

2146 - 'Aqd al-Istisnaa' (contract to have something made or done)

the question

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

Detailed answer

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':

1. Clear statement of the type, amount and required features of the work to be done or product to be made.
 2. Specification of the time frame involved.
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1. 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.
 2. 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.