

‘ Aqd al-Istisnaa ’ (contract to have something made or done)

What is ‘ Aqd al-istisnaa ’ ? What are the rulings and conditions governing it?

Praise be to Allaah.

‘ Aqd al-istisnaa ’ – which is a contract that applies both to the labour and the product itself – is binding on both parties when it is drawn up in

accordance with certain conditions.

The following conditions apply to ‘ Aqd al-istisnaa ’ :

Clear statement of the type, amount and required features of the work to be done or product to be made.

Specification of the time frame involved.

In ‘ Aqd al-istisnaa ’ it is permissible to delay paying the full price, or it may be paid in installments at specific times over a limited period.

It is permissible for ‘ Aqd al-Istisnaa ’ to include a penalty clause stating what the two parties have agreed on, so long as there are no circumstances beyond their control. And Allâh knows best.