Palestine that was occupied in 1948 without inflicting harm on themselves or their businesses and without having to violate the prevailing laws. Additionally, Muslims who live in America must also boycott products of companies that gives financial supports to Israel to the extent this is possible without inflicting harm on themselves or their businesses and without having to violate the American laws. They have to avoid paying taxed too to the extent possible without violating the law. More important for

Muslim in the United state especially citizens is to be proactive and work from within the system to change the political and military support to Israel in all fronts, voting, demonstrations, support of relief organizations that help the Palestinian people, contacting congress persons and supporting national organizations that that do the same. Should you decide to accept a job offer overseas to use the tax benefit of living abroad may be part of that if your living within the US territories is less useful in other areas of supporting the just struggle of the Palestinian people and other peoples under oppression in India, Chechnya and other areas of the world? The answer depends on which of these two things is more useful to the objective of removing the support of the American government to injustices in such areas.

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Privatization

From: Islam on line

Sent: May 05, 2002

Name of Questioner obaid

Country S A

Question

How does Islam view privatization?

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. obaid

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Privatization is permissible. In principle, all businesses must be private, so they can pay Zakah and benefit from the private motivation of profit making. Certainly in privatizing publicly-owned enterprises, there must be prior and prime consideration of the interests of the Ummah, the society, the poor and needy segment of it, and it must be done without corruption and benefits to officials of the governments.

There are certain areas, the Shari'ah does not leave to the private sectors, such as mosques, even though they may be built and financed from private persons, they enter in the domain of Awqaf, that is not owned by any person but left for the benefit of all those who make prayers and mosque stay (I'tikaf). You can't privatize mosques and make their entrance paid for by admission fees!

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Net marketing sales and commissions

From: Islam on line

Sent: Thursday, March 07, 2002

Name of Questioner

Country

Question

Salam alikom I would like to ask u about network marketing there is anew company which sell gold through the internet and the person who buys from them can involved in the business as an agent for the company (to become an agent u have to buy a gold coin) & after u became agent 4 each sale u make u will receive 40 \$ as commission either the sale was direct or indirect but through u (let say that there is Ali, khalid & Ahmad . Ali introduced khalid to the business and he became agent as he bought coin from the company, Ali will receive his commission from khalid, later khalid introduced Ahmad to the business and he became agent also this time Ali & Khalid will receive commission as Ahmad was direct customer to khalid and Ali also will receive his commission as Ahmad was indirect to him but the sale was through khalid and khalid works like an agent to ali . and u will receive your commission after u make 10 sales and any time u would like to stop working for this company u can my question is it Halal to do business like that thanx & jazakom allah khair

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. . . .

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

If the object of sale is not gold, silver or currencies, doing business in this chain pyramid style is permissible provided full disclosure is given to customers. In most cases there is not complete disclosure. The amount of commission you get from sales to the level following you (your customers) and the amount you get from what you called indirect sale (the customers of your customers) MUST BE KNOWN TO THEM. This kind of sale is clearly based on the Amana Sale. It requires full disclosure in accordance with Shari'ah. However, gold, silver and currencies are something different. Their exchange is called in Shari'ah a Sarf contract. In Sarf contract there must be IMMEDIATE DELIVERY AND PAYMENT AT THE VERY TIME OF SALE CONTRACT. Therefore, sale of gold, silver and currency cannot be done by proxy. Internet sale of these items requires shipment on the same day of charging the credit card or the purchaser account. If shipment is done same day it is permissible.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Limit on profit!

From: Islam on line

Sent: March 04, 2002

Name of Questioner Razan

Question

Al Salam Alaikum, Firstly, I want to thank you and May God give you success and Ujur from this wonderful service. My question is about selling luxury products. I plan to sell world class designer bags that I buy from abroad and sell to my country where most of these products are not sold. These bags are quite expensive and since I will ship them back home that will also cost me. Nonetheless, these are luxury goods and not necessities. My question is there a limit to how much profit I am allowed to make on each bag. Please don't just tell me "excessive profits" because I don't understand what "excessive" is. Is it 30 percent or 70 percent for example? Please let me know so I can start working on this project and decide on the prices.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi Ajma'in

Dear Sr. Razan

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

The brief answer: there is no limit on profit. It is only what the market can take. The detail is that any price that is substantially (here again it depends. in expensive items, the margin is usually higher, but it really depends on the market conditions. What is certainly forbidden is when a person whom you charge a give price decides to take you to court because you were way above the market in a sense of "cheating people out of their money." This would be a winning case in Shari'ah should the claim be proven.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Renting a place for an ATM of conventional bank

From: Islam on line

Sent: February 28, 2002

Name Syed Country India

Question

Assalam-U-Alaikum Wah Rahmat Allah Wa Baraka I am a businessman situated in India. I have recently constructed a small building for commercial purposes which I intend to rent/lease out to some good company/firms. I have been approached by Citibank and American Express to lease out a small portion of my building on the ground floor for putting up an ATM Machine which, as you know, dispenses cash and attends to other banking related activities. My question to your good self is whether it is permissible to do so and whether the rent that I receive from such banks will be Halal. While I do partake in normal banking activity for my business I try very hard not to involve myself in any interest related activity, which I am sure you will agree is next to impossible in a country like India. I will also be grateful if you could forward me any links from where I can obtain more related information. May Allah Guide all of us on the right path. Was Salaam S.S.

My Answer

In the Name of Allah the Most compassion the Most Merciful

May All Praise and Thanks be to God, the Almighty, The Lord of the Worlds and Peace and Prayers be on His Messenger the Prophet Muhammad and all his Companions and Followers

Dear Br. Syed

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

This question relates to the issue of what transactions are permitted with people whose income comes from Haram or mixed sources, and/or their use of commodity we sell them is for conducting Haram or mixed actions.

Although there are sayings about the prohibition of the incomes of those who claim being future and unseen readers (Hulwan al Kahin) and prostitutes (Mahr al baghiyy), there is no call or even a trace of evidence that they must not be sold food, cloth and other permissible commodities. Would it be imaginable that the Shari'ah may call for prohibiting selling them and leave them to starve? Any claim of prohibition of making sale contracts with them is not consistent with the texts and objectives of Shari'ah and cannot be supported by any evidence from the Qur'an and Sunnah.

Further, in contracts when we talk about components of a sale contract and the conditions of these components, there no mention to make research about the source of the price paid by the purchaser or rent paid by lessee. It is true that if one happens to know that the price is itself (as they say its 'Ain) known to have been stolen, you must not accept it as a price. The reason is that a stolen thing remains a property of its owner not of the person who has a hand on it.

Let us come now to the use of sold commodity by its purchaser. There are talk about resentment or dislike (Karahah), not prohibition, of selling grape to a person who is known for sure to use it for brewery. but al Nawawi [al Majmu', vol. 9] argues that it is permissible to sell a slave singer for a price that includes a premium for her singing (with the assumption that singing is Haram). Putting these together, one may conclude that even if we accept the view of Karahah, it is conditioned by certain knowledge that it is going to be used for Haram.

Applying these rules to the question on hand makes the following: the use of an ATM machine is to dispense cash, make deposits and provide information. It is not to make interest based contract. For instance, there is no argument for prohibiting a job of cashier or teller in a conventional bank even though cash dispensed may be a result of a Riba-based contract. But dispensing the cash by a teller is not Haram. It seems it is permissible to rent a space for an ATM from the point of view of the use of the rented space. As for the income of conventional banks, no one can claim that all of it comes from interest, in some conventional banks, especially in the third world, like India, non interest sources of income make high percentage of net profit. The most that can be said is that its income is mixed. Further no one can tell for sure that the specific dollar given as rent is the dollar that came from Riba transaction so one cannot fall back on the argument of a stolen price. Lastly, the price (rent in our case) is taken in exchange of a permissible thing (the usufruct of the space) in a permissible contract.

Wa Allahu A'lam

Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Muslim families who use government welfare

From: Islam on line
Date: February 27, 2002
Name of Questioner Lee

Question

The other day I was in a local grocery store. I noticed a Muslim man with his wife dressed in the typical Islamic / Middle Eastern clothing. When they paid for their food they used WIC, social assistance. I thought that Allah looked down upon beggars. Additionally do you think that Non Islamic American Tax payers should be burdened by Muslim Men, Women and Children? From what I read, the KORAN, States. "Take not a friend from the disbelievers," but it is apparently okay for Muslims to take our welfare.

My Answer

In the Name of God the Most compassion the Most Merciful
May All Praise and Thanks be to God, the Almighty, The Lord of the Worlds and Peace and Prayers be on His Messenger the Prophet Muhammad and all his Companions and Followers

Dear Br. Lee

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

You are correct that the Hand of the giver is better and higher than the hand of the beggar, as the Prophet, pbuh, is reported to have said; and begging is prohibited in the Islamic law unless out of true need. Muslim citizens and residents of the USA live in this country and contribute to enriching its life economically, culturally and religiously too. Like all other citizens and residents they are income earners and tax payers and also recipients of government assistance if they are entitled. If you saw a Muslim family with Middle Eastern facial features and Islamic dress getting government assistance, you must have also seen Muslim families paying taxes and producing in factories and businesses and doctors and professionals, if you happened not to see the others you then need to open your eyes in a better way. Be assured that no Muslim family is going to take your share of government assistance. If you are qualified, go and apply for it and you may probably find the officer who will process your application or approve it Muslim with middle eastern features and may be Islamic dress too, if female. Certainly it is forbidden, in the Islamic Shari'ah (Law) to file false information for getting government assistance that you are not entitled to, and I advice you and all Muslims, and non-Muslims too to avoid doing such a demeaning and forbidden act. But if you are qualified for welfare, Muslim or non-Muslim alike, you have the right to go and take it.

And God Knows Best

Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Barter exchange

From: Islam on line

Date:2/17/2002

Name of Questioner majid Country S A

Question

Assalau Alaikum, I have a question regarding the view of Islam about barter (exchanging a product for another) i.e., I am thinking of trading my car for another, key-for-key, with no money being exchanged. Jazakum Allah Khair majid

My Answer:

Dear Br. majid

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Barter is permissible; it is one of the forms of sale. It requires the same conditions as any normal sale contract. In sale as defined in Shari'ah, the object of the sale and the price can be either cash, a commodity, a service or a combination of the three. Only cash for cash is given a special name, though it is still sale, that is Sarf and a Sarf contract has special conditions. Barter is permissible and you can trade a car for car, key for key.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Joining trade unions

From: Islam on line

Date: 2/15/2002

Name of Questioner AbdulHameed Country U K

Question

Assalamu Alaikum, I work for a very large corporation and I want to know, is it permissible to join a Trade Union in the work place as I have four reservations? (1) Trade unions tend to be very Socialist and i don't want to cooperate in this false Aqeedah. (2) Is it my responsibility to know how they spend the subscription funds, e.g., they will probably give free alcohol at their branch meetings etc (which I have no intention of attending)? (3) Some have said to me it is similar to an insurance policy in that they offer free legal aid etc. in the event of an industrial dispute. (4) Some say it is an issue of Tawakkul one should trust in Allah and not have recourse to groups such as these. The benefit I see in joining is that it gives me access to knowledgeable people of policy/dispute procedures, so I can find out, for example can management make me shave my beard, are they obliged to release me for Jumu'ah, etc.

My Answer,

Bismi Allah al Rahman al Rahim,

Alhamdu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahbihi Ajma'in,

Dear Br. AbdulHameed

Labor Union membership is permissible so is the payment of membership dues. The reason is that a labor union is a legitimate organization that defends the rights of its members and the workers at large. If somebody in the management abuses some of its funds and put them in wrong expenses that is a sin, and may be crime, of the wrong doer alone. As you said you notice that there are benefits from joining your labor union (although certain labor unions are coward to a degree that they do not defend the interest of laborers). To come to the specific points you raised in the question: 1) It doesn't matter whether there are socialists in the Unions or not, because you are cooperating with them on a specific area that is permissible. Their ideologies are their own business; it must not matter to you. 2) Your responsibility is contractual, you vote on what you believe is right and you object to any item in the budget that contains any Haram, (alcohol, Riba, etc) but you don't have to withdraw from the Union if your side of the vote did not win majority. 3) it is not like insurance it only gives power in the face of the usually huge power of the employer(the large company).4) it does not contradict Tawakkul because Tawakkul in our religion requires taking all humanly possible means then depending on Allah Ta'ala. Depending on Allah Without taking the means contradict the advice of the Prophet Muhammad: Tie the camel then depend on Allah that it may not escape.

Wa Allah u A'lam

Dr. Monzer Kahf

SUBJECT: Betrayal of trust

From: Islam on line

Date: 1/31/2002

Name of Questioner S

Country U K

Question:

Assalamu Alaykum, I've been entrusted with some money by a brother, which he told me to look after it while he was indisposed (he gave it to me to look after it). He told me to invest it if I find something worth investing in. But recently I've fallen in hard times, and had to borrow some of the money which He entrusted me with, and I'm working to repay it. I need to ask if the money I need to repay includes the gains that I made by investing the money for my self, how much do I have to add the money that I borrowed? And whether it is still called borrowing or stealing when you have money entrusted to you as Amanah, even if you pay it back?

My Answer:

Dear Br. S

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Brother, you have betrayed the Trust when you used the money for your own business without permission of its owner. Make Istighfar and do not do such a shameful thing again. I assume as I understood from what you said that the trustor did not want you to invest it in your own business. This is one.

Second, if you made a loss the money is guaranteed. And any profit, provided you used it in Halal, that resulted from the investment of that money should be given to the

Trustor whom you betrayed, unless willfully s/he gives you part of it. If you invested in Haram, you must return the income to its source and if not available or if it has a Haram practice such as a Riba-based bank, you give the income to general Islamic charity.

Third, if you borrowed it for your consumption use, there is no income or any thing above the principal that must be returned to the trustor.

Finally, you must pay the amount entrusted back and it is called betrayal of trust, (Khiyanatu al Amanah), it is not theft, but close to it.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2001

SUBJECT: Is it permissible for sale of merchandise to use a Website or market place of a company that deal with interest?

From: Islam on line

Date: 12/24/2001

Name of Questioner alisha

Country USA

Question

Bismialah Arahman Araheim, Asalamu Alaikum wa Rahmatulahi wa Barakatuh, I recently began selling things on ebay, an internet auction site (<http://www.ebay.com>). None of the transactions I make involve interest. I do not accept any nor pay with any. I do not accept credit cards, I only accept cash, cashier's check or money order and I have asked all the customers not to pay with any money that is interest or comes from it. However, my question is, if the company I am using deals in interest, through paying loans or etc, and I use their website or market place to sell my merchandise, is that permissible? Jazak Allahu Khairan.

My Answer:

Dear Sr. alisha abdelilah

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

As long as the merchandise you deal with is permissible and the contracts you are engaged through with your suppliers, providers of infrastructure including site, place and other facilities, and with your customers, are also permissible you don't have to go after knowing or questioning the sources of their income and assets, nor the way and contract they may have with other people. You ask that question only when you know with absolute certainty that the person you are dealing with has only one source of fund and that source is itself immoral such as theft, prostitution or selling drugs or alcoholic beverages.

Wa Allahu A'lam

Wassalam

Sincerely,
Dr. Monzer Kahf

SUBJECT: An alternative to interest-based installment sale of cars

From: Islam on line

Date: 12/11/2001

Name of Questioner Country

Question

Alslamo Alikom, I have a lease on a car from Toyota Corp. that will expire in the next 3 weeks. I want to buy the car from a dealer who will buy the car from Toyota and sell it to me. The dealer is willing to sell me the car on what may be an Islamic financing terms. The way the deal works is that, the dealer will calculate the price of the car including interest for 3 or 4 years. Then I will pay all of the interest up front and then make monthly payments on the original price of the car for the rest of the period. Please let me know if this is Halal or not? If not, what would be the correct way to finance the car through the dealer? JAK

My Answer:

Dear Br. khaled

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Payment of interest upfront does not make the transaction any better, it is still interest and in it still Haram.

You may make the transaction compatible with Shari'ah if the dealer sells you the car on installment, with or without any down payment. This works as follows:

He buys the car for say 10,000 and calculate whatever he wants to add, for him it is interest but for you it is his profit. And in second contract (separate from the contract through which he purchased the car) he sells you the car on installment for say 14,000 with definite contracted amount and due date of each payment. There cannot be any clause to add interest if there happens to be any delay in any payment.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Sale of gold and silver on the internet by GoldQuest Int.

From: dialogue@islam-online.net

Date: 9/4/2001

Name Mohammad Country saudi Arabia

Question:

Assalamu Alaykum wa Rahmatullahi wa Barakatuh (Peace be upon you, and the mercy of Allah and His blessings). You are kindly requested to answer the following questions received from one of my brothers in Islam: 1. How should be the payment of any Gold and Silver product? There is a Company (GoldQuest Int.) selling pure Gold products (99.99%) and offers the following payment plans: a. Full payment plan – product will be

shipped within two weeks b. Partial payment plan – initial payment is 52%, balance 48% later without any interest, and then product will be shipped after receiving full cost. (Example: total cost of a Golden Coin is \$830. Initial payment (52%) is \$430 and the balance is \$400). 2. Is it Halal to receive a commissioning fee? There is a Company selling pure Gold product (99.99%) that offer the following commissioning fee program: a. Every customer who brings ten (10) new customers after buying gold product will receive \$400. b. Every time one of the ten (10) new customers brings another ten (10) new customers after buying gold product, \$800 commissioning will be given to him and who introduced him to the company (each will receive \$400). Refer to the example below for question 2 above: A. Ali buys a Gold product. He becomes a customer. B. Ali brings ten (10) new customers (Saeed, Saad, Sami, Hadi, Fahad, Nasser, Hani, Taheer, Shaker and Ahmed) who buy gold product and become new customers. Ali will receive \$400 as commission. C. If Fahad (who is one of the ten (10) new customers that Ali brought) brings another ten (10) new customers by buying gold product. Each of Fahad and Ali will receive \$400. 3. Are Muslims allowed to purchase and promote selling gold coins with figures?

My Answer:

Dear Br. Mohammad

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

1) - Sale of gold, silver and currencies for each other requires in Shari'ah immediate delivery of the price and the sold metal or currency because the Prophet, pbuh, said that such sale must be “Yadan bi Yad”, or “Ha' bi Ha'.” This means immediate delivery/possession at the time of contract. However, recognizing that cases of international sales and banking transfers normally take some time for reaching the other party, the OIC Fiqh Academy resolves that any normal period a transfer or delivery takes is disregarded and the transaction is still considered Yadan bi Yad.

In your description of the delivery, you mentioned two weeks period for starting it (shipping) THIS DOES NOT SEEM TO ME NORMAL PERIOD FOR THE ORDER TO BE HANDED TO DELIVERY SECTION OF A COMPANY. It rather looks like a period needed for manufacturing the coin or metal piece. IT IS LONGER THAN NORMAL PERIOD FOR DELIVERING AN ORDER. On this basis I don't consider this as an immediate delivery governed by the opinion of the IOC Fiqh Academy No. 53(4/6) of 1410 H (= 1990 CE).

2) - Commissions, the way you described them are permissible if it is known to the ten persons you invite to become customers that you take this as business you make money from. In other words, they are not lured by a personal advice from a caring brother/sister.

3) - Muslims are permitted to deal with foreign metallic coins and paper currencies with whatever is pictured on them. When Muslim governments issue such currencies they are not permitted to put any thing prohibited on them, but you cannot apply that ruling to foreign governments. The Prophet and His companions, pbut, used foreign currencies with whatever was on them without questioning it.

Wa Allahu A'lam

Wassalam

Sincerely,
Dr. Monzer Kahf

SUBJECT: Charging extra for shipping

From live fatwa, Aug. 15, 2001

Name brother Profession

Question

Is it permissible for a merchant to charge customers more for shipping than what it actually costs (thus making a profit from the shipping)?

My Answer

Bismillah Al-Hamdulillah wa salatu was salaam ala Rasuulullahi wa ala Alihi wa Asbihi ajmaeen

The principal is a Muslim, and for that reason anyone, must be honest to her or his word. So when I charge for shipping I should only charge the exact amount of the cost of shipping that I pay to an outside shipper.

If I provide the shipping service with my own shipping facility, I can then charge any amount that is within the market limit, i.e. without any excessive over charge that may fall in the area of al Ghabn (excessive price).

On the other hand if I make the charge for handling and shipping and the shipping is done by an outside company while I do the handling, then I can always charge an amount that is above what I pay to the shipping company, because I informed the other party that this charge is for both shipping and handling, not for shipping alone.

Wa Allahu A'lam,

wa al Hamdu li Allahi Rabbi al 'Alamin.

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Lack of love to parents

From: Life Fatwa Session on Islam on Line,

Date: 8/8/2001

Name: H

Question:

Alsalam Alikom

parents are relatively wealthy, but they do not treat me like my sister and my two brothers because God gave me money and high education with a good position. i got married but they did not spent any thing on my wedding or (Jehaz) because they think I have enough to buy things for my self. This issue really irritates me and sometimes I feel like I don't love them and God will punish me for that, but I can't help it, because I feel they were unfair to me. Will God forgive me if sometimes I have these thoughts about them? And sometimes I feel that I'm not merciful with them?

My Answer:

Wa `Alaykum As-Salam Wa Rahmatullah Wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah and peace and blessings be upon His Messenger.

Dear respected person:

The parents are not required in Shari'ah to give their financial support to their well-off children. In fact, well off children are required to take care, through gifts and other things, of their parents even if they were wealthy. Remember that your education and your good position at work, and to a large extent your very existence owes a lot to your parents. If you can get married from your own resources parents are encouraged to provide similar opportunities to your brothers and sisters. Unless you are equal or close to being equal financially, parents are not required to equate their gifts to their children. However, if the children are financially close to each other and none of them needs extra support because of certain circumstances, it is impermissible for parents to gift some of their children on unequal basis (regardless of gender).

Finally I suggest that you resubmit your question to a specialist in social Fiqh.

Allah knows best (Wa Allahu A'lam)

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Education and economics

From: dialogue@islam-online.net

Date: 8/6/2001

Name of Questioner Rokiah Country Malaysia

Question:

What is the relationship between education and economics in islamic perspective? and what is it the importance of education in econimics and to mankind....

My Answer:

Dear Sr. siti - rokiah

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Your question is general and philosophical.

Economics is one of the disciplines we study in any education system. It helps us understand how magnitudes like consumption, investment, income, output, etc., change in a society as a result of changes in other variables such as employment, taxes, exports, imports and the same variables mentioned above. In other words, it helps us understand relationships in an economy. It also helps us understand personal reactions of economic actors or decision makers, including persons, families, and corporations to changes outside and inside them. That is all in the area of the economy, i.e., the individual and collective activities of men and women in utilizing resources for producing goods and services that are used to provide satisfactions to human beings.

On the other hand, we also study the economics of education, that is the field that focus on analyzing the relationships between inputs in education (e.g., Money, professional and non-skilled human hours, time of students and pupils) and the desired output (e.g., learning measured by scores of students and other achievement criteria).

Education enlarges the scope of thinking of human beings, it opens for them new horizons and poses new challenges, It gives them tools for enhancing their knowledge of all what is around them. Some kind of educational areas help them understand the world around them and the purpose of their very existence on earth, this may bring them closer to recognizing the final truth of creation and then recognize the effects and the doing of the Creator, and that is the strongest point of faith that one knows and realize that there is Deity but Allah the Almighty and Ultimate mercy Giver.

Education helps us find ways and means to improve the way we utilize our surroundings, that is technology, so we can always increase the amount of pleasures we extract from them...etc.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Shari'ah scholars in finance

From: Live Fatwa on Islam on line,

Date Aug 1, 2001

Name Umar

Question

Assalamu Alaikum,

Can you tell us the names of some of the scholars who are at the forefront of Islamic finance and traditional Islamic studies? Would Justice Taqi Usmani and Sheikh Abu Sattar Abu Ghuddah fit in this category?

My Answer

Al Hamdu li Allah was-Salatu wa salaam 'ala Muhammad Rasuli Allah

Certainly Uthmani is one of the forefront scholars on Islamic finance in the contemporary sense. Abdul Sattar Abu Ghuddah (his name is not abu), Muhammad Abdul-Gahfar Ash-Shareef of Kuwait, Dr. Agil Al-Nashmi of Kuwait and Dr. Muhammad Na'im of Jordan; they have both classical Fiqhi training and education. Other scholars in the area include Dr. Muhammad Ali al-Qaradaghi who teaches in Qatar. We have several others who contribute to meetings of the OIC Fiqh Academy and other institutions on issues on Islamic economics and finance such as Dr. Hussein Hammed Hassan of Egypt/Pakistan, Dr. Muhammad Ra'fat Usman of Al-Azhar, Sheikh Abdullah bin Many' of Mecca, and Dr. Nazih Hammad who lives currently in Vancouver, Canada. Most of them work in collaboration with brothers of pure economic backgrounds whop are also involved in research on Islamic finance and economics with good Shari'ah background although it is not the type of formal systemic education. In this category are Dr. Muhammad Ali al Ghari of Jeddah, Muhammad Anas Zarka, who is presently in Kuwait, Umar Hafith or Jeddah and Monzer Kahf.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Extended Warranties, are they permissible?

From: A live fatwa session on Islam on line,

Sent: June 20, 2001

Name salama

Question

Are extended warranties that you can buy Halal? For instance, you go to sears to buy a TV and they ask you if you want to buy a 2 year warranty.

Answer

As-Salam Alaikum wa Rahmatu Allah

Al Hamdu li Allah wa al Salatu 'ala Rasuli Allah

This question has been discussed in several circles among Shari'ah advisers to Islamic banks and other Shari'ah experts and they did not come to a conclusive position because of one hazy area that is in determinedness of the obligation of the provider of the warranty. One way of looking at it is when the extended warranty is purchased from the same seller at the time of buying the commodity. This is very close to buying the commodity at a price that combines the two contracts with a condition from the seller to provide a warranty for the whole period date the initial one year and the extension of two more years. Yet it is not exactly the same because the transaction is actually made in two contracts rather than one contract.

The seed of differences on this transaction reside in the differences on insurance contracts because this warranty, when made in a separate contract, is actually a form of insurance. On insurance the late Shaikh Zarka believed that insurance is permitted as long as the contract does not involve any Riba clause and the commodity insured is permissible in Shari'ah. If we apply this opinion we will find that buying such an extended warranty in a separate contract is permissible within the same conditions. I personally subscribe to this opinion and subscribe to buying insurance from commercial insurance companies and buying extended warranties.

There are two other opinions, one that considers all insurance prohibited and the other that considers insurance not permissible unless if it is offered on a cooperative or mutual rather than commercial basis.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Sale of Loans

From a live Fatwa Session on Islam on line,

Date: June 20, 2001

Name of questioner Mohammad Cponry United States

Question

Assalamu Alaykum,

I recently read about selling loans (bay' al-dayn), I was not able to understand the form of this trade, and the rationale for its prohibition. Also does this form of trading exist in modern day trades?

My Answer

Bismillah, AlHamdlillah wa salaatu wa salaam ala Muhammad Rusuluullah

Dear Brother Muhammad,

Bay' Al-Dayn (Sell of debt) may take prohibited forms, in which the debt is of future maturity. Whatever the reason that causes the debt, a loan contract or any other contractual relationship, a future debt can only be sold according to Shari'ah at its face value. Any discounting of the face value brings it into the prohibition area, which is a form of Riba.

In an authentic saying the Prophet, peace and blessings be upon him, said that Riba is 36 kinds, the least among them is like one committing adultery with his own mother. The provision of cash at a smaller amount than the face value of the debt is one of these forms and the difference between the two amounts is the amount of Riba in the transaction. The OIC has a clear resolution on discounting and on the sale of future debts as being one form of Riba.

Debt can be sold at lower than face value when the debt is due, but not paid yet and its collection may cost some money and/or effort. That is when there is no time frame for the maturity of the debt like cases of bad debt or unsecured debts which have matured, but the creditor could not collect them because of some reason or another. Such debts can be sold to collection agencies or persons for lesser than their face value. There is no Riba involved in this case because there is no time frame.

Unfortunately, the differentiation between permissibility of selling a mature debt and the prohibition of selling a future debt is not really clear in the mind of some Islamic banks. A few Islamic banks in south East Asia practice this kind of discounting and they invented a condition from their own (with no basis in Shari'ah) that the debt must have originated from a Shari'ah permitted contract, such as deferred sales. In fact, this condition applies to every debt in an Islamic society because the Shari'ah does not recognize any debt that arises from "non-permitted" transactions such as the amount of Riba in a Riba-based loan, or the price of liquor or drugs.

Wa Allahu A'lam

Monzer Kahf

SUBJECT: Television business and credit and cash sales

From: dialogue@islam-online.net

Date: 5/16/2001

Name of Questioner noufal Country India

Question:

1. WHAT RULE CAN BE DRAWN OUT FROM THE QUR'AN AND THE SUNNAH REGARDING THE BUSINESS OF TELEVISION? CAN A MUSLIM DO THE BUSINESS OF COLOR TELEVISIONS? 2. WHAT IS THE FATWA ON INCREASING THE AMOUNT FOR CREDIT SALES THAN FOR CASH SALES? DOES IT FALL UNDER THE CONTEXT OF RIBA OR NOT?

My Answer:

Dear Br. noufal

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

1 - As for television and color TV, from the point of view of making pictures and images, you better re-address your question again because that is not within my specialty.

However, from the point of view of being involved in a business of TV, as an owner, producer, worker, advertiser etc., all these are permissible because making pictures, images and animations is permissible as long as one avoids all prohibitions that include imaging sacred persons such as any Prophet, pbuh, angels, obscenity and pornography, etc. This is based on the principle of original permissibility unless there is a text or acceptable analogy to the opposite. Text in this regards are not strong to the degree of reversing the original permissibility.

2 - In sale contracts the parties are COMPLETELY FREE to determine the price as long as it is freely agreed on with no vagueness, ambiguity, cheating, fraud and other deceptive behavior on the part of either party.

Further, Shari'ah prohibits any increment in loan (This is Riba), an increment in the price is not an increment in a loan. Hence, Shari'ah does not eliminate the consideration of time value of money, in the meaning that you value your cash on hand more than cash promised to be received at a future date. This obviously is the equivalent of either requiring higher price in a sale with deferred payment or Riba-based transaction. What is prohibited is when the time value of money is made an ingredient of a lending relationship. In lending, you give cash (or in fact any other quantity of a commodity that is perfectly substitutable such as one ton of wheat of given quality for one ton of wheat of the same quality) and get cash back, there is a sacrifice no doubt it, but it is not a measurable sacrifice that matches the benefit the borrower gets. Both the sacrifice and the benefit cannot be known with certainty and both are speculative. The Shari'ah does not accept to put a price tag on something speculative and unknown. That is why this recognized sacrifice is left to Allah to reward, as mentioned in authentic Sayings.

Accordingly, while it is permissible to make a credit sale contract at a higher price than the price one would have accepted for a cash sale, you may not make the sale at a cash price and then add the would be price differential to the amount of debt that resulted from the sale, because this is an increment in a debt, not the price of an item. By the same token, a sale contract must be definite. It cannot be such that the price is either 100 if you the purchaser pay within 3 days and 110 if she pays in 60 days. This is called "two sales in one" that is clearly prohibited by the Prophet, pbuh.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Boycotting American goods

From: dialogue@islam-online.net

Date: 5/15/2001

Name of Questioner syed

Country of Res.India

Question:

Dear sir I am working for a software company. Our company purchases some soft wares from USA and such good soft wares are as far as we know available in USA only. In this condition should we have to reject buying soft wares from USA, Since it is enemy of Islamic World Please answer. Thank you.

My Answer:

Dear Br. syed

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

The Fatwa of Shaikh Yusuf al Qaradawi and his prominent colleagues for boycotting the goods imported from the USA is meant to pressure the US economy to the extend that force the American Government to quit its double standard policy towards the Muslim countries in general and the Palestinian issue in specific. It is apparent that the American government needs a lot of pressure to quit the oppressive policy of supporting the aggressors in Palestine.

This Fatwa is not meant to hurt the economies of any poor country/company or any country/company that is friendly to the Palestinian cause of liberation.

If you can do without this software whose only source for import is the USA, do without it, but if it is essentially necessary to your company, buy it and you are not violating the spirit of the Fatwa of His Eminence Shaikh al Qaradawi and his prominent colleagues.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Buying real estate under foreclosure

From: dialogue@islam-online.net

Date: 5/10/2001

Name of Questioner YUSUF

Country U S

Question:

Can you please tell me if it is permissible to be involved with real estate foreclosure. If it is permissible, can you tell me the proper Islamic rules involved with these transactions and with all real estate transactions in general. Jazakallahu.

My Answer:

Dear Br. YUSUF

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Selling and buying real estate is permissible, so is mediation in such transaction and the commission obtained therefrom.

Riba-based mortgage is Haram. It may become permissible under conditions of necessity and according to the Fatwa of the First International Fiqh Conference in North America, held in Detroit, Oct. 1999, it is also permissible for families that have conditions of substantial inconvenience. Working in real estates mediation and in

finding suitable finance for people under such conditions is by consequence, also permissible.

Foreclosures are sale by the lender/mortgage holder after a default on the part of debtor/owner (PL. Correct me if I am wrong). It is permissible as long as there is no injustice involved, such as grossly sacrificing the debtor's interests. Under this condition it is permissible to sell and to buy from foreclosures.

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Sale of cards that earn prizes

From: dialogue@islam-online.net

Date: 5/9/2001

Name of Questioner Osama Country N. Zealand

Question:

Assalamu Alaikum: Well, I think I have a very hard question, which could be classified, in the gray area: My school wants to do some fundraising to buy a mini van, So by the help of another company, this company has donated many prizes, which are hidden under (scratch and win) cards. And (AS SCHOOL STUDENTS) we've been asked to sell those cards for \$2 each, however the prize that every single ticket (Card) has, is \$2 or more!! And the profit goes to the school at the end of the day. The prizes vary very much, but one of the friends told me that he got (Beer) which is definitely HARAM, But am I allowed to sell such tickets?? Plus the more I sell the (more) credits I get!!

My Answer:

Dear Br. Osama

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

I agree with you that the question is in the gray area. Let us put the parts together: selling the cards will be permissible in Shari'ah under the following conditions: 1- the list of prizes must be known to the buyer and each card gets a prize for sure. In other words, you do not sell only a chance to get a prize but you sell one of the items on the list. It doesn't matter even if the value of some of them is below \$2; 2- there must be no Haram items among the prizes, if there is beer you cannot sell the cards; 3- credits you earn of selling do not affect the Hukm.

You know the principle in sale is that price and item must be known to the two parties and if this knowledge is general it may be tolerated as you are selling one of these items on the list, also a Muslim may not sell any harmful thing to any body even if this harmful thing is permitted in the religion of the buyer. This is the best example of it, beer. More specific the Prophet pbuh, specifically mentioned selling alcoholics among actions that bring the curse of Allah, Ta'ala.

Wa Allahu A'lam
Wassalam
Sincerely,

Dr. Monzer Kahf

SUBJECT: Sale of Wine to non-Muslims

From: dialogue@islam-online.net

Date: 5/4/2001

Name of Questioner haroun Country Jordan

Question:

I want a 'fatwa' in dealing buying and selling wine and similar stuff from and to non Moslems. But not drinking. Jazaka Allah Khairan

My Answer:

Dear Br. Haroun

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

The Prophet, pbuh, mentions in an authentic saying that the wrath (La'nah) of Allah is on the seller, buyer, brewer, transporter, etc. And he counted ten functions related to alcoholic beverages.

It is unanimously agreed upon that selling, buying and transporting any alcoholic beverages is forbidden in addition to its production and consumption. It makes no difference to whom you sell or from whom you buy; Muslim and non-Muslim alike.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Abortion

From: dialogue@islam-online.net

Date: 5/3/2001

Name of Questioner Mohamed Country of Res. USA

Question:

salmo aleko, dear imam, I got married 5 months ago and my wife is American and she converted to Islam. Last week she came to me and told me that she is pergnant (one month) and I and she don't have any medical insurance and the delivery (the birth) cost in here (USA) 15000 to \$20000. She told I like to have abortion (get the baby out of her) and she said that we will go bankrupt and lose the house if we keep the baby. I don't know what to do. I'm so afraid from God. Please answer me as soon as you can...The baby now is one month in her stomach please send me an e-mail with the answer.....

My Answer:

Dear Br. Mohamed

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Although the position of Shari'ah on abortion is not as stiff as that of Catholicism and there is no agreement on an absolute prohibition during the first 40 days, or 120 days of pregnancy, this question on hand seems to me to be dealing with a pure material matter

that is similar to what is clearly condemned Qur'an (31:17) when it mentions those who kill their children out of fear of poverty.

I think the pure thinking of the cost of delivery that it may run you into bankruptcy is too much of an exaggeration. Allah will help and you must seek means of support, including government welfare. I don't believe that there is any reason in your case to relax the MAJORITY'S OPINION THAT ABORTION IS PROHIBITED.

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Putting copy-righted music for free on the web

From: dialogue@islam-online.net

Date: 4/20/2001

Name of Questioner Gerard

Country Canada

Question:

Hi, a Muslim friend of mine (sorry, I'm atheist) from Qatar has been making copyrighted music available on his website. What is Islam's stance on violation of intellectual property? Also, he is having problems reconciling his beliefs with life at an American university. He has been tempted successfully by alcohol, drugs, and other vices. What advice can I give him to help keep him in the faith.

My Answer:

Hi, Dear friend Gerald,

Intellectual property is recognized and protected in the Islamic Law. Islam does not permit theft of such property. At the same time Islam also does not tolerate monopolistic profiteering on the part of owners of intellectual or otherwise properties.

I also really appreciate your concern about your Muslim friend's newly picked up bad practices. It is too bad. Though you may not believe in God, (a thing which I concernedly advise you to reconsider and to think of Heavens and earth, and you, who created all that? I also invite you to read the Qur'an, it is not like other scriptures, it is the Words of God and notice that Islam does not have any illogical contradictions, no clergy, no superstitions, no surrender of one's mind and reason, etc.) I suggest that you remind your friend of the Day of Reckoning and try to have him read the Qur'an, it must help him a lot, tell him to get up in the early morning hour before dawn and read a few verses, just for 5 minutes, once in a while. Also have some good friends, like you around him most of the time to keep, gently advising him. There is a saying by the Prophet Muhammad that tells that the best preacher of a person is her/his own heart that whenever she/he comes to a door of vice, it tells her/him: don't try to open it, if you do you may enter.....Repentance is always available and God (we like to use the Arabic Proper name Allah because we feel the word has distorted meanings brought in by other religions) always accepts it and helps the repentant to readjust.

Sincerely,
Dr. Monzer Kahf

SUBJECT: Interest clause in a sale contract

From: dialogue@islam-online.net

Date: 4/20/2001

Name of Questioner Imran country Residence

Question:

Assalamu Alaikum: Jazaka Allah Khairan for this svc. I am selling a property (in UK) & due to incentive problem my solicitor has put interest clauses in lease and contract. I'm afraid to sign documents coz those who do are cursed (Sahih Muslim) Clause in the Lease (1): Penalizes the lessee by charging him interest if he is late in paying the lessor the annual ground rent. Clause in the Sale Contract (2): If the buyer doesn't pay for the house on time-they are charged interest. In (1)- What other clauses can I use to combat the incentive problem-bearing in mind that I intend to sell the lease (to a Non Muslim). In (2)- Can I use that to threaten but not really charge if they pay me late-hence its not witnessing an actual transaction-My Niyyah is clean. Please advise as soon as you can. Jazaka Allah Khairan

Notes: NB. (A) I intend to sell the freehold (lease) after selling the house and my lawyer tells me that nobody will probably want to buy the lease if it doesn't have **interest payment clause in it.**

My Answer:

Dear Br. Imran,

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

I really have no solution to this problem. Signing a contract that contains a Riba clause is forbidden. I also know the difficulty involved in these contract. I have a suggestion: send me more details about the freehold and the lease hold and the text of the interest clause in both contracts, and we'll think together about a solution. I understand that a free hold is pure ownership and a lease hold is for 99 year from the Crown. If so a free hold sale can be on installment or cash if it is cash there is no interest clause and the buyer will get a loan from his bank; that is his problem. In lease hold you also sell cash, is the rent paid to you or to the Crown once you sell? Otherwise do not lease, opt for sale.. When you lease something there is always the risk of delay in rent payment and there is no solution I know to go around this risk, in regular leases one may increase the periodical rental and give discount if paid on time, can this work in your contract? I really don't know did I make sense.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Dealing with pirated software and using it

From: dialogue@islam-online.net

Dated: 4/12/2001

Name of Questioner zubair Country India

Question:

IN THE NAME OF ALLAH THE MOST GRACIOUS THE MOST MERCIFUL. What is the ruling regarding the use of pirated software? Is it allowed in Shari'ah? I belong to Kashmir where most of the software being used is pirated as there is no check. Also the original software costs a lot in Indian rupees. Like a software for \$100 would cost approx. RS. 5000 Wassalam

My Answer:

Dear Br. Zubair

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Pirating software and any other intellectual products is forbidden. It is equally forbidden, and may be more, to practice monopolistic measures by the producers and importers of such products.

While we must care about the protecting of the rights of the owners of such products we must also remember that the rights of the users need also to be protected. If both objectives could not be achieved together, I don't agree with the position that takes the side of the rich and leave the poor hanging in the air. I don't call for a Robin Hood attitude, but I am really concerned about the poor guys who have no defense of their rights not to be exploited and expropriated out of their little earnings because the intellectual producers are powerful and could defend their rights. If you are sold the intellectual products at such exorbitant prices you have the right to defend yourself against it BUT CERTAINLY DUPLICATING SUCH PRODUCTS FOR SALE AND MAKING PROFIT OUT OF SUCH THEFT REMAIN PROHIBITED.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Bankruptcy

From: dialogue@islam-online.net

Date: 4/10/2001

Name of Questioner Majid Country USA

Question:

Nine years ago I claimed bankruptcy through U. S. Court which is allowed for their citizens under their constitution. My attention was to help my family member in Iraq with their situation. It was difficult to repay all the creditors especially when they start calling and sending letters. My situation was unbearable to go through. The court granted me the dismissal with only one creditor which I had paid to settle the case. Others did not ask for recollection and forgave my debts. What is your suggestion since this case has been closed and I asked Allah (sw) to forgive me for my error? Thank You..

My Answer:

Dear Br. Majid

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

If you claim of bankruptcy was false or unsubstantiated with factual evidence, it is an act of Shain (shame) and you must repent and pay back every creditor you deceived. If you were factually under financial stress and you gave priority to fulfilling your responsibility to hungry mouths for whose sustenance you are responsible, you must not feel any wrong doing and whatever judgment you got from the court is fine and good.

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Buying a bond or depositing a guarantee money

From: dialogue@islam-online.net

Date: 3/26/2001

Name of Questioner Mohammad Country S A

Question:

I have a General Contractor's license in the state of California. In order to renew my license I need to purchase a contractor's license bond or I have to make a cash deposit for the amount of \$7500.0. From an Islamic standpoint can I buy the bond or should I make the cash deposit. Thank you

My Answer:

Dear Br. Mohammad

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

The OIC Fiqh Academy has an opinion that taking a fee for issuing such bonds is not permissible as long as the bond is not fully covered.

Most Islamic banks issue such Bonds for fees and their Shari'ah boards approved it. The matter in fact is disputed among Ulama, the Marjory argue that taking an increment on lending money is clearly a forbidden Riba, and this is worse than that because it charges money on a promise to pay money on your behalf or to cove your liability, and the bond issuer didn't pay yet anything.

Others argue that the fees here are really a small amount they are not for the promise of the money but for the administrative cost and the risk factor only and there is nothing to prevent such charges in Shari'ah.

Ironically the majority's opinion has a flow that if the bond is fully covered, it become permissible to charge fees because the fees are then for the service of issuing a statement that we have money to cover this liability.

In Brief, I think it is permissible to get a bond. The least of it is that you are not a recipient of this money but a payer, in addition to the opinions of the Islamic banks' Shari'ah boards.

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Net Marketing of SkyBiz 2000 and its commission system

From: dialogue@islam-online.net

Date: 3/26/2001

Name of Questioner Mele

Country India

Question:

Sub: Net marketing and income Referral. Previous question was without details. RCJQS4 More details are given below. Please visit WEB skybiz2000.com. Once you are an Associate, whether or not you bought an e-Commerce Web Package, to qualify to receive compensation at all levels of the business you only need to refer the sale of two e-Commerce Web packages. The e-Commerce Web packages may be sold to those who choose to also participate in the Home Based Business Program and to those who choose not to participate in it. THE COMPENSATION PLAN: SkyBiz 2000 pays compensation in U.S. Dollars. ORBITS PAY OVER \$300.00 Every time your organization grows by the retail of 50 e-commerce web sites in one week with at least 1/3 on the weak side you will earn over \$300. The diagram below illustrates what would happen if your team grew with only 9 web sites per week, with at least 1/3 on the weak side. Every 9 web paks would earn you the following commissions: Step one equals \$70.00 Step two equals \$35.00 Step three equals \$35.00 Step four equals \$70.00 Step five equals \$70.00 Step six equals \$140.00 Realize, you only receive the exact amount per step (70 35 35 70 70 140) if your organization grows with only 9 web paks per week. If your organization grows by at least 18 web paks per week, your commission check will reflect the payout of the current orbit rate for that particular week and will pay over \$300 per orbit. Each Downline leg must contain at least 1/3 of the total sales on which compensation is paid, e.g. 6 & 3 or 4 & 5 at the 9 Team Sales level. The maximum compensation that the Company will pay in compensation each week is limited to seventy percent (70%) of the total sales revenue received in that week. Currently, due to the 70% limitation on payout, the single step amounts being paid at each of the steps, in order, are \$70, \$35, \$35, \$70, \$70 and \$140. When you have achieved 50 Team Sales, you have completed an "Orbit." Upon completion of an Orbit, you start over again and all Team Sales that were not used to complete an Orbit are used in the calculation of compensation for the next Orbit. For example, assume that you have 29 Team Sales in your right Downline leg and 26 Team Sales in your left Downline leg. After 25 Team Sales are deducted from each Downline leg for the first Orbit, for which you would be paid, 4 Team Sales in your right Downline leg and 1 Team Sale in your left Downline leg would remain to be counted as Team Sales for your next Orbit, or other pay step. There is no limit to the number of times in a day that you may Orbit but there is a limit of \$25,000 per week (\$1,300,000 per year!) that can be earned by any one Business Center in each weekly pay period. There is no requirement to pay any amount of money to start another Orbit and there is no "higher level" Orbit that requires any payment of money to enter. One simply starts a new Orbit automatically upon completion of each Orbit. SkyBiz 2000 makes payments of the compensation earned every week. Payment is issued on Friday each week for the previous Monday through Sunday period. There is a \$2.00 handling fee deducted from each check. Could I see an Example? THIS IS ONLY AN EXAMPLE. It is a Representation of the Current Payout. YOU *Approximately 9 Sales =

*\$70 (US) 18 Sales = *\$ 35 (US) 27 Sales = *\$ 35 (US) 36 Sales = *\$ 70 (US) 45 Sales = *\$ 70 (US) 50 Sales = *\$ 140 (US) 50 sales completes an orbit * No Sales Flush! Unlimited Daily Orbits! * The average orbit currently pays between \$300 - \$400 (US).

Notes:

Some Mujahid and Jamate Islami active workers involved in introducing this business in Saudi, please reply asap.

My Answer:

Dear Br. Mele,

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

I am sorry Br. I didn't understand your question. You have to tell from the beginning to the end of how it is done, what does it sells, who does what and how the sale is processed. There seems to be more than what is written in your explanation. Your note of who promotes it does not affect the Hukm (Shari'ah Ruling).

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Sale of tobacco

From: dialogue@islam-online.net

Date: 3/23/2001

Name of Questioner Hossam Country Egypt

Question:

This question for (Sheikh AlQaradawy) I have a business opportunity in gas station field and at this kind of business we have to sell cigarettes because it's 75% of the sales + the gas and without it no one can open this kind of business.(P.S.this is the only experience I have in USA.) Is it Haram or Makruh or what selling cigarettes at this situation.

Notes: This business at USA

My Answer:

Dear Br. Hossam,

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

I am not Shaikh al Qaradawi, and I can barely claim to be at the level of his students...My answer is that once it is determined that tobacco smoking is Haram because of its well established harmful effects to human body its sale is also Haram. If it is 75% of your sale, as you say, then 75% of your sale is Haram and it makes no difference being in the United States. It Haram to sell harmful thing to any person anywhere, it is Haram to even give it to animals if you know it hurts them.

I know many gas stations owned by Muslims and they do not sell tobacco. PL. let me also tell you this story: In 1986, I was in a conference in Islamabad and we were received by the late President Ziaul Haq. He said he wanted to forbid selling alcohol on the Pakistani Airlines, PIA, but he was warned this may drive customers away and make a government-owned losing company even in more red, he said since he knew it is Haram

he went ahead and eliminated selling any alcohol on the Airlines, that year it came profitable for the first time in many year.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Money paid by owner to get renter out (khlow)

From: dialogue@islam-online.net

Date: 3/13/2001

Name of Questioner Abdul Hameed Country Palestine

Question:

Dear Sir, Al Salam Alikom wa Rahmato Allah wa barakatoh, I am Asking about : I am living in a rented House since 1965, (35 years) and the owner of the house dead and her sons live in Egypt, they recently come to ask for their house (According to Jordanian law which is applied in Palestinian territories, the tenant can not be forced to leave the rented house) And I have a house under construction, still in structural shape, and I am in need to complete this house, and in consideration of the economic and political situation we r living in Palestine I can not complete my new house, so I am asking If it is acceptable in Islam to take what is called in Arabic Khlow and in Palestine we call it (khlow rejel) (money given to the tenant to leave the rented house) I am not taking this money because I am greedy, but if the owner dismissed me I will be homeless, so I want money to complete my under-construction home. Please tell me if this is acceptable or not and if not, what is the solution. Thank you so much

My Answer:

Dear Br. Abdul Hameed

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

This kind of khlow was discussed by the OIC Fiqh Academy and Please allow me to translate from Decision No. 31 (6/4) dated 23 Jumada al 'Aakhirah 1408 (February 11 1988: An agreement between the owner and renter during the time-term of the contract (before the end of Ijarah) that the renter will surrender his uncontested right to the rest of the period for a given payment by the owner, is permissible because this payment is a compensation from the owner to the renter for surrendering part of the period of his contract. But if such a payment is for surrendering the house to owner after the end of the period of the rental contract, this khlow is not permissible because the owner has an equivocal right to have his property back.

In your case, the contract period, after all these years become renewable at each time you pay rent, whether monthly, quarterly or yearly. once any period ends and the owner asks for his property, you have to give it back without any khlow rejel, Keeping in mind that the laws of rental properties in Jordan, Syria and Egypt, have several points that really violate the Shari'ah, they also created a mess in social relations and in construction development of rental properties in those countries.

Solution for your case: First depend on Allah Ta'ala, He promised help in the Qur'an, He will make a solution for you if you develop Taqwa in your heart InShaAllah. Second, try the financing of Islamic Banks in Philistine, there are more than one Islamic Bank and remember Islamic banks don't give away their money free, because money is not free as you know. Islamic Banks provide financing in Accordance with Shari'ah compatible contracts. I am sure Allah will help and reward you InShaAllah

Wa Allahu A'lam
Wassalam
Sincerely,
Dr. Monzer Kahf

SUBJECT: Student loans with interest linked to inflation

From: dialogue@islam-online.net

Date: 3/13/2001

Name of Questioner Rani country

Question:

Assalamu Alaikum. An issue has risen in regards to the position of Islam regarding student loans which have an Interest linked to inflation. So what is the Shari'ah position regarding this type of interest? (See notes)

Notes: The rate of interest charged on loan balance will be equivalent to the rate of inflation. This will mean that what you repay will be no more, in real terms, than the amount you borrowed. The rate of inflation is measured according to the Retail Prices Index (RPI), which varies from time to time. The rate will be set out in the regulations each year. From 1st September it 2000 will be 2.6%. In other terms it is like giving you a loan to what is equivalent to 2g of Gold and I tell you repay me after 1 year the money which is equivalent to 2g of Gold. So if the gold becomes more expensive you end up paying me more than you borrowed.

My Answer:

Dear Br. Rani

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

In lending the Shari'ah requires that a loan become due in the same currency by which it was given. At the time of payment it may be paid in any other currency, as long as it is paid at the exchange rate of the day of payment. Y cannot change what is due on a person, and any increment in what is due on a person is Riba.

This was easy to apply when gold and silver were the bases of all currencies. The problem started when cheating in the percentage of pure silver in currencies began. Then you had the same Dirham, but not the same quantity of silver in it.

Then we got the paper currencies whose value (purchasing power) varies with changes in many variables the two parties to a loan contract usually don't have any control over. What do we do? We have to distinguish between two cases, high or big difference in the value of currency between the date the loan is given and date it is paid, and small difference. Small changes in the value of money are usually tolerated by people as we

notice that they continue keeping cash and checking accounts when the inflation rate is small.

in Case of small difference in the value of money, the great majority of Muslim Scholars emphasize the principle that if a loan is paid in the same currency, it must be the same number of units regardless of the change in prices, We must notice that even gold and silver, when they were currencies, had also small changes in their prices from time to time. Any increment in this case is Riba, forbidden.

In case of big differences in the value of money between the day a loan is given and the day it is paid back, We have three opinions: 1) the main stream, you may also say Majority, Same principle applies, Yet any substantial injustice to either party in a loan must be cured, through certain compromises, even if such compromises are imposed by the government, but injustices must be treated on a case by case basis because it is not always the same way or in the same direction and part of it is of the kind of normal expected and unexpected risk people usually undertake. This group object to any general measure, like indexation of loans and banks checking accounts, they argue that at time of high inflation riba minded people love indexation because the real rate of interest is sometimes negative, i.e., inflation is more than nominal interest rate.2) some argue that unless the currencies canceled absolutely, payment of loans must be in accordance with number of units only regardless of value. 3) and some argue for general indexation.

Come now to the specific question, Increments in a student loan that charges an interest rate equal to the rate of inflation are a form of Riba. It is covered by the definition of Riba as Duyun as: any conditioned increment in a loan. Yet one may argue that while Riba is a price of Money through time, The compensation of inflation is not a price of money, it is rather a cost of lending.

The OIC Fiqh Academy, in five of its annual meeting, including the late one in Sept. 2000, could not solve this controversy, and I don't think is going to. I think it is a Riba, but lighter to tolerate than normal increment, that are not tied to inflation.

By the way, the example you mentioned of giving a loan the equivalent value of 2 ounces and getting back later the value of 2 ounces is not permissible. Shari'ah does not go by such assumptions. If you give dollars, by count, in a loan you just gave dollars and you only get back dollars, if you give gold, by weight, you get back gold too. You may not assume those equivalents why escaping the true, the fact, the real and go to "imagination."

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Women dress code and head scarf

From: Islam on line

Date: 3/10/2001

Name of questioner Sr. Huda

Question

I want to be veiled, but veiled girls receive bad treatment in my university and don't find jobs. That's why my father doesn't agree that I become veiled. I must find a job to help my family and my father. Can I delay veiling till my marriage? My father says that it's not written in Qur'an that girls should cover their hair but only their legs and Juyub. I wear always long and not tight clothes.

My Answer:

Dear Sister Huda

Assalamu Alaikum wa Rahmatullahi wa Barakatuh,

Al Hamdu li Allah wa al Salatu wa al Salamu ala Rasuli Allah,

1) The veil, which means covering the face, is definitely not mentioned in the Qur'an. It is not obligatory upon a Muslim woman (beginning from puberty). It is not ordained in the Sunnah.

2) There is no dispute that covering the face is not required among the four schools of Fiqh, especially in the early time of development of these schools. Only late 'Ulama in some of these schools, especially Hanbali and Shafi'i ('Ulama from the 8th century of Hijrah and later) that started talking about the obligation of covering the face.

3) Covering the hair, all of it, is required along with the rest of the body, except the hands (which includes from the finger tops to the wrist only) and according to the Hanafi, the feet up to the ankles. All these are agreed upon unanimously among all Schools of Fiqh (Sunni and Shi'i).

4) The authority of covering the hair and all the body is derived from both the Qur'an and the Sunnah. The Qur'an mentions that a woman should render the headscarf to cover the upper-point of her chest (this is meaning of the jaib/juyoub that is mentioned in the Qur'an). It also mentions that women should not stamp the ground while walking so that what is hidden of their ankle bracelets would become known to passers by. This clearly indicates that legs up to the ankles have to be covered.

Furthermore, the Qur'an restricts the people who can see a woman uncovered by her immediate male family member as counted in the verse. This also indicates that in presence of other than those mentioned in the verse all the body needs to be covered, except the face that is indicated in the other verse.

Uncovering the face is itself derived from the verse of the scarf. It says that the scarf should be rendered or thrown (walyadribna) on the neck and upper part of the chest rather than pulled down from the head to the neck and chest. Pulling it down makes the scarf cover the face while throwing it means that instead that throwing it to the back you must render it to the neck and upper chest.

Arab women before Islam used to throw behind their back the scarf that covers their heads. The verse calls on them to render it to the front so that it covers the neck and the upper part of the chest.

5) From the Sunnah, the saying is clear and acceptable in its authenticity level that women must cover all their bodies except the face and the hands (up to the wrist).

6) The practice of the companions at the time of the Prophet and after him overwhelmingly indicates that nothing except the face and the hands, and in some narrations of lesser authenticity, the feet were uncovered.

7) Reinventing the wheel in this regard has no room because there is no support from the Qur'an or the Sunnah or the practice of Muslims throughout history to any thing other than only face, hands, and maybe feet may be left uncovered.

There have been women throughout the Islamic history from the time of the Prophet who covered their faces and hands and there was no objection by the Prophet, the companions or 'Ulama to that practice. This means that we cannot condemn covering the face and the hands.

At the same time, there is no authentic report whatsoever that indicates such covering is better, more rewarding or more pious. This also means that the overwhelming exaggeration that is sometimes expressed by some people about the fitna (fear of misbehavior) caused by uncovering the face is not a thing that we need to give serious attention.

8) Finally covering the hair and the rest of the body except for the face and hands has never been a hindrance in finding a job anywhere in the world except what we've been hearing over the last few years about harassing women covering their hair in some Muslim countries that adopted anti-Islamic attitudes, such as Kemalism in Turkey and Kemalist imitations in Tunis. Except in such places, there is no harassment caused to women who cover their hair and bodies and I don't think that such covering should stand in the way of your continued education or finding a good job that helps you and your family.

Wa Allahu A'lam.

Wassalam,

Dr. Monzer Kahf

SUBJECT: Welfare Money obtained on the basis of false documents

From: dialogue@islam-online.net

Date: 3/3/2001

Name of Questioner Abdullah

Question:

Many years ago, I lied to the social services and obtained money (social welfare) from the UK government, which lasted for a couple of months. I put the money in my bank account and it has mixed with the money that I am now currently making through Halal means. I have heard that if non-Halal money mixes with Halal money then it all becomes Haram. IS this true? I feel guilty for taking the money, and want to repay the money. It will be extremely difficult to return the money back to the social services. Is there anyway, in which I can repay the money for example giving it to charity? Or is it permissible to take the money as the government is Kuffar? Once repaying the money will the rest of the money in my bank account become Halal? Please advise. Abdullah

My Answer:

Dear Br. Abdullah

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

1 - Lying is forbidden and it is a great sin. There are exceptions that do not fall within the arena of lying though one may be telling other than the truth, such as if a spouse does

not love his/her spouse yet he/she pretends love and claims to the other that he/she loves her/him. Lying is one of the greatest sins ever. When the Prophet, pbuh, was asked whether a believer may happen to steal or commit Zina, his answer was may be, but when he was asked about telling a lie his answer was never.

2 - Acquisition of a property from other by any Shari'ah non-approved means is also forbidden. Properties of all others are prohibited to you except with the owner's consent or through contracts of exchange, etc. as well known in Shari'ah. Yes, Brother a property that is Haram for you must not remain with you and mixing it with you own properties makes all doubtful "Mal Mashbuh". You are required to give away that property which is not yours.

3 - The remedy of lying is asking Allah for His forgiveness and to make as much as you can of good deed: prayers, Du'a, giving to charity and to Jihad in areas where Muslim land is occupied, helping the poor and needy and the oppressed, supporting the righteous causes anywhere in the world, building mosques, etc.

4 - The Islamic principle for anything that comes under your possession and it is not yours is to give it back to its owner. For instance, money obtained by Shari'ah-incompatible means must be returned to the person from whom it was taken. This principle applies to natural persons as well as to legal entities such as companies and governments.

5 - In spite of that, a Muslim must not fool, or make a stupid of her/him self. For instance if you happen to have taken money in a Riba-based contract from a conventional bank whose business is to take and give money on Riba, you do not return that Riba money to the bank, you rather give to charity or general Islamic activities.

6 - For Allah's sake do not fool yourself with the British Government. It has illegally taken from Muslims all over the world, in Palestine, India/Pakistan/Bangladesh, the gulf States, East Africa, West Africa, Egypt and Sudan, and other area billions of times the amount you took illegally from it. DO NOT RETURN THAT MONEY TO THE BRITISH GOVERNMENT. AND PLEDGE IT TO YOURSELF THAT YOU DO NOT LIE AGAIN TO ANY BODY EVEN THE BRITISH GOVERNMENT. Give that money and more, if you can, to help the poor and needy and to support other Islamic causes.

Wa Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Using interest rate as a discount factor in calculations

From: dialogue@islam-online.net

Date: 3/2/2001

Name of Questioner Muzna

Question:

I am an actuary by profession and engaged in calculating pension and carrying out valuation regarding pension funds. These actuarial valuations are used primarily to arrive at a sustainable contribution rate for the Pension Fund. These pension funds are invested in whatever investments available in the market. The main assumption

involved in these calculations is the discount factor or the interest assumption close to the rate of return on the investments. My question is although I do not engage into interest based transactions for myself but my work at times involves such calculations which are based on the interest assumptions and discount factors also at times I have to ascertain the market value of assets of the pension fund which again involves calculations based on interest. Sometimes I doubt that whatever I do is wrong according to Islam since I am an indirect witness of interest if that is the case then all pension earnings and all allowances from social security would also be Un-Islamic. Kindly comment and advise

My Answer:

Dear Sr. Muzna

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

Al Hamdu li Allah wa al Salatu wa al Salam ala Rasuli Allah.

Using a discount rate for actuarial evaluation, for Project evaluation, for evaluating present value of a future asset or vice versa, and for estimating expected profit is all permissible as long as there is contract between two persons or more that involves a lending transaction with an increment at the time of repayment. This is a calculation in the mind, an abstraction. Riba exists only in exchange contracts between two different legal entities or natural persons.

On the other hand, discounting a commercial paper is a contract between persons; one of them advances an amount of money to the other and takes in exchange the ownership of a debt of larger amount and a future maturity date, as represented in the paper. This is not permissible because the difference between the two amounts is pure Riba.

In Islamic banks, because there are only few within interest-ridden economies we always determine the markup in Murabahah (deferred-payments) Sale Contracts with reference to the prevailing interest rate, and on the international level the mostly used reference is the LIBOR (London Inter Banks Official Rate). It is also permissible to make the calculation that way as long as the contract gives only one price for a sale that is due for payment at a given future date.

WA Allahu A'lam

Wassalam

Sincerely,

Dr. Monzer Kahf

SUBJECT: Are government salaries HALAL

From: dialogue@islam-online.net

Date: 3/2/2001

Name of Questioner Anonymous

Country India

Question

The earning and property of Mr. Muslim is doubtful as his earning/property includes: 1) Salary. 2) Bank accounts. 3) Prizes on Prize bonds and such. 4) Rent of property. 5) Bribery cash or material like PC etc (Without written evidences but based on a statement and incidents causing doubts) Problems with these sources: 1) The salary

might be of the job that he acquired through a recommendation. But he is the only available and reliable witness for that. 2) The bank accounts are Riba based and he gains interest on them and this interest is then added to his account, as the case is in practice. 3) As stated, the prize on Prize Bonds, which are not considered legitimate/Halal by Ulama (Scholars of Deen). 4) Rent of the property built through the sources of income mentioned in the 3 points above along with Riba-Based Loan and Halal Loan from others. 5) Some items of property have been acquired through or involve use/misuse of "Resources of State". What is more, that the gifts received owing to status (as perceived by the questioner, because senders receive favors prior to gift or after that legitimate or otherwise, as in this world no one does this only out of sincerity) Question: 1) Can the dependents use these (earnings/gifts) and to what extent/age? 2) Ruling in case of their distribution as property of deceased? 3) Means of correction? Mr. Muslim has fear of Allah and love for Him.

My Answer:

Bismi Allah al Rahman al Rahim

Al Hamdu li Allah Rabb al 'Alamin

wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in

Dear Br. Anonymous

Assalamu Alaykum wa Rahmatullahi wa Barakatuh.

1- whoever earns, or it comes under her/his possession, any thing as a price of a prohibited work (such as prostitution) or action (such as briberies for government favors) or in exchange for an item that is considered waste in Shari'ah (such as sale of liquor or drugs) must get rid of it by either returning it to the payer (as incase of bribery or theft) or giving it away to Muslim charity (as in the case of sale of liquor to non-Muslims) . This kind of money is Haram (unlawful from Shari'ah point of view).

2- dependents of such a person, while (s)he is alive or after death, are also required to do the same with any item, they know in specific, that it is Haram (e.g., they know this watch, or this loaf of bread, is stolen or taken as a bribe). If they don't know in specific, it is permissible for them to eat from the provision of the person and to inherit her/him after death. (S)he is the sinner and they are the winner. The same applies to guest's hospitality, gift receivers, etc.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabbi al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

FATAWA MISCELLANEOUS 2000

SUBJECT: Time sahring

From: scitech@islam-online.net

Date: 9/12/2000

Question

Dear Br. Azzam

Al Salamu Alaikum, WA Rahmatu Allah WA Barakatuh,

Your question is about time-sharing and about advising you to buy it in Spain as you have a good offer

My Answer:

Al Hamdu li Allah WA al Salatu WA al Salam ala Rasuli Allah,

This question came in more than one meeting of Fuqaha and Islamic economists. The idea is that the Shari'ah has something that comes very close to time sharing. It is as follows: one may purchase a common (Musha') share in an indivisible (or even divisible with an agreement of all owners to keep it undivided) property, say 2/52 of a resort villa or apartment, the use of this property is then divided between the owners of the property, villa or apartment, in proportion to their shares, this is called in Shari'ah "al Muhaya'ah."

Does the contract of buying a time share give you the right to own, say 2/52 of that property or is it called simply you buy a time share? And is the legal interpretation of this kind of ownership, in Spanish law, is such that you own 2/52 of the property? Is it considered a real state ownership? If the answer is yes to these questions, then it is permissible to buy and own, say, 2/52 of such a property. It seems that the American laws treat this ownership the same as real estate.

As for the Association agreement and fees and the substitutability of this share with others in other areas in a given year, even with substitution fees, all these are permissible as long as there are no other things in the contract that are incompatible with the Shari'ah

WA al Salam

Monzer Kahf
