



**Fatwa no. 17271:**

**Q: We would like to inform Your Eminence that we are employees at the Saudi Aramco Company in Dhahran and its branches in Riyadh, Jeddah, Yanbu and other cities, which has about 55,000 employees. The company**

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issued a booklet in both Arabic and English on its Savings Plan in Saudi riyals. Browsing the booklet, we found out that the Savings plan is of two types. The first type consists of three sections: 1- The saved amount, i.e. the amount deducted optionally from the employee's salary ranging from 1% to 10%, as provided for in page 3 of the Plan mentioned above. 2- The company gives the person saving, the saving reward, based on the period the employee spends on duty, ranging from 5% to 100%, as provided for in page 4 of the Plan. 3- The profit of the saved amount and reward which increases according to the increase in time, as provided for in page 6 of the Plan. The second type consists of the earlier two sections, those relating to the saved amount and the reward given by the company for saving, as provided for in the last page of the Plan. This is a brief idea of the two types of saving as provided for in the booklet mentioned above which we have attached to Your Eminence. Since some employees fell into confusion regarding Fatwa no. (8161); on whether it includes both types mentioned above or not, we wish that you would explain the whole matter regarding permissibility or impermissibility in such a manner as to free ourselves from accountability.

**A:** After examining the Fatwa request, the abovementioned Plan and the Fatwa issued by the Committee no. 8161 and dated 9/3/1405 A.H. which states: Participating in the Aramco

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Savings Plan is Haram (prohibited), because it falls under Riba Al-Fadl (usury of excess, selling an item for another of the same type, on the spot, but in excess) and Riba Al-Nasi'ah (usury of delay, conditional excess for delay of payment). This is because it defines the rate of interest, which may be anything between five and one hundred percent of the money saved by the Saudi employee. This is in addition to the rewards given only to employees saving which are not given to other employees who do not save, as provided for in the saving law." End quote,

**the Committee replied** that the above-mentioned Fatwa includes both saving types provided for by the Plan. They are both prohibited as they fall under Riba (usury/interest) and its prohibition is provided for in the Qur'an and Sunnah, the two established legislation sources. Actually, encouraging employees to improve job performance and continue working may take place only through rewards deemed permissible by Allah and His Messenger, not through ill-gotten money.

May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family and Companions!

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