Chapter on Guaranty and Warranty

The second question of Fatwa no. 19129:

Q 2: People in my village act upon the guaranty of olive fruits; a person pledges to pay a certain sum of money as a price for the expected harvest. For example, a person says: "I will guarantee all of your olive fruits for one thousand dinars." The other party accepts. Is this kind of dealing valid according to the Shari'ah? If so, what is the evidence for its validity?

A: The said guarantee is invalid, as it is like guaranteeing an unknown thing. Moreover, it is a kind of invalid gambling and unjust consumption of people's money. May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family, and Companions!

Permanent Committee for Scholarly Research and Ifta'