



**Fatwa no. 20616**

**Q:** Attached is a newspaper clipping, taken from Al Riyadh newspaper, about an advertisement for a usurious transaction that deceives people who are not aware of the types of Riba (usury/interest). It says that a person can receive compensation for loss if an accident occurs in return for paying one Riyal per day. Moreover, this transaction ensures that the person will not be held accountable for the damages caused to the others by him. The following are some of the many serious consequences this advertisement has: First, taking no heed of human life. Second, wrongly devouring people's money. This act counts as one of the types of Riba which is prohibited by Allah (may He be Exalted) and causes His instant punishment. Zaynab bint Jahsh (Mother of the Believers) (may Allah be pleased with her) said: [« O Messenger of Allah! would we be destroyed while good people are among us? He \(peace be upon him\) said: Yes, when the evil predominates. »](#) So, I see that it is important to report this concern to you.

**A:** This comes under the category of commercial insurance which is prohibited in Islam, as it entails gambling, gharar (uncertain sale), betting, and devouring people's money wrongly. The Council of Senior Scholars issued a decree prohibiting all types of commercial insurance. It is obligatory on Muslims not to take part in this insurance, and

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the cooperative insurance companies have to replace it. Moreover, the mass media are not allowed to promote it or publish advertisements about commercial insurance. May Allah grant us success! May peace and blessings of Allah be upon our Prophet Muhammad, his family and Companions!

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