



**Fatwa No. ( 16048 )**

**Q: I would like to submit to Your Eminence an important topic related to insurance against dangers. The Public Institution of Social Insurance enjoins individual institutions and companies to insure against dangers, regardless of whether those who work for such commercial or service institutions are exposed to potential danger or to little or no potential danger. This is done on the pretext that it is a law that must be abided by and that monthly installments have to be paid to the Public Institution of Social Insurance. This type of insurance is doubtfully prohibited being one of the prohibited contracts according to the fatwa issued by the Council of Senior Scholars in the Kingdom in its tenth session, according to its decision No. (55), held in the city of Riyadh and dated 4/4/1398 A.H. to the effect that all types of insurance are prohibited. The fatwa was supported by the decision of the Islamic Fiqh Academy that was issued in its first session held on Sha`ban 10th 1398 A.H. in Makkah Al-Mukarramah in the headquarters of the Muslim World League.**

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The insurance that is enjoined by the Institution is one that is based on imagining a potential danger that might happen to a worker whose nature or effect is unknown. The Institution requires that we pay a monthly sum of money for a contract representing an example of the corruption of a potential financial transaction contract. In fact, this is evidently an aleatory contract because the insurer does not know the terms of the

contract or when the danger is to happen. Thus, the insurer pays installments as long as the employee continues to work with the owner, when the insured employee receives nothing. Moreover, the Public Institution of Social Insurance cannot define the amount to be given to each employee for each type of danger. Furthermore, this type of insurance falls under the category of losing without committing or causing an infringement while the company gains in return for nothing or for a return of an unknown value, amount or time. In addition, the contract falls doubtfully 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). To clarify, if the Institution pays, whether to the employee or his heirs, more than the amount paid, it will fall under Riba Al-Fadl. As the Institution pays after a period of time, it also falls under Riba Al-Nasi'ah. Moreover, it is a contract based on risk as it involves uncertainty, deception and betting. Furthermore, it entails taking money from an institution owner in return for nothing. It also involves enjoining something that cannot be enjoined according to Shari`ah (Islamic law). That is to say, the insured employee has neither been endangered nor has yet caused danger. It is only the Public Institution that enjoins insuring against foreseeable danger

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in return for the amount paid. In addition, it is a contract of submission involving eating up people's property unjustly without a Shar`y (Islamic legal) justification on the pretext that it is issued by authorities even though it may run counter to Allah's Commandments. In fact, no creature shall be obeyed in disobedience to the Creator. Your Eminence, the Institution, advancing as a plea the fact that you have examined the insurance system and approved of it, deems such a contract as valid and permissible as it is provided for in the system you examined. In fact, such a plea contradicts with the decree of the Council of Senior Scholars and Islamic Fiqh Academy to the effect of prohibiting all types of insurance. Therefore, I hope that Your Eminence issues a fatwa regarding the following: Is it permissible to subscribe to the insurance of the Public institution of Social Insurance under the department of Professional Dangers subject to articles from 27-37? If impermissible, will I be sinful if I subscribe to the insurance as I am helpless and the Institution is a governmental authority that I may only submit to?

**A: 1-** It is impermissible for a Muslim to insure himself against disease whether in Muslim or non-Muslim countries, for it involves an aleatory contract and gambling. **2-** It is impermissible for a Muslim to insure life, body organs wholly or partially, property, a car or the like

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whether in Muslim or non-Muslim countries as it falls under the category of commercial insurance which is prohibited as it involves an aleatory contract and gambling. May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family and Companions!

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