



### The first question of Fatwa no. 4862

**Q 1:** A Muslim merchant's store caught fire and almost everything was burnt. Since he had insured the store some years ago, the insurance company compensated him for everything that he lost. What is the Islamic ruling on this compensation, bearing in mind that the total amount he paid during the past years does not even reach half the amount he was compensated with? It should be noted that some countries impose business insurance.

( Part No : 15, Page No: 260)

**A:** This is one of the prohibited types of commercial insurance, as it involves Riba (usury), uncertainty, and devouring people's money falsely. The Muslim whose store was burnt down may only accept from the company an amount that is equal to what he paid them and he must give the rest of the money in charity to the poor or spend it in any other righteous way after removing himself from the insurance company. May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family, and Companions!

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