

309387 - Should he help his colleagues to prepare documents in order to get compensation from commercial insurance after his house got damaged?

the question

The house of one of my customers at work got damaged. He got insurance on it in the past through commercial insurance, even though cooperative insurance (takaaful) is available, and he paid insurance premiums every year. He has asked me to help him to prepare the documents that the insurance company has requested so that he can get compensation. This company may give him compensation equal to, or greater than or less than, the instalments that he paid. Should I help him to get this compensation?

Detailed answer

Firstly:

Commercial insurance is haraam in all forms, because it is based on riba (usury) and gambling, whether it is insurance for a house, car or anything else.

But if someone is compelled to have insurance, and nothing is available except commercial insurance, then it is permissible for him, but he should limit it to the lowest level, and the sin is borne by the one who compelled him to do that.

See the answer to question no. [8889](#).

Secondly:

If someone voluntarily signs up for commercial insurance, then gets compensation from the insurance, he is not entitled to anything except what he paid in.

He must return anything more than that to the insurance company, and if they refuse to accept it, he should give it in charity to the poor or needy, unless he himself is poor, in which case he may take from it as much as he needs.

See the answers to questions no. [131591](#) and [81915](#).

Thirdly:

If you have explained this to your colleague, and you think it most likely that he will not take anything more than what he paid in, then it is permissible for you to help him to get compensation.

But if you think it most likely that he will not limit it to what he paid in, and will take more than that, then it is not permissible for you to help him, because that is helping him to take what is not permissible. Allah, may He be exalted, says (interpretation of the meaning):

“And cooperate in righteousness and piety, but do not cooperate in sin and aggression. And fear Allah; indeed, Allah is severe in penalty”

[al-Maa'idah 5:2].

And Allah knows best.