

# FATAWA WORK, JOBS BUSINESSES AND INCOME 2007

## Starting a Business with an Interest Loan

**Subject: Making a business with Interest loan**

From: Ahmad

Sent: Tuesday, May 01, 2007 7:58 PM

Question

Alsalam alikoum

I took a mortgage loan to start a business. I didn't use any money from the profit of this business, but I kept it aside in a separated banking account. I'd like to know whether there is any way to make this profit halal.

Since I started working, I record all the hours I spent working in this business. if I pay my self the minimum wage per hour as if I was working for stranger this salary will be halal or not? Thanks and alsalam alikoum.

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

The sin of signing a Riba contract and of actually paying Riba requires sincere repentance on your part and continuous Istighfar and good deed as Allah promised that good actions would wipe out bad ones. If you have the business before taking the loan, the difference in profit between the period before the loan and after it is attributable to the increased assets financed by the loan. If you give that difference for Muslim charity that must be sufficient InShaAllah to keep your own business clean. But if you all the business is financed by interest loans, your assumption of a fair compensation for your work seems reasonable and what is extra may be given to Muslim charities.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----  
**Foreign Exchange Business**

**Subject: IS FOREX Online Business HARAM or Halal?**

From: Hasan through Islam on line

Sent: Sunday, November 11, 2007 6:07 AM

Question

Dearest Dr. Monzer, As-Salamu alaykum

I live in canada. i have been trading forex more than a year but I never think about it is haram or halal? Because Forex business risk and profit involve not like put money bank and getting interest. i study more than 2 years in this busienss and after that i invest my money in to forex business. I want to know if forex business is against Islamic law or its halal/haram. regards  
hasan

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. Hasan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

What do you produce for the Ummah or for humanity by trading forex? Is it any thing other than some one gains and some other one looses? It is any business that produce any good to any human? The prophet did not prohibit selling and buying currency when that is needed or has any benefit to any creature. But trading currencies has conditions that are not fulfilled in Forex! The prophet put these conditions as: full payment of both currencies at the time of contract. Margin and futures are not permissible in currency trading and these two things are the essence of this trade! Forex as it is practiced on the internet is Haram in application of one of the most Authentic Saying of the Prophet,pbuh.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----

**Business Partnership**

**Subject: Having a business partner whose contribution is raised based on interest**

From: Mohammad

Sent: Thursday, January 11, 2007 11:27 AM

Question

AS-SALAAMU ALAIKUM WARAH'MATUL-LAAHI WABARAKAATUHUU Dr.  
Kahf,

May ALLAH bless you abundantly. I am the brother from Ghana who has had various discussions with you at IIFF sessions in Dubai.

I am starting a Lumber exporting business and have the need to raise funds. A colleague of mine that I know from school days who is not Muslim wants to partner with me and can raise money through interest, but understands that he will invest it with me on a partnership bases (I will have nothing to do with the interest part whatsoever). Yet he will be using evidence of letters of credit that I raise to raise these funds. Naturally, I am worried that this may be haram. Please share your insight on such a case with me.

Barakal-laahu fiik

Mohammed

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

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

As long as your partner does not make any interest transaction in regard to the partnership, for it or on its behalf, you do not check with him on his source of capital where did he get it from. If you mean that he used the letters of credit of the company as evidence that he has serious business in from of his lender that also does not affect you or the partnership. It is again none of your business, it is like if he uses your friendship as evidence that he is a good man because his friends are good! /But if you mean something else please explain.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

From: Mohammad

Sent: Friday, January 12, 2007 7:52 PM

Question

Dear Dr. Kahf, AS-SALAAMU ALAIKUM WARAH'MATUL-LAAHI  
WABARAKAATUHUU

May ALLAH bless you abundantly. Thank you for your prompt response. With regard to the statement in your response that ""so long as he does not make any interest transaction in regard to the partnership, for it or on behalf of it"", I will like to clarify.

My friend owns a company N and says he could raise funds for our partnership B. So when I get an potential order, I make the client who wants to buy from B send a letter of credit to the account of company N with which to raise the funds for company B to complete the order.

The funds thus raised are given to company B by company N as a partnership contribution, say 60/40 split on profit. My friend's company is then left to deal with the repayment, may be from the profit or from the profit and other sources. My main concern here is that I sent the letter of credit to his bank to enable him raise the money to give to me. Thanks for your time, may ALLAH bless 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. Mohammad

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

What you are describing is a completely other matter. Your partner uses the companies' transactions (letter of credit) to borrow. This borrowing is a company borrowing even if he tells you that he will pay the interest. This is a loan on the company transaction. This is not personal borrowing for himself but with using the company's reputation! Of course this transaction is Haram by all standards, of course this is my opinion that is based on being a loan with the guarantee of the irrevocable letter of credit.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----

**Subject: Working with Someone's Money Obtained Through Haram Means**

From: Rasheed through Islam on line

Sent: Thursday, May 03, 2007 5:36 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Is it halal to work with someone's money obtained through haram means to make a Halal income for myself and him in order to pull away from haram.

Visitor Notes:

I have a friend who wants to setup a business and for me to help him run it as a partner. He provides finances and I provide the knowledge. I know his money was not obtained in a Halal way. Through lending money and collect what he calls administration charges and selling unlawful items like alcohol. I have asked him to stop and he keeps fearing having no income. He wants to invest in a halal business so he can pull away from the haram. Is it lawful for me to come anywhere near this money or for any of us to use it.

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. Rasheed

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

First, I think we tend to make too many negative assumptions about our brothers and sisters that are really not justified! It is in fact more Haram and more divisive to make such assumptions, they really hurt. Your statement "I know his money was not obtained in a Halal way" is not justified by any fact! It is in fact incorrect because you don't know whether he inherited any money, or got a gift, or received tax money back! You also know for sure (from your statement he does not seem to having a store that sells only liquor) that he sells other items that are Halal. Finally you don't know whether the money he is giving to you in partnership is from his principal or Halal sales or from the sale of Alcohol and Riba income! Please don't make assumptions about your fellow Muslims, especially friends!

Second, YES, it is permissible to work with the capital of this friend, and you don't make assumptions about his money. Here is a person who wants to go into some Halal business with you on a partnership of funds and work (actually Mudarabah) and he gives you the management so that you will make all business transactions in accordance with the Shari'ah. If an unbeliever comes to you with this offer would look after the where from he got his money from? Of course, it is NON OF YOUR BUSINESS to search for the sources of his money unless you know for sure that he is the thief and this money, physically itself, is stolen.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

---

## **Dealing with persons who have non-permissible income**

**Subject: Eating From the Provision of People with Haram Income**

From: through Islam on line

Sent: Wednesday, January 31, 2007 7:19 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Is it permissible to visit and eat from the provision of the people, knowingly, with haram income JAK

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. Shakeel

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

It depends on what kind of Haram it is. When you talk about Haram that is coupled with Moral shame (in Arabic Shayn) such as stealing, robbery and you know that the item that is offered to you is stolen. When you talk about other Haram like sale contracts that violate the principles of Shari'ah, including Riba, or PRICE of alcohol or pork or income of a prostitute, we have nothing in our Shari'ah that requires us to boycott such people. It is permissible to have any kind of exchange contract with them as long as the contract and its subject item are permissible in Shari'ah, WE ARE NOT REQUIRED TO ASK THE QUESTION WHERE DID YOU GET THIS INCOME FROM, and even when we know it we are not required to abstain from any legitimate relation with people whose income are from such sources. A gift in this regard is like exchange and that includes accepting food offered by them. Simply this is not of our business.

On the other hand, there is the Taqwa factor, of course in this regard, we stay away from being close to the Haram and the Taqwa factor makes us avoid being close to people with income that has Haram elements in it, wholly or partially. But this level of personal behavior is not required in a sense it does not define the boundary between what is permissible and what is not permissible.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

## **Mortgage Consultancy and Sale**

**Subject: Having a Job of Selling Mortgages**

From: Salman through Islam on line

Sent: Thursday, February 01, 2007 12:05 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
DEAR SIR, ASALAMUALAIKUM, I WOULD LIKE TO ASK THAT I AM INTERESTED IN DOING A COURSE DUE TO WHICH I COULD SELL MORTGAGES AND AFTERWARDS I WOULD LIKE TO DEVELOP MY CAREER IN SELLING MORTGAGES AND INTERMEDIATING BETWEEN THE LENDER AND BORROWER, PLEASE CONFIRM WITH AUTHENTICITY THAT WHETHER MY CAREER AND DOINGS WOULD BE BASED ON HALAL INCOME? PLEASE ADVISE PROPERLY AS IT'S A MATTER OF MY CAREER.

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. Salman  
Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Studying mortgage and how it is done and relations between lenders and borrowers in housing and other transactions is permissible. On the other hand working as a mortgage officer whose main job is to intermediate between the lender and the borrower in making interest-based mortgage is Haram because it is included in writing interest-based contract and being a witness to it. These both jobs are mentioned in the very authentic Saying of the Prophet, pbuh, reported by Bukhari and Muslim to the meaning that the Wrath of God is on the taker of Riba, its giver, its writer and its two witnesses. Working as a loan officer or a mortgage officer requires you to be the main person in making the contract and normally you are the writer of it for the borrower. This job is not permissible according to Shari'ah.

Wa Allahu A'lam  
Wa Alhamdu li Allah Rabb al 'Alamin  
Wassalam  
Sincerely,  
Dr. Monzer Kahf

-----  
**Subject: Are My Job and Earning Halal?**

From: Menaz through Islam on line

Sent: Thursday, March 22, 2007 3:52 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
I am in a dilemma and would really appreciate some help and guidance. With the grace of Allah Tala I am very lucky to have been on the path of Islam now for over two years. My questions refer to my Job and Earnings and the Services I provide. I live in the UK. I have read so much on? Riba?, its validity in modern times, its interpretation by various scholars and implementation by various parties. Through my readings I am satisfied that any type of contractual increment in a contract? is classed as Riba and that which is defined in our Holy Quran (although many people argue why this is not the case, or why in modern times or circumstances we can enter into contracts that involve interest and how such things as basic interest, soft loans or mortgages are acceptable as they are mutual and no? real exploitation? exists and they are a means to live in some parts of the world). On a personal level, my basic understanding is that all these types of loans which involve a contractual increment i.e. interest (whether we choose to or want to believe it or not) are not permissible. I have a financial services business which I have spent time building and invested heavily in. My primary concern is about the fees I charge to help people obtain mortgages. I offer life insurance, home insurance, pensions and mortgage advice. My business does not fund any of these services for our clients we merely act as a middle man between lender and borrower. We charge a fee for our time, introduction and assessment of the client. Once the client enters into a relationship with the bank or lender they then pay us a fee for our services. We may have no further dealings with that

particular client and lender and they form their own relationship. Our fees are expressed Up-Front; we give the client options and let them choose. Our relationship is neutral we neither know the lender or borrower. We get approached to help arrange services and then we approach lenders to provide these services. All the contract are in writing and each party know their involvement, fee, term, etc. Is the money we receive in Lieu of services permissible? Bearing in mind our services are for providing advice on interest related products (although we do not provide the finance or pay any interest). I am a family man, this is my livelihood and in my heart I do not believe that the services we offer, offend, exploit or take advantage of anyone. We are quite unique in our industry as we do not recommend the products to clients that make US the most money or fee, but we really try and are fair and help the client by giving impartial advice and not charging excessive fees. We have integrity in our services and our staff follow the same way of working. Your help for me to try and understand would be very much appreciated. May Allah Tala help and guide us all. Your Brother Menaz

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. Menaz

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

I concur with your conclusion on Interest=Riba. You may look at my article on Maqasid al Shari'ah in the prohibition of Riba on my web [www.kahf.net](http://www.kahf.net)

You must notice that you are dodging on the very edge! Giving advices on interest contracts is itself not Haram and the fees are then not Haram too. But of course this is helping the Haram which makes it not the best job in the word from the point of its moral-cum-Shari'ah values.

On the other hand you mentioned other functions that you perform and take fees for that may, factually, fall within ""the act of taking it"". This is: ""introduction and assessment of the client"" I think you may need to analyze this part of the function and any component of directly helping giving/taking the interest-based loan. For insurance I believe it is not Haram except when interest becomes a basic part as in whole life insurance. Again the mathematical advice alone is not Haram while ""assessment"" of a client or similar activities may very well fall within the function of giving it.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----

**Subject: Working for a Company Providing Mortgages**

From: Ihab through Islam on line

Sent: Monday, April 23, 2007 2:11 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
Can you pls. explain if it is lawful (or not) for a Finance Manager to work for a company while one of its branches of business is providing mortgages. The company has other branches including import, export and manufacturing. However, the Finance Manager is responsible for all financial matters for the three branches. Please indicate if this is not lawful, what Islamic options a Finance Manager would have to deal with interest-bearing deals which is unavoidable for his job. Jazakum Allah Khayran

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. Ihab

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

This kind of question is very difficult to answer because no matter what one does one remains tainted with interest. We must remember that The Prophet, pbuh, warned us of this kind of situation in his Saying that there will be a time when even those who avoid Riba they will be touched by its dust.

I suggest that a finance manager should observe two basic principles in this regard. One, he must avoid signing or authorizing any interest-based contract because that is covered by the expel from the Mercy of God (the La;nah) that is mentioned in an authentic Saying. Second, he should apply the majority rule. if most of what he does relates directly to interest his job becomes non-permissible but if the majority of his time is used for permissible transactions his job becomes permissible.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----  
**Subject: advising on conventional mortgage**

From: fezal

Sent: Thursday, May 17, 2007 3:05 PM

Question

Assalamualaikum Br. Monzer May Allah reward you for all your efforts and advices to the Ummah.

I am in a dilemma and urgently need to ask you some advice and would be grateful if you could answer me.

I am originally from Mauritius. I am a law graduate and I also have a diploma in Islamic law. I am interested in pursuing a career in Islamic finance with the aim of offering the

Muslim community in Mauritius some halal financial alternatives. Am currently based in the UK and have also recently completed an Islamic finance qualification. I am also doing a qualification in Mortgage Advise and Practice, regulated by the Financial Services Authority.

I am desperately looking for a credible islamic banking/finance institution in the UK to get some training in Islamic mortgages and finance. I have sent various request and applications but unfortunately none of them had the decency to even send an acknowledgment.

At the moment I have been offered a place by HSBC to work as a trainee mortgage advisor with the possibility of shifting to the Amanah department in the near future. My aim is not to work in a Ribai environment but unfortunately, the situation is such that I have to rely on non-islamic institutions for training purposes.

I wanted to know the following:

- 1) Is it permissible for me to take the job if my sincere intention is just to get the training and also get to progress to the Amanah department where I will be trained in Islamic finance.
- 2) I have also been offered a place to work as a trainee mortgage broker/advisor. However, I have been asked to do conventional mortgage as well as Islamic mortgages. I cannot find any broker who deal exclusively in Islamic mortgages. My intention is of course to encourage Muslim to have halal mortgage, but will I be able to offer non-conventional mortgage to non-muslims and muslims who insist on such products??
- 3) If I ever take any of the job will the money be halal for me and my family??

I thank you in advance and would be very grateful if I can get an urgent reply from you  
Fezal

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. Fezal

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Advising on conventional mortgage is itself not prohibited provided you don't fill in the application of the customer, i.e., you advise her/him which mortgage approach would be better for the customer. And the income is not Haram either. Remember that you are on the very edge and while under training keep you eyes open on shifting to Amana Division.

May Allah bless and help you and give you the courage to go on to fulfill your objective.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----

**Subject: Working as a Mortgage Advisor**

From: Muhammad through Islam on line

Sent: Wednesday, November 07, 2007 3:17 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
I WOULD LIKE TO ASK THAT WHETHER IT IS A HALAL WAY OF EARNING TO WORK AS A MORTGAGE ADVISOR. I HAVE SHIFTED TO UK AND WANT TO DO MORTGAGE ADVISOR COURSE SO THAT I SHOULD WORK AS A MORTGAGE ADVISOR. PLEASE ADVICE.

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. Muhammad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If you'll only advise person of which offer may have less material advantages, it is not specifically Haram. But if this job, as usual, requires that you fill in application and help processing, it is certainly covered by the Wrath of God as it becomes a part of writing interest contracts.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

**Working in jobs related to non-Financial Haram activities**

**Subject: Designing job Online Shopping Websites and Payment Methods**

From: Mohamed through Islam on line

Sent: Wednesday, February 14, 2007 2:19 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
I am an Egyptian software engineer , I with some colleagues constructed a Software outsourcing company that outsource software abroad of Egypt in order to ultimately bring renaissances to our nation and compete with other countries like India. My question is that There are many projects that are proposed to us which is about designing online shopping websites, my problem is about implementing payments, there are many payment methods like checks,pay on delivery, but the most popular is unfortunately "credit cards" (like visa) . -The question is it haram to implement these websites including the part that collects payments throw credit cards? - Another point, there are intermediate websites like www.paypal.com which collect money from the buyer and put

it in the seller account (through different payment methods, the credit cards are the most used one of them too!) and this is implemented by putting a link to the intermediate website in the seller website, and this method does not require any credit card handling by the software engineer who implement the shopping website, is this method haram or shobha or 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. Mohamed

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

The job of designing websites as you described it is permissible as long as the main object of a website is permissible (For instance not selling alcohol or pornography). the method of paying by credit card is of course permissible as far as the seller and the buyer are concerned, and obviously the designer of the website. The Prohibition in using a credit card comes on the part of the buyer when she/he buys a thing with the card and at the same time knows that he/she will not pay within the grace period (that is will actually borrow from the credit card issuer on Riba). This relates to the relation between the issuer of the credit card and the issuer and no body else.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----  
**Subject: Working as a Software Developer**

From: Abd Allah through Islam on line

Sent: Wednesday, March 14, 2007 8:32 AM

Question

Dear Dr. Monzer,

Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Is it permissible for a Muslim to work as a software developer specifically or other type of positions in general at financial companies similar to Moody's, Fitch Ratings & Standard & Poor's (S&P), which publish financial research and analysis on stocks and bonds? The sticking point is the fact that these types of companies in addition to publishing financial research and analysis on stocks, they rate banks, lenders and bonds (RIBA based businesses). What a Muslim should do in general if he or she wants to work in the financial sector that all or part of it is based on RIBA? (Please see the following links for more details of the companies <http://en.wikipedia.org/wiki/Moody%27s>

[http://en.wikipedia.org/wiki/Standard\\_&\\_Poor's](http://en.wikipedia.org/wiki/Standard_&_Poor's)  
[http://en.wikipedia.org/wiki/Fitch\\_Ratings](http://en.wikipedia.org/wiki/Fitch_Ratings) ). Jazakum Allahu khayran.

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. Abd Allah

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Working in these companies is permissible even though they rate interest-based companies. That is of course as long as you do not sign an interest contract, write it, authorize it to be signed, prepare the client assessment and credit worthiness for a specific interest contract, etc. because these activities are part of giving an interest based loan. General research alone is not prohibited. You also must remember that this kind of work includes helping other people make interest-based transactions, therefore it is not the best job in the world from Shari'ah point of view!

What is specifically prohibited is to take, give, write or be a witness to a Riba contract.

When one takes other jobs, we can't claim that they are specifically prohibited unless a given job amounts to being a part of the contract like ordering a subordinate to sign it.

Working in research companies that generate info on Riba transaction as well as on others is not Haram even though it is supportive but not direct. Of course, Riba supportive jobs are not the most pious jobs in the world. Jobs' moral values differ on the basis of what do they help or support.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----  
**Subject: Working in a company that charges Interest**

From: Ubaid through Islam on line

Sent: Sunday, September 23, 2007 2:25 AM

Question

As-salamu Alaykum Dear Dr.

i am working in a manufacturing company based in UAE. Recently Management of my company have decided to charge interest to employees who request for a loan from company. And it is well known that it is not permissible in islam to charge extra money in return to the principle amount. Hence i request u to advice me is it fine to continue work in such company and can you please highlight it with reference to Quran & Hadith.

Further, i need to know is it fine to procure a loan from a bank and whether usage of CREDIT CARDS permissible in islam and on what basis. Awaiting your urgent response

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. Ubaid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If what you do in the company is permissible and you don't take a loan on interest, your work and Salary is permissible. Prohibition requires a text or a rule of Shari'ah and you are not doing any thing that is prohibited. What the company does with other people is wrong but that is not you who does the wrong.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----  
**Subject: Working for IT Based Company**

From: Sulaiman through Islam on line

Sent: Sunday, March 25, 2007 7:28 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I have been offered employment at an IT based company, in the interview I was however advised that I will be located at the offices of an Alcohol based company. Am I allowed to take the offer as I will be paid by the IT based company and not by the Alcohol Company. Shukr Sulaiman

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. Sulaiman

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Being housed in an alcohol producing company on itself does not affect the Haram/Halal analysis. it is just having an evil neighbor! I am afraid there is more to it in regard to the nature of the work itself. Is it providing IT services to the alcohol producing company? If so, the work itself is Haram regardless of who is going to pay you because all activities related to production, sale, distribution and serving of alcohol are not permitted in Shari'ah as we are told by the Messenger Muhammad, pbuh.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,  
Dr. Monzer Kahf

---

**Subject: work that requires giving access to internet and other things**

From: Basma through Islam on line

Sent: Thursday, November 01, 2007 5:09 AM

Question

Dear Dr. Monzer, As-salamu alaykum

I work as a librarian in a British Library which contains a lot of books, magazines, scientific and literal and musical cds, cassette tapes and computer access. All these things reflect the British culture as the writers, actors and editors are British. These things as well may contain scenes which don't cope with our Islamic culture such as drinking alcohol, dancing, love scenes, etc. I really do many duties in the library which are halal but one of my duties is to accept lending the customers what they want whether they are Muslims or not. Shall I refuse this job? Or can I pay part of my salary in order to purify my money? Kindest Regards,

Basma

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

I don't think that giving access to internet, video and other material in the library, while your main job is to do many useful things, would affect the legitimacy of your work and income from a Shari'ah point of view. First this is casual and occasional to your work and second, not every one who uses this material is using it for bad reasons, God only knows! I wouldn't worry about this trivial use that may happen sometimes!

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

---

**Subject: Starting a Nursery School as a Business**

From: Umm Qais through Islam on line

Sent: Thursday, November 15, 2007 6:47 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I am a female residing with my family husband and kids in qatar. I want do start a nursery school please can you tell me if it is allowed for a women to do such a business alone. It wont be much interaction with men very limited but i don't know if this is

allowed if it is what are the limitation or conditions for a women to fulfill to do this business also if we can teach the normal English rhymes and all being taught in nursery .If i take a loan from a person to start my nursery do i have to give this person any extra money other then the money i took from him coz i have profited in my business with the money taken from this person. Thanks in advance for your answer.

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. Umm Qays

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

First Sister, your name must not be a secret. People go by their names and yours is a matter of pride to you and you need not to hide it behind your son's name.

Now, your several questions:

1. It is permissible for a woman to have a business of her own, a nursery school, as it may have some limited contacts with men: My answer: Yes of course it is permissible. The Islamic religion and laws treat women and men fully equally in regards to owning properties, including businesses and managing their own properties and businesses. There is no limit what so ever to this ownership and management whether the persons you shall deal with are men or women.
2. The same rules that apply to a man in his business also apply to a woman in her business. These rules include the distinction between talking and discussing business and being together in same place/office on one hand and being alone together (woman and a stranger man) in a place or a room that may be used as a place to have illicit relations (in the sense of possibility to make sex or its introductive acts and talks) on the other hand. This second situation is called in Fiqh terminology: Khalwah. In other words, being together in a office with an open door or a closed office with a glass door/window is not Haram. (of course we must remember that when a person want to have illicit relation, he/she can do that even in open public... But are we going to prohibit going in the streets for such a possibility that is done by bad guys and gals?).
3. You can borrow from any person. But borrowing with the condition or understanding of returning the principal plus any increment is HARAM because it is pure Riba. If the other person who want to give you the money wants to share with you in the profits you may make, she/he (of course can be a stranger man partner) must give it on partnership basis that can be for a given period of time, say 2 years, at the end of this period you will be required to return the capital plus any share of the profit that you agreed on. But PLEASE NOTICE, THIS PARTNER SHALL SHARE THE LOSSES ALSO IF THAT HAPPENS AND THE PROFIT SHALL NOT BE AN ALREADY PERCENTAGE OF CAPITAL BUT A PERCENTAGE OF THE PROFIT.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

---

**Subject: Working for Google AdSense Program Displaying ads**

From: Abdul Aziz through Islam on line

Sent: Tuesday, November 06, 2007 6:57 AM

**Question**

I am an individual residing in India and have a job. I also maintain a technology blog from where I get an income from Google AdSense. The Google AdSense program displays ads relevant to your website's content and I get paid per click. Although it does not display any alcohol or gambling sites as per the program's terms, it may or may not display bank, insurance, games or ringtone sites (there is no guarantee that it will not display such sites). And there is no way to control what ads will appear or will not appear. I am mainly earning this money so that I can purchase a house of my own as I am the virtually the sole earner of the family and we don't have our own house to live in. 1) Is such as income from Google AdSense and or any other pay per click program, where there is no control over what is displayed, allowed? 2) If not, in my scenario, can I continue to earn such income till I can purchase my own house, considering it may be better than paying interest on a loan to bank? The income from my job is not so much so as to buy a house 3) I have also invested part of such money received into Halal stocks and shares, thinking my blog income was Halal. Would my capital gains be Halal or what can be done to make this Halal? 4) Is writing informational content about non-Islamic items such as games or promotions also 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. Abdu Aziz

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If most of what you yourself write or do with this company consists of materials for normal things, no obscenity or anti Islam or Muslims (such as sites that give false words about the Qur'an or the Prophet, pbuh) words or acts what you do and what you earn would InShaAllah be permissible in Shari'ah. Most internet games that I know are permissible. It is only when a game gives a player winning money or other property that makes it Haram. If the games you promote are gambling games that you must avoid, other games are mostly permissible. On other words, look at the majority of what you are promoting (things that are of your own doing not things that others do using your facility that you make it general to any one to use) consist of promoting normal businesses and sites, your work and income are InShaAllah Halal. But if this income is determined Haram, you can't use it for acquiring a house or for permissible shares and their capital gains. If it is determined Haram you should quit and give past income to Muslim charity.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf  
-----

**Subject: Making internet designs and working on IT in Interest institutions**

From: Amin

Sent: Thursday, October 25, 2007 5:48 PM

Question

Assalam Alikum Brother Kahf,

I called Hawthorn masjid and referred to you regarding fatwa related to working for financial/investment firm. The question that I have is composed of 2 parts:

Note: the company in questions is: <http://www.westernasset.com/us/en/about/>

<<http://www.westernasset.com/us/en/about/>> This company performs various types of money management and financial investment services.

1. I'm an IT consultant I perform IT Network Security and Design Services; is it permissible to provide services (contract) for this company in relations to IT services. Assuming NO contract signing (riba) involvement etc..

2. Is it permissible to work for this company as an employee in the IT services field? Of course granted no direct relations to interest based contract signing etc...

I seek Allah's help to guide me to obtain halal income. One point to keep; this company has great technology services that I could learn from and can help me in my plan move to and benefit Muslim countries.

I really look forward anxiously to your candid advise. Please let me know if further clarification is necessary. Jazak Allah khairan.

Amin

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. Amin

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Making internet designs and other services for finance, interest-based, is itself not prohibited. Also, is working in IT of any interest-based institution. What is Haram is to write a contract or be a witness to it even if one is not a party to the contract because the Prophet, pbuh, said that the Wrath of God is on the taker, the giver, the writer and the witness. and expanding on the Haram outside the Text amounts to creating hardship for people. We don't expand. It is of course obvious that such works do help the Haram, no one can question that! This means that one may have some thing in the heart against such jobs! The Fatwa is that it is not forbidden, but what each person like to avoid and abstain from helping the Haram is a matter that one can decide for oneself, it is the Taqwa.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

-----  
**Subject: New Good Business to Open**       "  
From: Sumaya through Islam on line  
Sent: Thursday, August 23, 2007 8:45 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
Having a lot of financial problems, pls give dua for allah s.w.t to give guidance as to what new business to open.confused and not very good at business. i have a shop but it is in a bit of financial problems. need to look for another business. any column for business advice??need a bit of guidance on how to market my new product and reps etc.pls assist. really worried.slmz Jazakum Allahu Khairan for your constant 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 Sr. Sumaya  
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This column of Fatwa is not for giving advises on what business to select. It is your community that you know better than any body from outside. May be making a security company and having several people work for you is a good business in South Africa! What we certainly can advise you is to avoid any interest borrowing in your business and to be always truthful and honest in all your transactions with all people from any and all walks of life.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

-----  
**Subject: working for airlines**  
From: Sara  
Sent: Tuesday, August 14, 2007 11:12 PM

Question

Assalamoalaikum, I want to know if its permissible to take a job as an engineer in airlines since it is known that sometimes people use airlines as a means for going to resorts in different countries where Haram actions are carried out? Plus the airlines also provide things like TV on which a lot of haram maybe viewed etc. Similarly is it permissible to

take up a job in a company where electronics components are manufactured, as a manufacturing engineer, since it is well-known that such components are used in items which are utilized in both haram and halal ways.

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. Sara

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please do not go too far in extending the chain of relationships. If one works in a normal registered and licensed company the only question she/he asks is whether the job assigned is permissible to do? You do not even interfere in other company's business that is not related to your job. The rule that is mentioned in the Qur'an لا تزر وازرة وزر أخرى that means "No one burden can be charged to the burden of another" applies here too. We must not measure an issue by a matter that is not part of it. We can decline selling a cloth to a woman because she may wear it in a prohibited situation and we don't decline producing steel because it can be used for destructive weapons and we will not stop producing glass cups because some may use them for liquor. We cannot go that far. We will continue flying in planes even if they serve alcohol and financed on interest. Only one thing we do not undertake: do a thing that is itself prohibited in our Shari'ah or if what we sell or produce can DEFINITELY ONLY be used for a prohibited matter. Consequently: buying a TV, producing and selling it, working in an airlines company that uses it and show all kinds of movies including bad ones, working in an airlines company in any job that does not require you to make a prohibited action (such as serving alcohol in plain), working in an electronics producing company, etc. all these things are permissible as long as one does not undertake a specifically prohibited action.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----

**Subject: Working as a Financial Analyst in the Accounts Department**

From: A Brother through Islam on line

Sent: Tuesday, May 29, 2007 7:49 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

I have three questions but I am going to explain the situation first. I work as a Financial Analyst in the Accounts Department for a multinational company. After the books have been prepared by my colleagues in the department I take the books and start carrying out my analysis. I know for sure that in the process of preparing the books, my colleagues add forged invoices to increase costs to cover for bribes being paid to win new contracts

and we are talking here about big amounts. I know for sure that this is happening but I do not take part in that. I take the books after they have been prepared and carry out my analysis. I submitted my resignation back in December because of that and I made my position clear that I do not want to be part of what is happening. I was asked by my manager who is also the deputy general manager of the office to stay on board and I was promised that I shall not be asked to take part in cheating, forging and cooking the books; I should keep on carrying out my analysis of the books without questioning. I accepted on that condition and I stayed. Five months on and I do not feel good about the situation because still every now and then I have to turn a blind eye! The management of our office knows and takes part in what is going on and also the head office to which our office reports to knows that this is going on but everyone pretends that the company is following an honest business code of conduct. Just to let you know; I sent around six hundred applications to get a new job, before and after the incident of submitting my resignation, but I did not receive any positive responses. My questions are; 1-The salary I am earning is halal or haram? 2-Should I resign even if I can not find another job or should I stay until I get another job? 3-I went for Hajj back in December, the incident of submitting my resignation took place before going for Hajj, and I paid for Hajj from the salary I received from the company. Is my Hajj not accepted from the start and I mean the money I earned is not considered halal to pay for Hajj? Thanks and asalamu alaikum

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

The issue of bribe is becoming too complicated in our time to an extent that ""make the wise one wonder."" Is it really bribing to get contracts that are not fair to get or a bribe to get the company's right to be treated on equal footing like any other competitor?

Now, for you, if the work that you do is legitimate and you make your analysis of the books submitted to you in a normal way, your work and income is not affected by whatever wrong doing that is done by other officers of the company. That applies to the work and the salary you get and of course whatever you use your salary for. However, if you know for sure that there are illegal criminal activities done by other company's officers and you have hard evidence about it you are legally, morally and religiously required to report this illegality, with the evidence you have about it to the appropriate authority that takes charge of making judgment on crimes wherever you live. This is a requirement of being a witness to God on the earth. In this case staying silence is wrong regardless of your resignation or not. The matter is difficult and not easy because very often people think that they have real hard evidence but in fact it may turn out that it is only feelings and hearsay. This means you must make concrete judgment and clear thinking before you take any action including whether you resign or not.

Lastly, if you only feel uncomfortable living between suspicious persons, resign and search for another job without waiting or delaying. You must realize that your Rizq

(sustenance) is from God not from the company or your your boss in it and that whatever God has written to you will reach you and nothing else.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf  
-----

**Subject: Working for Halliburton**

From: Waly through Islam on line

Sent: Thursday, January 03, 2008 7:51 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh, Besm Allah Al-Rahman Al-Raheem. I work for a company called Halliburton. This company is in the oil and gas business. However couple of years ago they merged, or in other terms, Hallinurton bought a company called KBR. KBR is one of the largest contractors of the US army in Iraq and in other places of the world, providing services, shelter, accommodation and catering for the US army in exchange of the amount of money as agreed in the contracts (i.e. in a business fashion not out of supporting the US army). However because this brought halliburton alot of controversies, Halliburton sold and compeltely seperated from KBR early 2007 (before I started working for Halliburton). Although Halliburton might have gained alot of profits from their subsidiary KBR work in Iraq. My question is: does this by any means make my work with Halliburton Haram or the money that I gain from my work their not Halal? Jazakum Allahu Khairan for your constant 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. Waly  
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The permissibility of your work and then your income depends essentially on what you do in the company. If what you do is, itself, permissible the fact that the company you work for gave non-military support to an aggression action of an army does not affect you own work and salary InShaAllah.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf  
-----

## **Working in Banks and Banking Institutions**

**Subject: Working in the issuing of credit cards**

From: Riaz

Sent: Monday, March 05, 2007 10:08 AM

Question

I would like your humble view if it's permissible for me to do this job the description is below:-

GCC Card Administrator

Area of Responsibility: To manage the completed credit card applications through to production and deactivation of the corporate credit card.

Key Tasks & Duties:

The main duties are checking applicant information and credit card form against HR system

Updating the registration of card application of HR spreadsheet or database

Check fields as per card admin schedule instructions spreadsheet

Prepare applications for scanning and upload to Citibank

Upload to Citibank web tool

Return incomplete/incorrect applications to applicants

Obtain clarification in Citibank queries, telephone and email query handling with applicants and Citibank

Please let me know ASAP.

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. Riaz

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

This job as you described it is an essential part of accepting the application and it is therefore part of signing the contract on behalf of the credit card company (in this Case Citibank). If the credit card is interest-based, I find this job an essential part of issuing the card that represents the contract on the part of issuer, and it is therefore not permissible.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----  
**Subject: Working in conventional banks**

From: Zaid

Sent: Friday, March 23, 2007 2:11 AM

Question

Assalaamu Alaikum, Dear Mr. Kahf,

I would like to ask u a question concerning working in conventional banks. My current situation is that I'm studying Islamic Banking And Finance (Post graduate Diploma) and in the near future Insha Allah I'm completing that course and i want to further my career in Islamic Banking. My current job does not offer me such prospect and also Muslims are wrongly viewed in that company, especially after the famous 11th September. Financially also I'm not that better off but Alhamdulillah i can manage. However, there is the possibility for me to work at a conventional bank (which shall implement Islamic Banking in the future) as Debt Collector, is it permissible? Im aware of the prohibition of working at such places due to involvement of interest, but sincerely i just want to join in and later to shift to Islamic Banking jobs in same bank. My intentions are sincere. Can u plz advise me? Jazak Allah. Regards,  
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

Definitely, working in a conventional bank amounts to helping the Haram, but since the prohibition came about taking Riba, giving it, writing it and witnessing it, other indirect helps are not included in the prohibition. Therefore, working in a bank is not prohibited if you avoid these functions and other direct components of them such as authorizing the person who signs it or studying the credit worthiness of the client to give a loan or calling to sell interest-based credit cards.

This does not make such jobs (of non prohibited functions in an interest-based institution) the best choice. For instance teaching Qur'an in an Islamic school is much better or helping patients in a hospital is much more rewarding.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----  
**Subject: Working in a bank**

From: Ahmed, Farhan [GCG-EMEA] [mailto:farhan.ahmed@citigroup.com]

Sent: Thursday, March 29, 2007 7:44 AM

Question

Assalam u Alikum, Hope and pray that you are in the best of health.

According to the attached text it says that working even in an IT dept of bank is prohibited i.e. not allowed as you are helping/assisting them.

What I would like to ask you is that, "if a persons works for a IT company, let say Avaya Reseller (PABX, IVR, CMS etc) or Cisco Reseller (ROUTER & Switches) and he is promoted and appointed as a Key project/account manager for a Conventional bank i.e. to mange and administer projects and he will have to sit in that bank premises but his salary would be coming from the Avaya/cisco reseller then is it allowed in Islam?

B) if the person is working in a place where his work is some how related or the salary which he is earning is interest based then if the above job is not allowed can he for interim period switch to the above job till the time being he gets a better job? In this way at least he will be saved from being actually a part of the interest team?

C) In Pakistan you might have an idea that as per these days banking industries are booming and the major buyers of IT products are Financial Companies(institutions) so in this way how can one working in a it company run his business if he is not supporting these institution as other then these institution no one is interested in buying such expensive products and the only reason for banks to buy is because of compliance and standard so in this way is a job of a person who is working for a reseller getting salary from a reseller, but supporting a bank halal? Even is he has to sit in that bank?

The text which I have forwarded to you is from the following website. Regards,  
Ahmed

My Answer

Dear Br. Ahmed

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

I am not in the habit of crossing other people's views. Please ask these questions to the person that you quote his Fatwa.

Best Regards,

Wassalam,

Monzer Kahf

-----

**Subject: Opinion about Banking Job**

From: Zaheeruddin

Sent: Friday, March 30, 2007 8:26 AM

Question

Dear Sir,

I'm working with National Bank of Pakistan, a government owned commercial bank.

I want to know from Islamic point of view whether the income from this job Halal or Haram?

Zaheeruddin

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. Zaheeruddin,

Al Salamu Alaykum Wa Rahmatullahi Wa Barakatuh

Two points determine the legitimacy of earning you get from other persons: 1) whether what you give in exchange is permissible and 2) whether the what you are given is ""materially"" legitimate.

The first point deals with the work you do. If what you do in the bank is prohibited whatever you get in exchange is prohibited too. The Prophet, pbuh, prohibits, according to authentic Sayings, taking interest, giving it, writing it and being a witness to it. If what you do not any (or a part of any of these such as verifying credit before giving an interest-based loan) your work is not then specifically prohibited. We must not deny the fact that even when you do jobs that are not specifically part of the Riba mere working in a Riba-based institution contains a certain kind of helping the Riba actors. While this is correct and results in considering such jobs less desired, such help does not warrant a prohibition. In other words, when we compare jobs we can say, for instance, that teaching Qur'an and Hadith is definitely higher than working in a conventional bank but that does not imply that the latter is Haram. From a Shari'ah ranking point of view working in a conventional bank is not the best job on the planet!

The second consideration relates to the physicality of the item you are given in exchange. In your case is money. The rule is: unless you know for complete certainly that the item you are given is itself owned by somebody else and the giver has no right on it so it gives it to you, then it is permissible to accept it in exchange of a legitimate transaction such as employment. In other words, if what you are given as a salary is not stolen, the fact that all or actually a large part of it comes from an interest source does not make it non-permissible to you. Take for instance the case of a prostitute; we are not presented from selling her a bread and cloth although we know that all her income is Haram to her. But it is not Haram to your who sells the bread of butter! If you know that the money paid to you itself was counterfeited, or stolen from its true owner you cannot take that piece of paper currency or a check on account in the bank (as in case of laundering stolen money) even in a legitimate exchange. The reason is that the stolen item is still owned by the true owner and it is the duty of any person (including you) to return it to its true owner and then if you have any right on the person who gave it to you in a legitimate exchange you can go to court and claim your right. Of course there is no problem in your case (employment in a conventional bank) in regard to this point because you can not be sure that the money that is physically given to you is legitimate in the hand of the bank.

Wa Allahu A'lam

Wa Alhamdu li Allah Rabb al 'Alamin

Wassalam

Sincerely,

Dr. Monzer Kahf

-----

**Subject: Job Description at Bank**

From: Asif through Islam on line

Sent: Monday, December 10, 2007 11:51 PM

Question

Salams dear Dr. Monzer,

I am currently working for ABN AMRO Bank as a Manager in eBusiness department. My primary task are to manage ATM Network (I don't do their settlements and reconciliation). Is my job Halal or Haram?

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

I think it is permissible as long as you do not write or sign any interest-based contract.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----

**Subject: working in a bank, Haram or Halal**

From: Jafor through Islam on line

Sent: Wednesday, September 26, 2007 3:47 AM

Question

Dear Dr. Monzer, Salams

I am a officer of a private bank in my country. My salary is halal or haram? and if possible describe the reason why? I wish your reply

Jafor

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. Jafor

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Working in a conventional bank is not Haram (though not the best kind of jobs from Shari'ah point of view) provided your job does not require you to be a part of making any interest-based transaction or contract. Hence, working as a loan officer or a credit card

promoter/seller or a loan decision maker or signatory are not permissible in Shari'ah and if the work is Haram its compensation is Haram too. This based on the Saying of the Prophet, pbuh, that says: " The Wrath of Allah is on the take of Riba, it giver, its writer and its two witnesses."

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

---

**Subject: Working in a Bank and Acceptable Jobs in Islamic Finance**

From: Mohammed through Islam on line  
Sent: Thursday, August 30, 2007 6:44 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
Dear scholar i am pursing mba in both finance and marketing, my question is, Is it forbidden in Islam to do job in banks as their main source of income is through interest.2) secondly what are the acceptable jobs in finance in the light of Islamic laws. Jazakum Allahu Khairan for your constant 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. Mohammed  
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Jobs in conventional banks and finance are permissible provided they do not require the employee to draft, prepare, review, approve, fill in application or sign any interest contract. These functions are directly prohibited by the Prophet, pbuh as they are parts of "writing" the contract. Of course the source of funds is another issue that does not warrant a prohibition if the job itself is permissible. We must always realize that working in conventional financial institutions makes you a part of it and implies a support of the functions that are directly prohibited such as taking or receiving interest. This means that although the job itself may not be prohibited, it is not, from Shari'ah point of view, the best job in the world.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

---

**Subject: Working with a Bank**

From: Amin through Islam on line  
Sent: Tuesday, July 24, 2007 12:35 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
I live in Saudi Arabia(Riyadh).I have got a job offer in a bank. My position is to work as a network engineer. I wish to know is it Haram to Halal to work with a bank. Since that I heard many fatwa's saying there is no problem with it and some say they is Shubha working in a bank. So better not to work with a bank. Note that my task in the bank will be assuring data connectivity and transactions without dealing with what the transactions are if it is interests/riba or what so ever. I am confused please help me. Jazakum Allahu Khairan for your constant 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. Amin  
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You will still continue to be confused because my Fatwa is available on the internet and it does not go outside what you mentioned in your email! Hence, you have to rely on your own heart as we are guided to do b our beloved Prophet, pbuh.  
In brief while the Fatwa is that working in a conventional bank is permissible as long as you do not write any Riba contract or be a witness to it, the Taqwa is to avoid it. For instance while it is not Haram I wouldn't like to accept this job myself and wouldn't accept it to my son!

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

-----  
**Subject: Working in a Bank in Saudi Arabia**

From: Ahmed through Islam on line  
Sent: Tuesday, July 10, 2007 7:37 AM

Question

Assalamu Alaykum wa Rahmatullahi wa Barakatuh,  
I would I like to ask one question is working in Bank in Saudi arabia is allowed in Islam.Here in Saudi arabia banks says they are islamic banking but actually they are following Interest based banking please advice. Jazakum Allahu Khairan for your constant 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. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

working in a conventional bank is permissible provided one does not write, sign or process any ingredient part of an interest contract. Besides, all Saudi conventional banks have now Islamic division, how come you claim that they say "" they are all Islamic."" Having an Islamic division is itself a confession that the other divisions are not based on Shari'ah

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----  
**Subject: Husband Working for a Conventional Bank**

From: Maria through Islam on line

Sent: Thursday, July 05, 2007 5:24 AM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Dear brother I would really appreciate if you can answer my following question: My question is that my husband is working for a conventional bank. We read the fatwas on your site and he too was with me. He is taking care and avoiding as much as possible not to involve himself with the interest based transactions. Allah has been kind to us and my husband has now been promoted to a seat where he is basically doing people management. Now my heart keeps on troubling me that what if he involves himself with interest based transactions. Our riziq becomes impure and so our prayers and istighfar won't be accepted. This thought also troubles me as there is a difference of opinion between the scholars on working in a conventional bank. I want to perform hajj but then again I get worried that what if our earnings are not from a desirable source. Allah says that he guides the ones who seek guidance. Now what if the opinions of the scholars who say that working for a conventional bank is not permissible is my guidance and I am taking an easy way out. I do try to ask my husband when he tells me about any transactions that involve him that are they interest based or not. Sometimes I get worried that he might start getting upset with my continuous asking. Now what should I do? What should be my role as a wife? What should I do with my trouble thoughts? Please help me out. Jazakum Allahu Khairan for your constant 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 Sr. Maria

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I understand your worries, this is part of life isn't it? Of course there is another opinion which I respect and wouldn't personally neglect. I wouldn't work for a conventional bank except on a matter that relates to Islamic finance, i.e., if it asks me to suggest an Islamic financial product for them. I like you to kindly consider the following points:

1. Istighfar, Hajj and prayers are not affected by the earning of your husband, when this earning is controversial, not absolutely determined Haram, like theft. The Qur'an tells us that each deed and action is valued on its own merits not on the basis of other actions/deeds.
2. God in the Qur'an repeatedly informed us that keeping doing good things as much as we can is the norm of behaviour of a Muslim, male or female. He also told us that good deeds and actions wipe out mistakes and sins.
3. Keep advising your husband on avoiding any interest-based transaction and more than that ON CHANGING HIS JOB TO ONE THAT DOES NOT INVOLVE INTEREST AT ALL, TRY TO GET A JOB IN ISLAMIC BANKS, IN DUBAI IN ISLAMIC FINANCE COMPANIES, there seems to be many opportunities for his experience to go into Islamic finance in Pakistan our outside it.
4. Keep doing right things especially giving charity because charity is of the kind of earning, it compensate whatever partial non permissibility there may be in the earning.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----

**Subject: Job in Money Market**

From: Hafiz through Islam on line

Sent: Sunday, May 27, 2007 2:03 AM

Question

Salam Alaykum, Dear Dr. Monzer.

Mohtram Ulama e Karam. Assalam o Alaikum, I'm working in SEARS for about \$11/hr, with no benefit. Nowadays I have an offer in a company like Money Mart for \$14-15/hr with full benefits. This job is like a bank job. They give small loans to the people who have bad credit and take it back within a month with more interest rate as banks do.

I'm confused about this issue. The offering authority (he has been my boss before in MAC'S) asked me not to be confused, because it is like a bank job and almost everyone in Canada is involved in this banking system; one way or the other e.g. mortgage, line of credit etc. He said even people bought places for mosques in the same way. He further added; we are not so rich to lose these type of opportunities, because we will do our job only and get the salary for that.

Please guide me what I have to do in this situation. Should I leave Sears (this job require lots of physical work, simply labour) and join new job or stick with my old job.  
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. Hafiz

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

These are Riba sharks! They are like banks but much more exploitative. I argue that while working in jobs that are not directly involved with deciding and contracting interest-based contracts is not prohibited working in such places is more hated because of the degree of exploitation in them. Again if the job does not include any involvement in deciding or contracting interest contract, I can't say that it is specifically not permissible. But I hate to see a Muslim working in such places. It is like working in a bar or liquor store but only cleaning windows!

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----

**Subject: Income from Bank Job and my Career**

From: A Brother through Islam on line

Sent: Monday, January 28, 2008 11:40 PM

Question

Dear Dr. Monzer, Assalamu Alaykum wa Rahmatullahi wa Barakatuh,

Dear Sir, I have couple of questions about my Income from Bank Job and my Career. I am working in a Bank from the last couple of years and from the last 4 or 5 months I have been transfer to the remittance side means before this I was working as a Teller and Customer Service (helping customers in Loan/Credit Card application processing), whereas, ALHAMDULILLAH now I have been transfer in the another branch as a Teller only and my main and only job here is the remittance. Before this I am totally not satisfied as I know and have read that my earnings was not Halal because of helping the bank in sin (i.e. interest, because of Loan and Credit Card), but now I am somewhat satisfied that ALHAMDULILLAH as per my knowledge I am helping the bank in Interest business but remittance only. First of all I would like to ask that, that the situation I have explained is still acceptable as per Islamic laws means the Income earning from the Remittance or Teller (i.e. Cash handling and Cheques etc.). Another thing I would like to ask is that, that I am also trying to change my field i.e. from Banking to the Networking and the problem is that, that I have to go to the USA from the Fast Track course, which would cost me 5000\$ (QAR 25000) and 15 days maximum and for that I

have to take a Loan. I have discussed with my parents regarding the same and they are also not in the favor of taking the Loan but the problem is that, that in order to get out of this banking for which my heart is not satisfied, this is the only solution.

Even if I make saving to cover up the course on my on, it will take around 8 to 12 months and it might be even more difficult because of my family financial problems. But, in Networking field I think first of all the Income is Halal and higher then here and then I can also payoff my Loan quickly. I BADLY need your help in this regard. Jazakum Allahu Khairan for your constant 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.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

- 1) Working in a conventional bank in jobs that do not require you to write or sign an interest loan/transaction or application or processing it, is not Haram and the income you get from such a job, including teller's is InShaAllah permissible too.
- 2) Taking an interest-based loan to attempt to improve your position by changing to another is not permissible, there is no such necessity, and you can do a little more hard working and get the training you need without such an interest loan

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----

## **Working in Insurance and actuary and Insurance agents**

**Subject: job opportunity in insurance**

From: jamal

Sent: Monday, October 15, 2007 7:21 AM

Question

asalamo alaikom. jazaka-Allah kair for your efforts

i have been receiving job opportunities from <http://www.libnat.com/> "We are looking for Sales and Customer Service Representatives.

Additionally, if you have management experience I would like to talk to you about our Manager in Training positions." is it haram or halal to work for this company and similar ones?

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. Jamal

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I argue that insurance is permissible provided it is clear from interest (there is of course another view that insurance offered by commercial companies is not permissible). Accordingly, it is permissible to sell insurance contracts that are not based on interest (the exclusion may cover annuities and whole life insurance and may be some other contracts too). Working in an insurance company is permissible provided you do not initiate, sell or write an interest-based contract. there can't be an umbrella ruling on working in insurance companies except Islamic insurance companies where working in them in any capacity is permissible because they do not make any interests contracts and their insurance itself is based on cooperation concepts.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin

Wassalam

Prof. Dr. Monzer Kahf

-----  
**Subject: Working as Actuarial and insurance agent**

From: Muhammed

Sent: Tuesday, October 02, 2007 2:56 PM

Question

Assalam o Alaikum Mr. Kahf,

I hope inshAllah you are doing well. I wanted to ask you a few questions regarding working in insurance companies.

I live in Canada and attend the University of Waterloo. A number of Muslims want to be actuaries. However, I am not sure if they should pursue this profession. I have read the opinions regarding indulging in insurance and what I do not understand is how it can be halaal? In other words, can you explain to me how insurance can be halaal? I was wondering if you are able to explain how insurance can be halaal if it does not have any riba-based term(s) in the contract when the concept of insurance surely sounds like riba to me. Walaikum Salam and jazakAllah khayran

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

Specializing as actuaries is permissible and it is a useful profession not only for interest-based insurance contracts but also for Islamic insurance and social security and pension

funds. On the other hand, Insurance is a new contract that did not exist in the past, not at the time of revelation. It has become necessity because of complexity of technology, trade, economic and social life. There is no Riba in it as a matter of fact at all. What is it more than pooling resources to distribute risk and diffuse it to a large number of people who share similar circumstances? Where is the Riba in it? Insurance does not work if it were between two persons only, you have to have a large number and that is why you need actuaries! When you don't have a large number, in a small company, it includes itself and its clientele into a larger one through re-insurance. Additionally it has the meaning of co-operation that is encouraged in all religions. This is the basis of the view that considers it permissible. Then this view argues the objection on the basis of Gharar (un-knowability-cum-uncertainty) and concludes that the issue of Gharar is usually overlooked, even if it is basic to a contract, when the contract is necessary or has no alternative.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

-----

**Subject: selling insurance policies**

From: elsayed

Sent: Thursday, June 28, 2007 4:50 PM

Question

Dear Dr Kahf: AA

A friend of mine asks whether or not he can sell life, health and annuities insurance products for a traded insurance company. Thank you.

Elsayed

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. elsayed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Of course selling prohibited product is not permissible. Let apply this on insurance products. There is an opinion that looks at all insurance as prohibited on the ground that as an exchange contract between the company and an individual this is a contract that contains a great deal of Gharar (ambiguity-cum-uncertainty). The rule is that a great deal of Gharar makes a contract void and null.

The other opinion is that the amount of Gharar is not great because it is contained and estimated by the application of the probability-based actuarial system/studies and not a great deal of Gharar is tolerable especially in such an important (or even necessary) contract like insurance. I argue along the second line. Yet according to this view there are

two conditions for permissibility of insurance: 1) the object of insurance must be permissible (accordingly and as an example, insuring a shipment of liquor is forbidden); and, 2) there must be no Riba (interest) in a basic corner of the contract. According to the second view general insurance (hazards, fire, car accidents, transportation, etc.) is permissible (it is not of our business to follow up on the conventional insurance company and look after its use of money), also is permissible the kind of life insurance contracts that is not interest-based such as term life insurance and variable equity insurance. On the other hand, regular life insurance contract that gives the insured a right to collect a given amount after certain number of years should she/he not die before that date is interest-based and therefore it is not permissible. Annuities are also interest-based. Consequently selling permissible insurance contracts is permissible while selling insurance contracts that are interest-based or if the subject of the insurance contract is not permissible (e.g., insuring a liquor store) is not permissible.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

From: elsayed  
Sent: Tuesday, July 03, 2007 7:31 AM  
To: Monzer Kahf

#### Question

Dear Dr. Kahf: Assalamo alaykum:

At the outset, I want to thank you for getting back to us in a reasonable time. Second, that person is going to sell accident and health products which are okay as we understood. But he is also going to sell life insurance. He does not know if these sales involve interest-based notion or not. This is an area he is asking about. Can he go ahead with life insurance products sales regardless without asking about their base or no? Another thing, heard about the permissibility of buying life insurance with the intention of treating it as an investment. At the end of specific term, you can or the heirs take the policy \$ figure back. Is this applicable? Thank you!

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. Elsayed  
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I always argue that selling what is Haram is Haram. He may sell insurance contracts except the kind that is Haram. this means it is Haram to sell regular life insurance and any insurance contract of liquor stores, night clubs and the like. Others are ok.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

---

**Subject: Insuring to the benefit of others**

From: Larbi

Sent: Wednesday, September 12, 2007 6:41 PM

Question

As-Salamu `alaykum! I would like to know if the following business scheme is halal or haram

- 1) I create a company offering life insurance for free to poor people that can't afford life insurance premium cost and once they died will leave nothing as heritage to their family (when i say they are poor it means that they have no property no asset to leave to their family, workers with rented houses, Thank you for helping me)
- 2) The company would go toward paying the premiums.
- 3) After the death the monies of each policy would be split three ways: - \$20,000 to the deceased person's family. -\$20,000 to charitable works -\$240,000 to the company
- 4) Sell the company to a fund or invest.

Thank you for helping me this opportunity has just been offered to me and I don't know what to do because in one way the poor people without life insurance will let their family with 0 heritage but if they are insured they will at least leave some monies to help their family and charitable works but also its profit from peoples death, thank you.

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. Larbi

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

- 1) Again, any poor person has something to bequeath. You may mean has no real estate, but they have cloth, utensils, furniture and may be an old car, etc.
- 2) If we assume that life insurance is permissible, do you think that such a plan is viable? Take America as an example. a life insurance that gives you \$ 280, 000 will cost you no less than \$ 900 per year for a young person. Will you be willing to pay that much, or will there be investor who will put that money for an estimated 40-50 year, and the yearly insurance rate is escalating as the person ages? Please tell those who suggested this idea to you: Do you think this is a viable investment? Besides, the charity doesn't need you nor this fake plan! Does it? Take it all to your self don't play with the emotions of loving charity! Add to it: would the poor today remain a poor forever? and remains under your accessibility that you will prove their death when they die? Would taking life insurance on other persons be limited by laws to very narrow cases to prevent possible crimes? Would such an investment fund hire killing gangs to increase its profit? If you think this is viable, try it for your children, they usually don't own real estates!

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

From: Larbi  
Sent: Thursday, September 13, 2007 9:59 AM

#### Question

Dear Professor, Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh Ramadan mubarak

1) I didn't understand well your email and I am still confuse I'll try to explain myself Better here after 1) you are right the money will be an extra asset to cloth car etc. 2) Regarding the law and viability of the project its fine even with 40/50 years premium to pay.  
2) Fake charity and playing with emotions: I am a businessman but I don't do business with alcohol, gambling or drugs. I have morality and this business of life insurance exists already as life settlement with people owning Life insurance. I am interested in this business as long as: there is win win with those people who cannot afford insurance premiums so its really not for me fake charity or playing with emotions And as long as the company is dealing with top funds that cannot hire killing gangs I beg you please to believe in my honesty and help me in taking a decision and to inform me if this business is halal Or haram . Thank you. 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. Larbi

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I did not at any moment doubt your honesty or even referred to it. What I said about those who suggested this to you is that they do not need to play with emotions by suggesting giving to charity. This giving does not legitimize or illegitimize the transaction. I know about the business of life insurance settlement for old people and I know that there are any (and much more than you imagine) law suits against them, very often they mix business with spam! It is good that you do not deal with alcohol as I of course expect you as a Muslim whom I address as a brother. I personally believe that life insurance is permissible if the contract is not interest-based. But my argument is based about the dire need for it in our modern life. I don't accept it to be a business for profiteering using the poor person who cannot afford buying it. I don't believe that such a business venture can ever be legitimized from Shari'ah point of view when you take it in its totality. Life and all its ventures are not win win! And there is always something smelly in any thing projected as win win.

Wa Allahu A'alam

Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

---

## **Work Ethics and Conflict of Interests**

**Subject: Doing Business outside normal working hours fro my own company**

From: Rifai

Sent: Sunday, May 20, 2007 10:15 AM

### Question

Asslamu Alikum, Dear respected scholar.

I am working for a software company. Recently me and my friend started a company while still we are working for the same company. We work on our company out of normal working hours. Since we don't have the required resources for the company I am working, the company uses outsource part of the work to a company in India.

For certain technical expertise even this company in India can't proceed with certain things but my own company can handle part of the work so this company is willing to outsource certain work to us.

Initially we are the people who recommended this company to the company I work as we have done business with them for sometime. What do you think of these types of transaction from an Islamic point of view. There is under han dealing in any transaction. Only thing is the company for which I work doesn't know I run a separate business. In no mean I am involved in the same product line of the company I work. May Allha guide us in the right path. Jazakllahuhairan

Rifai

### 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. Rifai

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You got me confused! If you work in a company and the work ethics in the industry is such that you must not do other business, competing or not, it is then not appropriate to violate the work ethics that you accepted. This applies for instance in law practices, international organizations and other businesses. If you work in a company that does not have such work ethics, you can make other businesses, sometimes even in the same field as long as you are not a decision making in one or both of them to an extent that creates a conflict of interest.

If you work in a company and have another business in any area, you should always relieve yourself from decision making if a matter comes that may have a conflict of interest. In both these cases, each company must know about your involvement in the

other unless your own business is clearly remote from the company you work in as an employee.

Finally if I did not answer your query please ask again and be specific.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

-----

## **Financing Processes for Job Opportunities**

### **Subject: Job Financing**

From: Nabil

Sent: Thursday, January 10, 2008 6:55 PM

#### Question

Dear Dr. Monzer Kahf,

I had a question from a friend, and I'm trying to help him finding an answer; we use to have an Imam at the main Mosque of the city (Ottawa, Canada) who is knowledgeable in both religion and the context of the western countries, but he is no longer with us, and the people in charge of the Mosque are still looking for a replacement. Anyways, this is to say that since I couldn't find any one who could answer the question, I went onto the Internet and I found your site, and actually I think that you have the right background and expertise for answering the question, may Allah reward you for your time.

The brother in question is a taxi driver, and he is renting the Taxi for a certain amount of money per month. He wants to buy the Taxi licence that costs around \$140k right now, of course he cannot afford it and he has to take a loan from the bank that will cost him monthly similar or less than the rent he is paying right now. In the city of Quebec where he lives, there is no Islamic financing institution, I contacted a brother working in an Islamic institution here in Ottawa, but he told me that they are new and they don't have yet the permit to operate in the province of Quebec (It's like another state). My friend and his wife tried to contact some from Montreal but with no luck (unfortunately, our Islamic financing institutions are still lacking a little bit of professionalism, you ask them for something you have to wait and wait, and you have to keep calling and calling...). Anyways, his question is can he take a loan from the bank? This is not an extreme necessity of course, but it is a question of security (he will feel that he is paying something he could own in the future) and also of fairness (if with the same amount that you're renting, you could buy the licence, why not?). May Allah reward you and thank you for your efforts in advance.

Nabil

#### 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. Nabil,  
Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I see this like a case of starting a business or a new venture. I don't see in it a quasi necessity like buying a residence. I therefore do not find an excuse to take interest-based loan and suggest to try personal friends as investors and the housing coop of Mississauga.

Wa Allahu A'alam  
Wa Alhamdu Lillahi Rab al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

-----