

121787 - A riba-based trick when selling phone cards

the question

I sell Siwa phone cards by instalments to teachers, whereby I give the cards to the teacher with a contract, and usually after signing the contract the teacher returns the cards to me and asks me to sell them for her because she does not know how to do that. After that, I sell the cards to the distributor from whom I bought the cards, because it is easier to sell them back to him. Is there anything Islamically wrong with that?.

Detailed answer

Firstly:

There is nothing wrong with you selling Siwa cards to the teachers by instalments, even if it is for a higher price than the price for cash.

Secondly:

The teacher may delegate you to sell the cards on two conditions:

1-That the teacher take possession of the cards first

2-That you do not sell the cards to the distributor from whom you bought these cards, because that is a trick to engage in riba. The scholars call it the “three-sided trick”. This has been discussed in the answer to question no.

[96706](#).

To sum up: The teacher will take a sum of money, which is the price that the distributor will pay, on

the condition that she will pay back more than that, which is the price that she will pay in instalments. The issue here is money for money with something extra, the product is returning to its original owner (the distributor), and the teacher is losing out on two fronts so that she can get what she wants of cash. All three parties are involved in that and are engaging in riba, but riba cannot be made permissible by a trick.

If you are going to sell

the cards for her to a third party, someone other than the distributor, there is nothing wrong with that, so long as you pay attention to the first condition. But it is better for the teacher to sell it herself, or to delegate someone other than you to do that.

And Allaah knows best.