

The Money Handbook: A Concise Textbook about Wealth and Financial Dealings in Islam	
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Complete system	Islam addresses every aspect of human life: spiritual, physical, emotional, economic and social
Financial teachings	Financial teachings in Islam protect and empower the human being to achieve the best possible outcomes from his earning and spending activities
Importance	We dedicate a major portion of our lives to earning and spending wealth
Qur’an	The way we earn and spend impacts our status in the sight of Allah
Hadīth	<ul style="list-style-type: none"> - It can be a means of gaining nearness to Allah, or earning His displeasure - “Allah has made trade lawful and interest unlawful” وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا - “The honest and trustworthy merchant will be with the Prophets, true followers (siddīqīn) and martyrs” التَّاجِرُ الصَّدُوقُ الْأَمِينُ مَعَ النَّبِيِّينَ وَالصِّدِّيقِينَ وَالشُّهَدَاءِ
Wealth as a good thing	<p>The Qur’an refers to wealth as a good thing (khayr), beauty (zīnah) and bounty (faḍl)</p> <p>كُتِبَ عَلَيْكُمْ إِذَا حَضَرَ أَحَدَكُمُ الْمَوْتُ إِن تَرَكَ خَيْرًا الْوَصِيَّةُ فَاتَّبِعُوا فِي الْأَرْضِ وَابْتَغُوا مِنْ فَضْلِ اللَّهِ الْمَالِ وَالْبَنُونَ زِينَةُ الْحَيَاةِ الدُّنْيَا</p> <p>The Qur’an speaks of wealth as a favor He bestowed upon Banī Isrā’īl وَأَمَدَدْنَاكُمْ بِأَمْوَالٍ وَبَنِينَ</p>
Wealth as a test	<p>“Your wealth and your children are but a trial” إِنَّمَا أَمْوَالُكُمْ وَأَوْلَادُكُمْ فِتْنَةٌ</p> <p>“And We will surely test you with something of fear and hunger and a loss of wealth and lives” وَلَنَبْلُوَنَّكُمْ بِشَيْءٍ مِّنَ الْخَوْفِ وَالْجُوعِ، وَنَقْصٍ مِّنَ الْأَمْوَالِ وَالْأَنْفُسِ</p>
Harms of wealth	<p>Forgetting about Allah, being preoccupied and distracted from one’s duties to Allah and breeding arrogance</p> <ul style="list-style-type: none"> - “He has become proud because he possesses abundance of wealth and children; so when Our revelations are recited to him, he says: These are tales of ancient times” أَن كَانَ ذَا مَالٍ وَبَنِينَ إِذَا تُتْلَىٰ عَلَيْهِ آيَاتُنَا قَالَ أَسَاطِيرُ الْأَوَّلِينَ

	<ul style="list-style-type: none"> - “O you who have believed, let not your wealth and your children divert you from remembrance of Allah” يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تُلْهِكُمْ أَمْوَالُكُمْ وَلَا أَوْلَادُكُمْ عَنْ ذِكْرِ اللَّهِ - “We had bestowed on him such treasure that their very keys would have been raised with difficulty by a whole group of strong people. His people said to him, ‘Do not gloat, for God does not like people who gloat’” وَأَتَيْنَاهُ مِنَ الْكُنُوزِ مَا إِنَّ مَفَاتِحَهُ لَتَنُوءُ بِالْعُصْبَةِ أُولِي الْقُوَّةِ إِذْ قَالَ لَهُ قَوْمُهُ لَا تَفْرَحْ إِنَّ اللَّهَ لَا يُحِبُّ الْفَرِحِينَ
Beliefs about wealth	<p>It is not what makes a person close to Allah وما أموالكم ولا أولادكم بالتي تُقَرَّبُكُمْ عِنْدَنَا زُلْفَىٰ إِلَّا مَنْ آمَنَ وَعَمِلَ صَالِحًا</p> <p>It will not help in the Hereafter يَوْمَ لَا يَنْفَعُ مَالٌ وَلَا بَنُونَ</p> <p>It will not protect one from the punishment of Allah لَنْ تُغْنِيَ عَنْهُمْ أَمْوَالُهُمْ وَلَا أَوْلَادُهُمْ مِنَ اللَّهِ شَيْئًا</p> <p>It does not make one superior to others فَلَا تُعْجِبُكَ أَمْوَالُهُمْ وَلَا أَوْلَادُهُمْ</p>
Guidance on acquiring wealth	<p>It must be acquired lawfully</p> <ul style="list-style-type: none"> - “O you who have believed, do not consume one another’s wealth unjustly but only [in lawful] business by mutual consent” يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ <p>It must not distract from Allah</p> <ul style="list-style-type: none"> - “Men whom neither commerce nor sale distracts from the remembrance of Allah” رِجَالٌ لَا تُلْهِهِمْ تِجَارَةٌ وَلَا بَيْعٌ عَنْ ذِكْرِ اللَّهِ
Guidance on spending	<p>Spending in the way of Allah</p> <ul style="list-style-type: none"> - “The truly good are those who believe in God and the Last Day, in the angels, the Scripture, and the prophets; who give away some of their wealth, however much they cherish it, to their relatives, to orphans, the needy, travelers and beggars, and towards freeing captives” وَلَكِنَّ الْبِرَّ مَنْ آمَنَ بِاللَّهِ وَالْيَوْمِ الْآخِرِ وَالْمَلَائِكَةِ وَالْكِتَابِ وَالنَّبِيِّينَ وَآتَى الْمَالَ عَلَىٰ حُبِّهِ ذَوِي الْقُرْبَىٰ وَالْيَتَامَىٰ وَالْمَسَاكِينَ وَابْنَ السَّبِيلِ وَالسَّائِلِينَ وَفِي الرِّقَابِ <p>Not being miserly</p> <ul style="list-style-type: none"> - “And those who hoard gold and silver and spend it not in the way of Allah – give them tidings of a painful punishment” وَالَّذِينَ يَكْنِزُونَ الذَّهَبَ وَالْفِضَّةَ وَلَا يَنْفِقُونَهَا فِي سَبِيلِ اللَّهِ فَبَشِّرْهُمْ بِعَذَابٍ أَلِيمٍ <p>Not showing off</p> <ul style="list-style-type: none"> - “[Nor does He like those] who spend their wealth to show off” وَالَّذِينَ يُنْفِقُونَ أَمْوَالَهُمْ رِئَاءَ النَّاسِ

Types of people in regards to wealth	<p>“The world only has four kinds of people:</p> <ul style="list-style-type: none"> - One whom Allah has granted wealth and knowledge, so he fears his Lord in them, upholds family ties, and fulfills the rights of Allah over him. He is in the best position - One whom Allah has granted knowledge without wealth. He has a sincere intention, and he says: If I had wealth, I would have acted like this person. If that is his intention, he will have the same reward as the first - One whom Allah has granted wealth without knowledge. He squanders his wealth in ignorance, he does not fear Allah in it, he does not fulfill his duties to his family, and he does not fulfill the rights of Allah over him. He is in the worst position - One whom Allah has granted neither wealth nor knowledge, and he says: If I had wealth, I would have acted like this person. If that is his intention, he will have the same sin as the other” <p>حديث : إِنَّمَا الدُّنْيَا لِأَرْبَعَةِ نَفَرٍ عِنْدَ رَزَقِهِ اللَّهُ مَالًا وَعِلْمًا فَهُوَ يَتَّقِي فِيهِ رَبَّهُ وَيَصِلُ فِيهِ رَحْمَهُ وَيَعْلَمُ بِاللَّهِ فِيهِ حَقًّا فَهَذَا بَأَفْضَلِ الْمَنَازِلِ وَعِنْدَ رَزَقِهِ اللَّهُ عِلْمًا وَلَمْ يَرْزُقْهُ مَالًا فَهُوَ صَادِقُ النِّيَّةِ يَقُولُ لَوْ أَنَّ لِي مَالًا لَعَمِلْتُ بِعَمَلِ فَلَانٍ فَهُوَ بَيْنَهُمَا سَوَاءٌ</p>
<p>Definition of trade/sale (bay‘)</p> <p>Examples</p>	<p>Exchange of valuables with mutual consent</p> <ul style="list-style-type: none"> - Valuables can be a good or service <p>مبادلة المال بالمال بالتراضي</p> <p>- لا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ الْمَنَافِعُ لَيْسَتْ بِمَالٍ مُطْلَقًا وَإِنَّمَا تَصِيرُ مَالًا بِعَقْدِ الْإِجَارَةِ</p> <ul style="list-style-type: none"> - Buying an item with cash, renting a product, doing a job for a salary - Both sides are giving and receiving something of value
Conditions of the merchandise	<p>The good must exist at the time of sale</p> <ul style="list-style-type: none"> - Cannot sell fruits before they grow <p>أن يكون المبيع موجودا حين العقد إما في ذلك من الغرر والجهالة</p> <p>The good must be specified</p> <ul style="list-style-type: none"> - Cannot sell an unspecified watch from an assortment of different watches <p>فبيع المجهول جهالة تفضي إلى المنازعة غير صحيح كبيع شاة من القطيع</p> <p>The good must belong to an owner, whether a person or group</p> <ul style="list-style-type: none"> - Cannot sell sunlight <p>أن يكون المبيع ملك البائع</p> <p>The good must be deliverable at the conclusion of sale</p> <ul style="list-style-type: none"> - Cannot sell escaped animals <p>أن يكون مَقْدُورَ التسليم</p> <p>The quantity and quality of the good must be clear to the buyer</p> <ul style="list-style-type: none"> - Cannot sell a box full of toys <p>لا بد لمعرفة المبيع من أن يكون معلوما بالنسبة للمشتري بالجنس والنوع والمقدار</p>

	<p>The good must be lawful</p> <ul style="list-style-type: none"> - Cannot sell alcohol, drugs, pork, human body parts <p>حُرِّمَتْ عَلَيْكُمُ الْمَيْتَةُ وَالدَّمُ وَلَحْمُ الْخِنْزِيرِ حديث : إِنَّ اللَّهَ حَرَّمَ الْخَمْرَ وَتَمَنَّهَا وَحَرَّمَ الْمَيْتَةَ وَتَمَنَّهَا وَحَرَّمَ الْخِنْزِيرَ وَتَمَنَّهُ</p>
Conditions of the payment	<p>The exact amount to be paid must be clear</p> <p>The form of payment must be clear: money, goods or services</p> <ul style="list-style-type: none"> - 1 lb of apples for \$1.50 or 1 lb of apples for 1lb of pears <p>The currency of the money must be clear</p> <p>The mode of payment must be clear: cash, check, credit card</p> <p>The date of payment should be clear</p> <ul style="list-style-type: none"> - Telling someone "just pay me later" can lead to misunderstanding and dispute <p>لا بد من معرفة قَدْرٍ وَوَصْفٍ ثَمَنٍ غَيْرِ مُشَارٍ لَأَنْ جَهْلَتُهُمَا تُفْضِي إِلَى النِّزَاعِ وَصَحَّ بِثَمَنِ حَالٍ وَبِأَجَلٍ مَعْلُومٍ وَلَا بَدَأَ أَنْ يَكُونَ الْأَجَلُ مَعْلُومًا لِأَنَّ الْجَهْلَ فِيهِ تُفْضِي إِلَى الْمُنَازَعَةِ وَمُطْلَقُهُ عَلَى النِّقْدِ الْغَالِبُ أَيْ مُطْلَقُ الثَّمَنِ يَقَعُ عَلَى غَالِبِ نَقْدِ الْبِلَادِ لِأَنَّ الْمَعْلُومَ بِالْعُرْفِ كَالْمَعْلُومِ بِالْأَنْصِ</p>
Who hands it over first?	<p>The seller has the right to demand payment before handing over the item</p> <p>إذا تنازع المتعاقدان فيمن يُسَلَّمُ أولاً، فإنه يجب تسليم الثمن أولاً قبل تسليم المبيع</p> <p>If seller and buyer are exchanging goods for goods or exchanging money then both are required to exchange at the same time</p> <p>من باع سلعة بسلعة أو ثمنًا بثمن أي نقدا بنقد سلما معا</p>
Conditions of the buyer and seller	<p>The buyer and seller must be sane and of the age of discernment</p> <ul style="list-style-type: none"> - Children can purchase and sell goods with the permission of the guardian <p>The buyer and seller must be two different people</p> <p>أَحَدُهُمَا أَنْ يَكُونَ عَاقِلًا فَلَا يَنْعَقِدُ بَيْعُ الْمَجْنُونِ وَالصَّبِيِّ الَّذِي لَا يَعْقِلُ ، فَأَمَّا الْبُلُوغُ فَلَيْسَ بِشَرْطٍ حَتَّى لَوْ بَاعَ الصَّبِيُّ الْعَاقِلُ مَالَهُ نَفْسَهُ يَنْعَقِدُ عِنْدَنَا مَوْقُوفًا عَلَى إِجَازَةٍ وَلِيِّهِ وَعَلَى إِجَازَةِ نَفْسِهِ بَعْدَ الْبُلُوغِ ، وَالثَّانِي الْعَدَدُ فِي الْعَاقِدِ فَلَا يَصْلُحُ الْوَاحِدُ عَاقِدًا مِنَ الْجَانِبَيْنِ</p>
Possession (qabḍ)	<p>The good becomes the property of the buyer in a sale</p> <p>Possession takes place when the good is physically handed over to the buyer or when the good is placed in a way that the buyer can retrieve it any time</p> <ul style="list-style-type: none"> - If the buyer takes the key to the newly purchased car but leaves the car on the seller's driveway, the buyer has effectively taken possession of the car

Liability (ḍamān)	<p>The merchandise remains the risk and liability of the possessor</p> <p>Possession takes various forms depending on the kind of good being purchased</p> <p>فذهب الحنفية إلى أن المبيع يكون في ضمان البائع قبل أن يقبضه المشتري، فإذا قبضه انتقل الضمان إليه بالقبض، لأن موجب العقد انتقل ملكية المبيع إلى المشتري، وذلك يقتضي إلزام البائع بتسليم المبيع إلى المشتري وفاء بالعقد</p>
Sale contract	<p>Basic elements are offer and acceptance with mutual agreement</p> <ul style="list-style-type: none"> - Acceptance needs to occur in the same meeting - Offer and acceptance can be implicit <ul style="list-style-type: none"> - Customer buys goods from a grocery store without there being a verbal offer or acceptance <p>ويلزم بإيجاب وقبول وبتعاط (هي أن يأخذ المشتري المبيع ويدفع للبائع الثمن من غير تكلم ولا إشارة)</p> <p>وأي قام عن المجلس قبل القبول بطل الإيجاب لأن القيام دليل الإغراض والرجوع</p>
Advanced payment sale (bay' al-salam)	<p>The buyer pays in advance and the good is delivered on a later date</p> <ul style="list-style-type: none"> - This should be unlawful since the good needs to exist at the time of sale but Islam takes into consideration the needs of businesses <ul style="list-style-type: none"> - A farmer may need money upfront to harvest his crop and sustain his family until harvest <p>The date and place of delivery must be clear and agreed upon</p> <p>This type of sale is only permitted for goods readily available in the market from the time of the deal to the delivery</p> <ul style="list-style-type: none"> - If the seller is unable to provide the goods himself, he can then obtain it from someone else - This type of sale is not permitted for specific items that are not replaceable such as fruit of a specific garden <ul style="list-style-type: none"> - There is no guarantee that the garden will yield that amount of fruit <p>هو شراء أجل بعاجل أو بيع مؤجل بمعجل</p> <p>حديث: من أسلف في شيء فليسلف في كيل معلوم ووزن معلوم إلى أجل معلوم</p> <p>- أي فليكن الشيء الذي اشتراه شيئاً معيناً، معلوم المقدار، محدود الكمية كيلاً ووزناً، مضبوطاً بأجل معلوم</p> <p>فإن هذا التعيين يجعل السلم من عقود الغرر إذ ينشأ عنه غرر عدم القدرة على تنفيذ العقد حيث إن من المحتمل أن يهلك ذلك الشيء المعين قبل حلول وقت أدائه</p>
Credit sale	<p>The buyer takes the good and pays later</p> <ul style="list-style-type: none"> - The price, time and place of payment should be agreed upon - Cannot tell someone you will just pay later <p>من شروط صحة البيع معلومية الأجل في البيع المؤجل ثمنه</p>
Paying in	<p>Paying in installments is permitted as long as the payment schedule is</p>

installments	<p>set at the time of the deal and the seller does not charge a penalty for delayed payment</p> <ul style="list-style-type: none"> - Charging a penalty amounts to interest <p>The seller can give the option to buy with cash or credit with separate prices for each option</p> <ul style="list-style-type: none"> - \$500 for a laptop if paid in full or \$1000 if paid over a one-year period
Currency exchange (bay' al-sarf)	<p>Whenever exchanging bills or coins of the same currency, the amount on both sides must be the same</p> <ul style="list-style-type: none"> - Cannot exchange \$2 for \$20 <p>Gold and silver are treated as currency</p> <ul style="list-style-type: none"> - When exchanging gold for gold, the amount on both sides must be the same <p>Any amount of cash can be exchanged for gold or silver</p> <p>All currency exchanges must be on the spot at the time of sale</p> <p>لا يجوز بيع الذهب بالذهب إلا سَوَاءً بِسَوَاءٍ يَدًا بِيَدٍ، لَأَنَّ الذَّهَبَ مِنَ الْأَصْنَافِ السَّيِّئَةِ الَّتِي وَرَدَ النَّهْيُ عَنِ التَّفَاضُلِ</p> <p>لم يختلف العلماء في جواز بيع الذهب بالفضة بالتفاضل إذا كان يدا بيد وإذا بيع النقد بنقد من جنسه وجب التماثل في الوزن والتقايض في مجلس العقد</p>
Return option (khiyār al-shart)	<p>If the seller stipulates this option then he may cancel the sale and take back the good within the agreed time</p> <p>If the buyer stipulates this option then he has the right to return the good and be fully refunded</p> <ul style="list-style-type: none"> - If the good is damaged in this period then the buyer must replace it or pay its value <p>The option must be placed and agreed upon before the deal is finalized</p> <p>The option must have a time limit</p> <p>The option ends when the period ends, the buyer uses the good (in the case that he has the option), or the party with the option gives up the option or expresses that the sale is final</p> <p>الخِيَارُ شَرْعٌ لِلتَّرَوِّي لِذَفْعِ الْعَيْنِ لَا بَدَّ مِنْ تَقْيِيدِ الْخِيَارِ بِمُدَّةٍ مَعْلُومَةٍ</p> <p>وَأَمَّا الْبَائِعُ فَيَمْنَعُ خُرُوجَ الْمُبِيعِ عَنْ مِلْكِهِ لِأَنَّهُ تَمَامُ الْبَيْعِ لَا يَكُونُ إِلَّا بِالْإِتْرَاضِ وَلَا يَتِمُّ الرِّضَا مَعَ الْخِيَارِ</p> <p>وَيَقْبُضُهُ يَهْلِكُ بِالنَّهْيِ كَتَعْيِبِهِ أَيْ بِسَبَبِ قَبْضِهِ يَضْمَنُ تَمَنُّهُ إِذَا هَلَكَ كَمَا يَضْمَنُ إِذَا تَعَيَّبَ وَتَمَّ الْعَقْدُ بِمَوْتِهِ وَبِمُضِيِّ الْمُدَّةِ فَلَا نَاقِضَ لِلْخِيَارِ بِمَوْتِهِ يَبْطُلُ وَلَا يَنْتَقِلُ إِلَى الْوَرِثَةِ</p>

<p>False advertisement option (khiyār fawāt al-waṣf)</p>	<p>If a buyer purchases a good because of a certain stated feature and it does not have that feature then the buyer has the option of either canceling the sale or accepting the good</p> <ul style="list-style-type: none"> - If a customer buys a car stated to have a GPS navigation system but discovers it does not have this feature then he has this option <p>وَيُتَّبَعُ الْخِيَارُ لِفَوَاتِ الْوَصْفِ الْمَشْرُوطِ وَمَنْ بَاعَ عَبْدًا عَلَى أَنَّهُ خَبَّازٌ أَوْ كَاتِبٌ وَكَانَ بِخِلَافِهِ فَأَلْمُسْتَرِي بِالْخِيَارِ إِنْ شَاءَ أَخَذَهُ بِجَمِيعِ الثَّمَنِ وَإِنْ شَاءَ تَرَكَ لِأَنَّ هَذَا وَصْفٌ مَرْغُوبٌ فِيهِ وَلِأَنَّهُ مَا رَضِيَ بِهِ دُونَهُ</p>
<p>Price fraud option (khiyār al-ghabn)</p> <p>Tawliyah Murābaḥah</p>	<p>If a seller deceives a customer into thinking that he is buying a good at a fair price, the buyer can return the item and demand a refund</p> <p>If a seller finds out he has been deceived into giving the item away for much less than market value, the seller can demand the item back and refund the amount</p> <p>إِذَا كَانَ الْمَغْبُورُ هُوَ الْمُشْتَرِي لَا يُقَابَلُ جُزْءٌ مِنَ الثَّمَنِ بِشَيْءٍ مِنَ الْمَبِيعِ لَزِيَادَةِ الثَّمَنِ عَنْ أَكْثَرِ تَقْوِيمِ لِلْمَبِيعِ مِنْ أَهْلِ الْخَبَرَةِ أَمَّا إِذَا كَانَ الْمَغْبُورُ هُوَ الْبَائِعُ فَالْتَقْصُ فِي الثَّمَنِ فَإِنْ أَطْلَعَ الْمُشْتَرِي عَلَى خِيَانَةٍ فِي الْمَرَابَحَةِ وَالتَّوْلِيَةِ فَهُوَ بِالْخِيَارِ إِنْ شَاءَ أَخَذَهُ بِجَمِيعِ الثَّمَنِ وَإِنْ شَاءَ تَرَكَهُ</p> <p>Resale at cost price Resale with specification of gain</p>
<p>Inspection option (khiyār al-ru'yah)</p>	<p>If the buyer purchases a good before seeing it, the buyer has the right to see the good in order to decide whether to uphold or cancel the sale</p> <p>There is no fixed period for this option</p> <p>The option becomes void once the buyer sees the item, begins using it, damages it, agrees to keep it, or dies</p> <p>شِرَاءُ مَا لَمْ يَرَهُ جَائِزٌ وَلَهُ أَنْ يَرُدَّهُ إِذَا رَأَاهُ وَإِنْ رَضِيَ قَبْلَهُ وَيَبْطُلُ بِمَا يَنْبَطِلُ بِهِ خِيَارُ الشَّرْطِ وَسَبَبُ تُبُوتِ هَذَا الْخِيَارِ جَهَالَةُ أَوْصَافِ الْمَبِيعِ</p>
<p>Defect option (khiyār al-'ayb)</p>	<p>If the buyer discovers a defect in the good he was not aware of he has the option to keep the good at the agreed price or return it for a refund</p> <ul style="list-style-type: none"> - The seller may offer a voluntary compensation or reduction in lieu of the defect <p>The defect must have existed at the time of sale and not occurred after the buyer took possession of the good</p> <p>If the sale was an 'as is' sale, which is when the seller states that he is not responsible for any defects, then the buyer does not have this option</p>

	<p>This option expires when the buyer expresses contentment with the good despite the defect, uses it after finding the defect or puts it on sale</p> <p>وإذا اطلع المشتري على عيب في المبيع فهو بالخيار إن شاء أخذه بجميع الثمن وإن شاء رده لأن مطلق العقد يقتضي وصف السلامة، فعند فواته يتخير كيلا يتضرر بلزوم ما لا يرضى به وما أوجب نقصان الثمن عند التجار عيب</p>
Transaction outcomes	<p>Valid (sahīh) - ownership of the good is transferred to the buyer and access to the good must be ensured</p>
Example	<p>Invalid (bātil) - does not transfer ownership and exchanged goods and payment must be returned</p> <ul style="list-style-type: none"> - Sale of harām goods
Example	<p>Defective (fāsid) - ownership of the good is transferred to the buyer upon possession</p> <p>البيع الفاسد منعقد يفيد الملك في المبيع بالقبض بإذن البائع ويجب فسخ العقد الفاسد لحق الشرع</p> <ul style="list-style-type: none"> - Sale of unspecified good
Example	<p>Undesirable (makrūh) - ownership is transferred but the sale entails violating a religious instruction</p> <ul style="list-style-type: none"> - Buying or selling after the adhān of Jumu‘ah
Basic ethics	<p>Truthful and complete disclosure of the item</p> <ul style="list-style-type: none"> - “All merchants will be raised as sinners except for those who were conscious of Allah, dutiful and truthful” <p>إِنَّ التُّجَّارَ يُبْعَثُونَ يَوْمَ الْقِيَامَةِ فُجَّارًا إِلَّا مَنْ اتَّقَى اللَّهَ وَبَرَّ وَصَدَّقَ</p> <p>Not demanding extremely high or low prices</p> <ul style="list-style-type: none"> - “May Allah have mercy on one who is lenient when he sells, buys and collects payments” <p>رحم الله رجلا سمحا إذا باع، وإذا اشترى، وإذا اقتضى</p> <p>Not hoarding essential goods and selling at an exorbitant price when the people are in need of it</p> <ul style="list-style-type: none"> - “One who hoards is sinful” <p>مَنْ احْتَكَرَ فَهُوَ خَاطِيٌّ</p> <p>Avoiding oaths for the sake of selling goods out of respect for the name of Allah SWT</p> <ul style="list-style-type: none"> - “Taking oaths may sell the merchandise but it erases the blessings” <p>إِيَّاكُمْ وَكَثْرَةَ الْحَلْفِ فِي الْبَيْعِ فَإِنَّهُ يُنْفَقُ ثُمَّ يَمْحَقُ</p> <p>Charity</p> <ul style="list-style-type: none"> - “O merchants, oaths and lies appear while conducting business, so mix your trade with charity” <p>يَا مَعْشَرَ التُّجَّارِ إِنْ الْبَيْعَ يَحْضُرُهُ الْحَلْفُ وَاللَّغْوُ فَشَوِّبُوهُ بِالصَّدَقَةِ</p>

<p>Renting/leasing (ijārah)</p>	<p>The lessor rents out the good and the lessee buys the right to use and benefit off of the good for a certain period</p> <ul style="list-style-type: none"> - Renting an apartment for a year <p>The lessor keeps ownership of the good</p> <p>The lessee may cancel the rental agreement if the good becomes defective without his fault</p> <ul style="list-style-type: none"> - Rental car breaks down <p>The lessee is liable for any damage to the rented good caused by his negligence</p> <ul style="list-style-type: none"> - Loading a rental truck with more than the load limit <p>Options used in sales may be used in rental agreements</p> <p>هي بيع منفعة معلومة بأجر معلوم وشرطها أن تكون الأجرة والمنفعة معلومتين لأن جهاتهما تُقضي إلى المنازعة حديث: مَنْ اسْتَأْجَرَ أَجِيرًا فَلْيُعَلِّمُهُ أَجْرَهُ وعلى المستأجر إصلاح ما تَلَفَ من العين بسبب استعماله الْحَنْفِيَّةُ يَرَوْنَ جَوَازَ فُسْخِ الْإِجَارَةِ لِحُدُوثِ غُذْرٍ بِأَحَدِ الْعَاقِدَيْنِ أَوْ بِالْمُسْتَأْجِرِ لَا خِلَافَ أَنَّ ضَمَانَ الْعَيْنِ لَا يَنْتَقِلُ إِلَى الْمُسْتَأْجِرِ بَعْدَ الْقَبْضِ، وَأَنَّهَا تَكُونُ أَمَانَةً فِي يَدِهِ، فَإِنْ تَلَفَتْ مِنْ غَيْرِ تَعَدِّيهِ أَوْ تَقْرِيطِهِ فَلَا ضَمَانَ عَلَيْهِ</p>
<p>Employment (ijārah al-ashkhāṣ)</p>	<p>Paying for a service rendered by another</p> <p>The specific service, period and pay must be agreed upon at the time of contract</p> <p>The employee (ajīr khāṣṣ) is not liable for damaged equipment unless it was out of negligence</p> <p>The contractor (ajīr mushtarak) is liable for any material given to him for his work</p> <p>التَّلَفُ بِفِعْلِهِ سَوَاءٌ كَانَ عَنْ قَصْدٍ أَوْ غَيْرِ قَصْدٍ أَوْ بِتَقْصِيرٍ مُوجِبًا لِلضَّمَانِ</p> <p>The work that the employee has been hired for is a trust</p> <ul style="list-style-type: none"> - Employee should not use company resources for personal use without permission - It is impermissible to use work hours for personal work <p>Jobs involving production, sale or delivery of harām substances is unlawful</p> <p>Jobs causing harm to self or others is unlawful</p> <p>Jobs that require compromising religious duties (disallowing prayer, hijab) are unlawful</p> <p>ولا بد في إجارة الأجير الخاص من تعيين المدة لأنها إجارة عين لمدة</p>

	<p>ويجب على الأجير الخاص أن يقوم بالعمل في الوقت المحدد له أو المتعارف عليه والأجير الخاص أمين فلا يضمن ما هلك في يده من مال أو ما هلك بعمله إلا بالتعدي أو التقصير حديث : أعطوا الأجير أجره قبل أن يجف عرقه</p> <p>الإجارة على المنافع المحرمة كالزنى والملاهي محرمة وعقدھا باطل لا يستحق به أجره حديث : لعن الله الخمر وشاربها وساقيتها وبائعها ومبتاعها وعاصرها ومعتصيرها وحاملها والمحمولة إليه</p>
<p>Loans (qarḍ)</p> <p>Old Testament</p>	<p>Loans in Islam are meant to be a charitable act to help the needy, not income-generating transactions</p> <ul style="list-style-type: none"> - All divine scriptures have forbidden the use of loans for profit and exploitation - “If you lend money to one of my people among you who is needy, do not treat it like a business deal; charge no interest”
<p>Interest (ribā)</p>	<p>Verses pertaining to ribā in chronological order:</p> <ul style="list-style-type: none"> - “And whatever ribā you give so that it may increase in the wealth of the people, it does not increase with Allah” <ul style="list-style-type: none"> - Expresses dislike, no explicit prohibition - “And because of their charging ribā while they were prohibited from it” <p>وَمَا آتَيْتُم مِّن رَّبًّا لِّيرْبُوَ فِي أَمْوَالِ النَّاسِ فَلَا يَرْبُو عِنْدَ اللَّهِ</p> - “O those who believe do not eat up ribā doubled and redoubled” <ul style="list-style-type: none"> - Clear prohibition is issued - “But those who take ribā will rise up on the Day of Resurrection like someone tormented by Satan’s touch. That is because they say, ‘Trade and usury are the same,’ but God has allowed trade and forbidden usury” <ul style="list-style-type: none"> - Details the severity of the prohibition of ribā <p>الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَخَبَّطُهُ الشَّيْطَانُ مِنَ الْمَسِّ ذَلِكَ بِأَنَّهُمْ قَالُوا إِنَّمَا الْبَيْعُ مِثْلُ الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا</p>
<p>Ribā al-nasī’ah</p>	<p>Interest paid on a loan</p> <ul style="list-style-type: none"> - It is forbidden to give or receive this interest - If a creditor loaned \$100 for 2 months to a person on 10% interest then the creditor owes him an extra \$10, which would be ribā <p>رِبَا النَّاسِيَةِ ، وَسَمِيَ رِبَا الْقُرْآنِ لِأَنَّهُ حُرِّمَ بِالْقُرْآنِ ، هُوَ الزَّيَادَةُ فِي الدَّيْنِ نَظِيرَ الْأَجَلِ وَالْبَيْعِ الرَّبَوِيِّ عِنْدَ الْحَقِيقَةِ مِنَ الْبُيُوعِ الْفَاسِدَةِ فَإِنَّهُ يَجِبُ رَدُّ الزَّيَادَةِ الرَّبَوِيَّةِ</p>
<p>Simple interest</p> <p>Compound interest</p>	<p>Interest is charged on the principal, or original, amount of a loan</p> <p>Interest is charged on the principal amount and the accumulated interest of previous periods</p> <ul style="list-style-type: none"> - Borrowers must pay interest on the interest and the principal

<p>Ribā al-faḍl Hadīth</p>	<p>Exchange of goods of the same kind in unequal amounts</p> <ul style="list-style-type: none"> - “Sell gold in exchange of equivalent gold, sell silver in exchange of equivalent silver, sell dates in exchange of equivalent dates, sell wheat in exchange of equivalent wheat, sell salt in exchange of equivalent salt, sell barley in exchange of equivalent barley, but if a person transacts in excess it will be ribā. Sell gold for silver anyway you please on the condition it is hand-to-hand and sell barley for date anyway you please on the condition it is hand-to-hand” <p>الذَّهَبُ بِالذَّهَبِ مِثْلًا بِمِثْلٍ وَالْفِضَّةُ بِالْفِضَّةِ مِثْلًا بِمِثْلٍ وَالنَّمْرُ بِالنَّمْرِ مِثْلًا بِمِثْلٍ وَالْبُرُّ بِالْبُرِّ مِثْلًا بِمِثْلٍ وَالْمِلْحُ بِالْمِلْحِ مِثْلًا بِمِثْلٍ وَالشَّعِيرُ بِالشَّعِيرِ مِثْلًا بِمِثْلٍ فَمَنْ زَادَ أَوْ أَرَدَادَ فَقَدْ أَرَبَىٰ بَيَعُوا الذَّهَبَ بِالْفِضَّةِ كَيْفَ شِئْتُمْ يَدًا بِيَدٍ وَبَيَعُوا الْبُرَّ بِالنَّمْرِ كَيْفَ شِئْتُمْ يَدًا بِيَدٍ</p> <p>If a good is traded by weight or volume or used as a medium of exchange then it may not be exchanged for the same good in unequal amounts or in a deferred sale</p> <ul style="list-style-type: none"> - Selling 5 lbs of high-quality dates for 10 lbs of low-quality dates is ribā - 2 lbs of barley for 1 lb of wheat is permitted but it must be on the spot
<p>Banks</p>	<p>Conventional banks use the funds deposited by clients by loaning them out with interest</p> <ul style="list-style-type: none"> - This occurs even with non-interest bearing checking accounts <p>In principle, opening such a bank account is harām except if there are no alternatives and one needs to safeguard their money</p>