



Fatwa No. (20629)

Q: Saudi Telecom Company's administration has recently made a contract with an insurance company to treat the Company's employees, along with their wives and children. The contract stipulates that Telecom pays a deducted sum of money in return for insuring treatment for all employees. Our question is: Is it permissible for the Telecom administration to conclude such a contract with the insurance company subject to which the administration pays a deducted sum of money as the annual subscription fees of each employee regardless of whether treatment expenses of the employee throughout the year are more or less than the fees? Is it permissible for Telecom employees to make use of treatment facilities pursuant to the contract concluded between Telecom

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and the insurance company, bearing in mind that employees did not participate in the value of the contract and are not obliged to pay a part of the insurance fees?

A: The medical insurance referred to above is a type of commercial insurance which is prohibited as it stands for an aleatory and gambling contract and involves eating up people's property unjustly. Accordingly, it is not permissible for either the Saudi Telecom Company to conclude such a contract nor its employees to make use of it or join it. May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family and Companions!

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