

The impact of the international maritime sale under the fob condition on the sale of imported goods prior to their arrival at the port of destination

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Abstract

The international maritime sale under the Free on Board (FOB) condition a delivery term stipulating that goods be placed on board the shipping vessel stands as the most prevalent form of maritime transaction in foreign trade. This prominence stems from its distinctive characteristics and the manifold economic advantages it confers upon exporters, importers, and nations alike. This study endeavors to elucidate the impact of the FOB international maritime sale on the permissibility for the importer to resell the procured goods before their physical arrival at the port of destination. Employing a methodological framework that integrates descriptive, deductive, and inductive approaches to dissect its constituent elements, the research arrives at several pivotal findings.

Crucially, the study establishes that an FOB maritime sale, whether pertaining to goods specified by generic description within the seller's liability (where craftsmanship is stipulated), or to specific goods that have been previously inspected either wholly or partially by the importer, or even goods sold by description without prior inspection, does exert a substantive effect. This effect manifests in the permissibility for the importer to resell the goods upon shipment, prior to their arrival at the port of destination. Furthermore, it validates the stipulation demanding accelerated payment of the price from the subsequent buyer, irrespective of whether the resale is executed as a binding contract or one granting the buyer an option of rescission.

Keywords: International Maritime Sale; FOB Term; Sale; Imported Goods; Port of Destination.

1.0 Introduction

The International Chamber of Commerce has established a set of international commercial terms, commonly referred to as International Commercial Terms or Incoterms, which delineate the prevalent types of international sales contracts. These terms govern the rights and obligations of both exporters and importers concerning the delivery of goods, the allocation of costs associated with import and export processes, and the distribution of risk between the contractual parties. Among these, maritime international sales terms are particularly widespread in foreign trade due to their inherent features and advantages that facilitate and amplify commercial exchanges. The FOB (Free on Board) term, signifying delivery on board the vessel, stands as one of the most widely utilized among traders.

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Given that goods imported by sea are subject to extended transit times before reaching the importer, demand within the local market often escalates during this interval. Consequently, some importers resort to reselling the goods prior to their arrival and physical receipt at the port of destination. This practice is motivated by the desire to capitalize on price fluctuations or to secure immediate liquidity. Given that all commercial transactions are inherently bound by the provisions of Islamic law, both permitting and prohibiting, it becomes imperative to delineate the legal-Islamic ruling (*ḥukm*) concerning such pre-arrival sales undertaken by importers.

1.1 Problem Statement

The core problem of this study can be formulated as the following question: To what extent does the ruling on the international maritime sale under the FOB condition influence the permissibility for the importer to resell the goods before they reach the port of destination?

1.2 Study Objectives

This research endeavors to achieve the following objectives:

- To provide a precise definition of the international maritime sale under the FOB condition.
- To clarify the legal qualification (*takīf*) and the *sharīʿah* ruling pertaining to the FOB maritime sale.
- To highlight the consequential impact of the *sharīʿah* ruling on the FOB international sale concerning the resale of imported goods by the importer prior to their arrival at the destination port.

1.3 Previous Studies

Within the scope of available literature, the researcher did not encounter a study that comprehensively addresses this topic with all the specific nuances examined in the present research. However, several prior studies bear relevance, including the following:

- A doctoral dissertation by Abdullah Al-Turki titled "Maritime Sales: A Comparative Study," submitted to Imam Muhammad bin Saud Islamic University, Saudi Arabia, in 1430H (2009). This dissertation intersects with the current study in the section where the researcher discusses the legal qualification and *fiqh* ruling of the FOB maritime sale. However, the earlier study does not delve into extensive detail, merely qualifying it as a sale of goods at an agreed price under a specific modality, which entails connected *fiqh* issues such as hiring the maritime carrier at the buyer's expense and mandating the buyer to secure maritime insurance. The researcher ruled it permissible while excluding commercial maritime insurance and refraining from making it a contractual prerequisite.
- A peer-reviewed scientific article by Hammoud bin Mohsen bin Nasser Al-Daijani titled "The F.O.B Sale Contract: A *Fiqh* Study," published in the *Journal of Jurisprudential and Legal Research*, Issue 36, October 1443H – 2021. This article examines the reality of the FOB international maritime sale, its various forms, parties and their obligations, pillars, conditions, and termination, along with its legal qualification and *sharīʿah* ruling. In the latter aspect, the author follows a path similar to the first study mentioned.

The present study, however, distinguishes itself from the two preceding works by its detailed exposition of the legal qualification and *sharīʿah* ruling of the FOB maritime sale, specifically considering whether the goods are existent or non-existent with the exporting seller. It then proceeds to analyze the impact of this ruling on the resale of the imported goods and the stipulation concerning the acceleration of payment.

1.4 Scope of the Study

- The study limits its scope to defining the reality of the FOB maritime sale in terms of its definition, distinctive characteristics differentiating it from other international maritime sales, its historical emergence, and its legal qualification and sharī'ah ruling. It does not delve into juristic disagreements on related secondary fiqh issues.
- The study specifically addresses the impact of the FOB maritime sale on the importer's resale of the goods before their arrival at the destination port and before the importer takes possession of the shipping documents.

1.5 Research Methodology

The researcher employs the descriptive methodology to define the study's key terms, including the International Chamber of Commerce, Incoterms, maritime sales, documentary credits, and the FOB maritime sale. Furthermore, the analytical, deductive, and inductive methodologies are utilized to qualify the FOB international maritime sale, elucidate its sharī'ah ruling, and delineate the consequential impact on the permissibility of reselling the goods before arrival and the stipulation of accelerated payment.

1.6 Study Structure

To adequately address the research problem, the study is structured as follows:

- Definition of Terms Pertinent to the Study.
- The Reality of the International Maritime Sale under the FOB Condition.
- Legal Qualification and Sharī'ah Ruling of the FOB International Maritime Sale.
- The Impact of the Sharī'ah Ruling on the FOB Maritime Sale upon the Importer's Resale of the Goods.

2. DEFINITION OF TERMS PERTINENT TO THE RESEARCH

2.1 Definition of the International Chamber of Commerce

It is a non-governmental institution serving as an advisory body to the United Nations Economic and Social Council. It comprises chambers of commerce and industry and service-oriented institutions from numerous countries. Its establishment traces back to the International Trade Conference held in Atlantic City, USA, in 1919. Its first founding conference convened in Paris in 1920, and the city remains its permanent headquarters.²

2.2 Definition of International Commercial Terms (Incoterms)

The International Chamber of Commerce has formulated international commercial terms that denote the types of international sales contracts commonly governed by their rules among traders. These are known in English as *International Commercial Terms*, abbreviated to *Incoterms*. These terms regulate the rights and duties of the exporter and importer concerning the delivery of goods, the distribution of costs related to the import-export process, and the apportionment of risk between the parties.³ These terms have undergone periodic revisions and amendments, the latest being in 2020, known as Incoterms 2020, which encompass 11 terms divided into two groups:

² Talib Hassan Musa, *Law of International Trade* (Beirut: Dar al-Thaqafa for Publishing and Distribution, 2005), 74.

³ International Chamber of Commerce, *Incoterms 2020: Rules for the Use of Domestic and International Trade Terms* (Paris: ICC, 2019), 6–7.

Group One (Multimodal): EXW, FCA, CPT, CIP, DAP, DPU, DDP

Acronym	Full Term in English
EXW	Ex Works
FCA	Free Carrier
CPT	Carriage Paid To
CIP	Carriage and Insurance Paid to
DAP	Delivered at Place
DPU	Delivered at Place Unloaded
DDP	Delivered Duty Paid

Source: Author's compilation based on Incoterms 2020, rules for the use of domestic and international trade terms, International Chamber of Commerce (ICC), p. 5

Group Two (Maritime and Inland Waterway Transport): FAS, FOB, CFR, CIF

Acronym	Full Term in English
FAS	Free Alongside Ship
FOB	Free On Board
CFR	Cost and Freight
CIF	Cost Insurance and Freight

Source: Author's compilation based on Incoterms 2020, rules for the use of domestic and international trade terms, International Chamber of Commerce (ICC), p. 5

2.3 Definition of International Maritime Sales

International maritime sales are defined as contracts for the sale of movable property that necessitate maritime transport and possess an international character, imposing specific obligations on the parties for the contract to be validly executed.⁴

2.4 Definition of Documentary Credit

A documentary credit is a written undertaking issued by a bank (the issuing bank) on behalf of its client (the importer) and for their account, to pay a specified sum, accept bills of exchange of a specified value, within a defined timeframe, against the presentation of documents conforming to the specifications and terms of the credit.⁵

From this definition, it is clear that a documentary credit is a tool the bank uses to provide security for the importer vis-à-vis the exporter, whereby the issuing bank substitutes the importer in its obligation to pay the import value to the foreign exporter via the latter's representative bank, in exchange for receiving documents proving that the exporter has actually dispatched the contracted goods. The irrevocable and confirmed documentary credit is the commonly used type, as it instills greater confidence in documentary credit operations. This is achieved by adding the confirming bank's (the exporter's bank or a correspondent bank) commitment to the issuing bank's undertaking upon advising the exporter (the beneficiary). Consequently, both the issuing bank and the confirming bank become

⁴ Elias Nassif, *Encyclopedia of Civil and Commercial Contracts* (Beirut: Nemmem Printing Press, 1986), 6; Abdullah bin Abdulrahman Al-Turki, *Maritime Sales: A Comparative Study* (PhD diss., Imam Muhammad bin Saud Islamic University, 1430H), 66.

⁵ Abdul Qadir Bahih, *The Comprehensive Guide to Banking Techniques* (Algeria: Dar al-Khalduniyya, 1434H/2013), 309; Maher Shukri, *Foreign Banking Operations* (Amman: Dar al-Hamed for Publishing and Distribution, 2nd ed., 2004), 226; Ali Abdullah Shahin, *Accounting for Banking Operations in Commercial and Islamic Banks* (Gaza: Islamic University, Faculty of Commerce, 2013–2014), 197.

simultaneously obligated to pay or accept.⁶

2.5 Definition of Condition (Sharṭ)

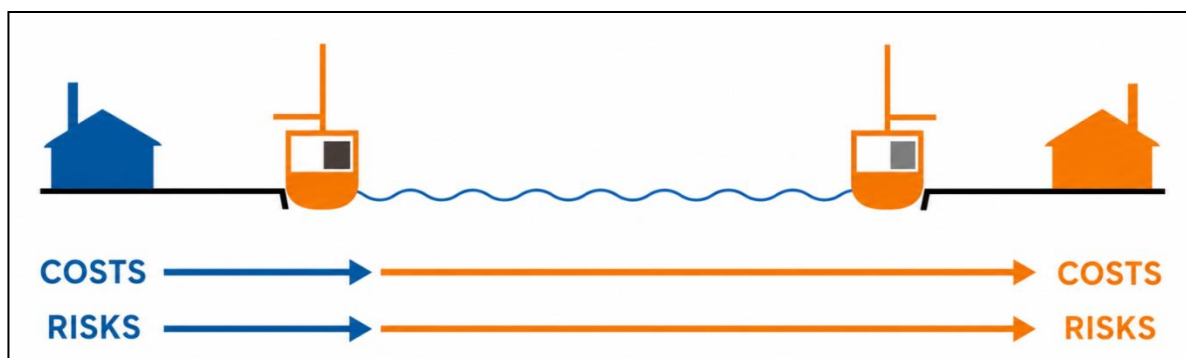
In the Arabic language, condition (sharṭ) signifies making something obligatory or committing to it within a sale or similar transaction⁷. In Islamic legal terminology, it carries two meanings. The meaning intended in this research is the condition within a contract, sometimes termed a *sharṭ jū'ī* (stipulated condition), which is: "Making one of the contracting parties obligated to the other, on account of the contract, something from which the stipulator derives a benefit"⁸. Thus, a stipulated condition is an element external to the core contract, originating from a stipulation by one of the contracting parties for a benefit accruing to the stipulator. It is termed jū'ī because it emanates from the parties' stipulation, not from divine legislation.

3. THE REALITY OF THE INTERNATIONAL MARITIME SALE UNDER THE FOB CONDITION

This section examines the reality of the FOB international maritime sale through the following sub-sections.

3.1 Definition of the FOB International Maritime Sale

F.O.B. is an abbreviation for the English term "free on board," signifying the seller-exporter's delivery of the imported goods onto the vessel designated by the buyer-importer at the named port of shipment⁹. This definition reveals that the parties to the FOB contract are the seller-exporter and the buyer-importer. The sale is contingent upon the condition of delivering the subject matter to a specified location, namely the deck of the vessel. Consequently, the seller-exporter's obligations toward the buyer-importer conclude upon delivery of the goods under this condition, and the buyer-importer assumes all costs and risks associated with the goods.



3.2 Distinctive Characteristics of the FOB International Maritime Sale

The FOB maritime sale distinguishes itself from other international maritime sales through the following characteristics:¹⁰

- The delivery process by the seller-exporter to the buyer-importer occurs by placing the goods on board the agreed-upon carrier's vessel, at which point the risk of loss or damage transfers to the

⁶ Shukri, *Foreign Banking Operations*, 231; Khaled Wahib Al-Rawi, *Foreign Banking Operations* (Amman: Dar al-Manahij, 1st ed., 1436H/2015), 194.

⁷ Ibn Manzur, *Lisan al-Arab* (Beirut: Dar Sadir, 3rd ed., 1414H), 7:392; Al-Fayruzabadi, *Al-Qamus al-Muhit* (Beirut: Al-Risala Foundation, 8th ed., 1426H/2005), 673.

⁸ Ibn Muflih, *Al-Mubdi' fi Sharh al-Muqni'* (Beirut: Dar al-Kutub al-Ilmiyya, 1st ed., 1418H/1997), 4:50.

⁹ International Chamber of Commerce, *Incoterms 2020*, 84.

¹⁰ International Chamber of Commerce, *Incoterms 2020*, 84–90.

buyer-importer.

- The seller-exporter bears the costs of transporting the goods up to their placement on board the vessel (A9/B9).
- The seller-exporter is under no obligation to effect an insurance contract on behalf of the buyer-importer. However, the seller must provide the buyer, upon request, with any information necessary for the buyer to obtain insurance (A5/B5).
- The seller is not obligated to conclude a contract of carriage with the buyer. Nevertheless, the seller must, if requested and at the buyer's expense, provide any information in its possession, including security-related requirements for transportation, that the buyer needs to arrange carriage. If agreed, the seller must contract for carriage on usual terms at the buyer's risk and expense (A4/B4).
- The seller must render assistance to the buyer upon request, with the buyer bearing the risks and costs necessary to obtain the transport document (A6/B6).
- The seller-exporter must, at its own expense, provide the buyer-importer with the usual proof that the goods have been delivered on board the vessel (A6/B6).

3.3 The Emergence of the FOB International Maritime Sale

The FOB term is considered one of the earliest forms of international maritime sales to appear, emerging in the late 18th and early 19th centuries. Its origins lie in commercial customs and practices rather than in legislation. Initially a traditional model, the FOB term evolved into a flexible instrument by 1954, undergoing modern modifications. By the mid-20th century, further adjustments enabled the seller to act as the buyer's agent in concluding maritime transport and insurance contracts. Consequently, its popularity has grown steadily since the mid-20th century to the present day¹¹.

4. LEGAL QUALIFICATION AND SHARI'AH RULING OF THE FOB INTERNATIONAL MARITIME SALE

4.1 Legal Qualification of the FOB International Maritime Sale

The legal qualification of the FOB maritime sale varies depending on whether the goods are present or absent with the seller-exporter, as follows:

4.1.1 Scenario One: The Goods are Not Present with the Seller-Exporter

In this scenario, the subject of the sale is described generically as a liability in the seller's obligation (a debt due). This may or may not involve the buyer-importer stipulating the seller's craftsmanship in producing the goods. Based on this, the FOB maritime sale can be qualified in two ways:

4.1.1.1 First Mode of Qualification: The FOB maritime sale is qualified, based on its previously mentioned characteristics and the fact that the seller's craftsmanship is not stipulated, as a composite contract comprising: (a) a sale of a generically described item as a liability, termed by jurists as a *salam* contract; (b) an agency contract wherein the buyer-importer appoints the seller-exporter as an agent to conclude the maritime transport contract on his behalf; and (c) a second agency contract wherein the buyer-importer appoints the maritime shipping company to receive the subject matter of the *salam* from the seller-exporter. This composite structure is further supplemented by two stipulated conditions: the condition of the seller-exporter delivering the goods (the subject of the *salam*) on board the vessel, and the payment of the price (the capital of the *salam*) by the buyer-importer via a documentary credit (i.e., payment upon receipt of shipping documents through a bank transfer).

¹¹ Ahmad Husni, *Maritime Sales* (Cairo: Dar al-Ma'arif, 1st ed., 1983), 429–431; Nassif, *Encyclopedia of Civil and Commercial Contracts*, 506–510.

4.1.1.2 Second Mode of Qualification: The FOB maritime sale is qualified, based on its aforementioned characteristics and the stipulation of the seller-exporter's craftsmanship, as a composite contract comprising: (a) an *istisnā'* (manufacturing) contract; (b) an agency contract from the buyer-importer to the seller-exporter; and (c) another agency contract to the maritime shipping company. These are combined with the two stipulations: the seller-exporter's delivery of the goods (the subject of manufacturing) on board the vessel, and payment via documentary credit.

4.1.2 Scenario Two: The Goods are Present with the Seller-Exporter

In this scenario, the subject matter is specific and identified. The buyer-importer may have previously viewed the goods (or part of them, if they are fungible), or may not have viewed them at all. Consequently, the FOB sale in this situation is qualified in two ways:

4.1.2.1 First Mode of Qualification: If the buyer-importer has previously viewed the goods, or part thereof, the FOB maritime sale is qualified as a composite contract comprising: (a) a sale of an absent specific object based on prior sighting; (b) an agency contract from the buyer to the seller to conclude the maritime transport contract; (c) an agency contract from the buyer to the shipping company to receive the goods from the seller; (d) the condition that the seller delivers the specific object on board the vessel designated by the buyer; and (e) the condition of payment via documentary credit.

4.1.2.2 Second Mode of Qualification: If the buyer-importer has not previously viewed the goods, the FOB maritime sale is qualified as a composite contract comprising: (a) a sale of an absent specific object based on description; (b) an agency contract from the buyer to the seller to conclude the maritime transport contract; (c) an agency contract from the buyer to the shipping company to receive the goods; (d) the stipulated condition of the seller delivering the goods on board the vessel; and (e) the stipulated condition of the buyer paying via documentary credit.

4.2 The Sharī'ah Ruling on the FOB International Maritime Sale

The sharī'ah ruling on the FOB maritime sale differs according to its qualification, contingent upon the presence or absence of the goods with the importer-seller, as follows:

4.2.1 Ruling for Scenario One (Goods Not Present with the Exporter)

As established, this scenario has two qualification modes, based on whether the seller's craftsmanship is stipulated in the goods. The sharī'ah ruling for this scenario depends on the conformity of these two qualification modes with Islamic legal principles, as follows:

4.2.1.1 Ruling on the First Mode of Qualification: The ruling for the first mode, comprising a composite of a *salam* contract, two agency contracts, and the stipulated conditions of delivery on board and payment via documentary credit, hinges on the legal rulings of these individual contracts and conditions, and the effect of their combination whether valid or void—on the overall FOB contract.

4.2.1.1.1 The Sharī'ah Ruling on the *Salam* Contract: Jurists define *salam* as: the sale of a generically described item as a liability (a debt due), deferred to a specified term, with an immediately advanced price¹². It is a nominated contract sanctioned by Islamic law through the Qur'an, Sunnah, and consensus (ijmā').

– **Qur'anic Evidence:** Allah says: *"O you who have believed, when you contract a debt for a specified term, write it down"* [Al-Baqarah 2:282]. Abdullah ibn Abbas stated: "I bear witness that a debt secured by collateral for a specified term has been made lawful by Allah in His Book and

¹² Muhammad Najīb al-Muti'i, *Takmilat al-Majmu' Sharh al-Muhadhdhab* (Beirut: Dar al-Fikr, n.d.), 13:94; Al-Buhuti, *Sharh Muntaha al-Iradat* (Beirut: Alam al-Kutub, 1st ed., 1414H/1993), 2:87–88.

permitted by Him," then recited this verse¹³. The indication from this verse is that it establishes the general permissibility of debts (loans) which encompass all transactions where one counter-value is present and the other is deferred¹⁴, and this includes salam as it involves advancing capital and deferring the subject matter.

– **Sunnah Evidence:** Narrated by Ibn Abbas: "When the Prophet ﷺ came to Medina, they used to pay in advance the price of fruits to be delivered within two or three years. He said, 'Whoever pays in advance for something, let him do so for a specified measure, and a specified weight, for a specified term'¹⁵.

– **Consensus (Ijmāʿ):** The Muslim nation has reached a consensus on the legitimacy of *salam*, a consensus reported by Ibn al-Mundhir¹⁶.

The ruling on the *salam* contract included within the FOB maritime sale depends on its compliance with the sharīʿah conditions concerning its pillars. Scrutiny reveals that the offer and acceptance (ijāb wa qubūl), expressing the parties' intent, are enacted in written form. The offer originates from the seller-exporter (who transfers ownership of the goods), and the acceptance from the buyer-importer, both contained within the commercial contract or purchase invoice countersigned by the buyer. Jurists have permitted contracting through such written expression¹⁷. This is because *salam* falls under financial contracts rooted in customs subject to customary practice; whatever custom considers a sign of the contractors' consent is legally recognized. This method of offer and acceptance is accepted in international trade customs.

The subject matter of the *salam* is described in the invoice, specifying its genus, type, and quantity, meeting the jurists' requirement that the subject matter be known in its genus, description, and measure to prevent ignorance leading to disputes that hinder delivery and receipt¹⁸, as per the Prophet's hadith previously cited¹⁹.

The capital of the *salam* (the price of the goods) is also specified in the purchase invoice, meeting the jurists' prerequisites of being known in genus, description, and amount²⁰. Its genus is currency, typically US dollars, its description is specified, its amount is fixed in the invoice, and the method of payment is via documentary credit. However, upon examining the reality of a documentary credit, the price the salam's capital is only paid after the receipt of the credit documents, a process that may take up to two or three months. Thus, the crucial condition of immediate payment of the salam's capital in the contracting session is violated. The underlying principle is the Prophet's phrase "fa-l-yuslif" (so let him pay in advance), meaning to pay something immediately for something before parting. Delay would make it a transaction of debt for debt²¹. Consequently, the International Islamic Fiqh Academy issued

¹³ Al-Hakim, *Al-Mustadrak 'ala al-Sahihain*, ed. Abdul Qadir Ata (Beirut: Dar al-Kutub al-Ilmiyya, 1st ed., 1411H/1990), 2:314, no. 3130.

¹⁴ Ibn al-Arabi, *Ahkam al-Qur'an*, ed. Muhammad Abdul Qadir Ata (Beirut: Dar al-Kutub al-Ilmiyya, 1st ed., 1424H/2003), 1:327.

¹⁵ Al-Bukhari, *Sahih al-Bukhari*, ed. Muhammad Zuhair ibn Nasir al-Nasir (Beirut: Dar Tawq al-Najat, 1st ed., 1422H), book of Salam, no. 2240 (3:85).

¹⁶ Ibn al-Mundhir, *Al-Ishraf 'ala Madhahib al-Ulama'*, ed. Saghir Ahmad al-Ansari (Ras al-Khaimah: Maktabat Makka al-Thaqafiyya, 1st ed., 1425H/2004), 6:104.

¹⁷ Al-Dardir, *Al-Sharh al-Saghir 'ala Aqrab al-Masalik li-Madhhab Imam Malik* (Cairo: Dar al-Ma'arif, n.d.), 3:14; Al-Nawawi, *Al-Majmu' Sharh al-Muhadhdhab* (Beirut: Dar al-Fikr, n.d.), 9:167.

¹⁸ Al-Sarakhsi, *Al-Mabsut* (Beirut: Dar al-Ma'rifa, 1414H/1993), 12:124; Ibn Jazi, *Al-Qawanin al-Fiqhiyya* (n.p., n.d.), 450–451; Al-Mawardi, *Al-Iqna' fi Fiqh al-Shafi'i* (n.p., n.d.), 98.

¹⁹ Al-Bukhari, *Sahih*, no. 2240 (3:85).

²⁰ Al-Sarakhsi, *Al-Mabsut*, 12:124; Ibn Jazi, *Al-Qawanin al-Fiqhiyya*, 450–451; Al-Mawardi, *Al-Iqna'*, 98.

²¹ Al-Shafi'i, *Al-Umm* (Beirut: Dar al-Ma'rifa, 1410H/1990), 3:95; Ibn Qudama, *Al-Kafi fi Fiqh Imam Ahmad* (Beirut: Dar

Resolution No. 107 (1/12): "If the subject of a supply contract is a commodity that does not require manufacturing and is described generically as a liability to be delivered at a future date, this is done in one of two ways:

(a) The importer pays the full price immediately at the time of contracting. This contract is subject to the rules of salam and is permissible according to its conditions as stipulated in Academy Resolution No. 85 (2/9).

(b) If the importer does not pay the full price at the time of contracting, this is impermissible, as it is based on a binding promise between the parties. Academy Resolutions No. 40 and 41 state that a binding promise is analogous to the contract itself, making this a form of 'debt for debt' (kālī' bi-l-kālī'). However, if the promise is non-binding for one or both parties, it is permissible, provided the actual sale is concluded with a new contract or upon delivery²². Regarding the term and place of delivery stipulated in the purchase invoice, they comply with the jurists' conditions of being clearly known. The subject must be delivered at a specified term, as per the hadith "for a specified term"²³. The place of delivery for the salam's capital must also be known, especially if transport entails costs, to avoid disputes²⁴.

From the foregoing, it is evident that the *salam* contract included in the FOB maritime sale is *void* (*fāsid*) due to the violation of the essential condition requiring immediate payment of the price in the contracting session. Given that the *salam* is foundational in the composite contractual structure of the FOB maritime sale, its invalidity renders the entire structure void. Therefore, it becomes unnecessary to discuss the sharī'ah rulings for the remaining components of the FOB sale in this first mode of qualification.

4.2.1.2 Ruling on the Second Mode of Qualification: The ruling for the second mode, comprising a composite of an *istisnā'* contract, two agency contracts, and the stipulated conditions of delivery on board and payment via documentary credit, hinges on the validity of the *istisnā'*, the agency contracts, the stipulated conditions, and the effect of their combination.

4.2.1.2.1 The Sharī'ah Ruling on the *Istisnā'* Contract: *Istisnā'* is defined as: a contract on a sale item described as a liability (a debt due) with the condition that work is involved in its production²⁵. It is a special contract that deviates from strict analogical reasoning (qiyās) by way of juristic preference (istihsān). It differs from *salam* in the condition of workmanship on the sold item. The majority of Hanafī jurists, except for Zufar, ruled its permissibility²⁶. Their strongest evidence is the practical consensus (ijmā' 'amalī) across all eras without known disapproval. Al-Zayla'i stated: "As for *istisnā'*, it is based on consensus firmly established by practice from the time of the Prophet to our day, and this is among the strongest of arguments"²⁷. The International Islamic Fiqh Academy also issued a resolution (No. 65, 3/7) permitting the *istisnā'* contract, due to the necessity for it, its significant role in

al-Kutub al-Ilmiyya, 1st ed., 1414H/1994), 2:66; Ibn Hazm, *Al-Muhalla bi'l-Athar* (Beirut: Dar al-Fikr, n.d.), 8:46.

²² International Islamic Fiqh Academy, "Resolution on Supply Contracts and Tenders No. 107 (1/12)," accessed July 5, 2026, <https://iifa-aifi.org/ar/2053.html>.

²³ Al-Bukhari, *Sahih*, no. 2240 (3:85).

²⁴ Al-Kasani, *Bada'i' al-Sana'i' fi Tartib al-Shara'i'* (Beirut: Dar al-Kutub al-Ilmiyya, 2nd ed., 1406H/1986), 5:213; Al-Shirazi, *Al-Muhadhdhab fi Fiqh al-Imam al-Shafi'i* (Beirut: Dar al-Kutub al-Ilmiyya, n.d.), 2:77.

²⁵ Al-Samarqandi, *Tuhfat al-Fuqaha'* (Beirut: Dar al-Kutub al-Ilmiyya, 2nd ed., 1414H/1994), 2:362; Al-Kasani, *Bada'i' al-Sana'i'*, 5:2.

²⁶ Al-Kasani, *Bada'i' al-Sana'i'*, 5:2; Al-Zayla'i, *Tabyin al-Haqaiq Sharh Kanz al-Daqa'iq* (Cairo: Al-Matba'a al-Kubra al-Amiriya-Bulaq, 1st ed., 1313H), 4:123; Ibn al-Humam, *Fath al-Qadir* (Beirut: Dar al-Fikr, n.d.), 7:114.

²⁷ Al-Zayla'i, *Tabyin al-Haqaiq*, 4:123.

stimulating industry, and elevating the Islamic economy²⁸.

The ruling on the *istisnā'* contract within the FOB sale depends on its conformity with the juristic conditions of specifying the manufactured item's genus, type, quantity, and description, and that it pertains to a matter commonly transacted among people²⁹. These conditions are fulfilled and specified in the purchase invoice. Mentioning a deferred term does not invalidate *istisnā'*, as practice typically allows deferred payment in such contracts³⁰. The deferment of both counter-values (price and goods) in the *istisnā'* contract is based on the understanding that it is a composite of a sale of a described item and a contract of hiring for work³¹. The latter predominates, and according to the correct view, deferring both counter-values in hiring is permissible as the worker is only entitled to wages upon completion of the work. This is the position held by the Hanafis, the Hanbalis, and a view within the Shafi'i school³². Furthermore, had immediate price payment been a condition for the validity of *istisnā'*, the Prophet would have clarified it, just as he did not require immediate payment for the ring or the pulpit he had commissioned³³. This is supported by the International Islamic Fiqh Academy Resolution No. 65 (3/7): "It is permissible in an *istisnā'* contract to defer the entire price or to split it into known installments over specific terms"³⁴. Thus, the *istisnā'* contract within the FOB sale is deemed valid.

4.2.1.2.2 The Sharī'ah Ruling on the Agency Contract Appointing the Exporter to Arrange Maritime

Transport: Agency (*wakālah*) is fundamentally defined as the deputization of a legally competent person by another similarly competent to perform an act that legally permits deputization³⁵. Islamic law establishes its legitimacy, as indicated by the hadith of Urwah al-Bariqi: The Prophet gave him a dinar to buy a sheep for him; he bought two with it, sold one for a dinar, and brought the Prophet a dinar and a sheep. The Prophet prayed for blessing in his trading³⁶. The hadith implies the permissibility of agency in transactions where the principal may deputize another. Consensus affirms its permissibility due to the necessity for it, as individuals cannot personally attend to all their needs³⁷.

The ruling on the agency contract appointing the seller-exporter to conclude the maritime transport contract depends on its compliance with legal rulings. The formula of offer and acceptance, indicating consent and creating the contract, is expressed in writing: the offer is in the purchase invoice where the exporter suggests arranging transport and mentions costs, and the acceptance is the importer's approval by countersigning it. This form is legally valid as it is equivalent to spoken words³⁸, given that agency is among transactions rooted in custom. The guiding principle is to consider the underlying meaning rather than rigid wording; it is concluded by any action or speech that customarily indicates it, provided

²⁸ International Islamic Fiqh Academy, "Resolution on the Istisna' Contract No. 65 (3/7)," accessed July 10, 2026, <https://iifa-aifi.org/ar/1852.html>.

²⁹ Al-Kasani, *Bada'i' al-Sana'i'*, 5:3.

³⁰ Al-Kasani, *Bada'i' al-Sana'i'*, 5:3; International Islamic Fiqh Academy, "Resolution No. 65 (3/7)."

³¹ Al-Kasani, *Bada'i' al-Sana'i'*, 5:3.

³² Ibn Nujaym, *Al-Bahr al-Ra'iq Sharh Kanz al-Daqa'iq* (Beirut: Dar al-Kitab al-Islami, 2nd ed., n.d.), 8:7; Ibn al-Humam, *Fath al-Qadir*, 9:66; Al-Shirazi, *Al-Muhadhdhab*, 2:252; Ibn Qudama, *Al-Kafi*, 2:175.

³³ Al-Bukhari, *Sahih*, book of Dress, no. 5876 (7:157); book of Prayer, no. 448 (1:97).

³⁴ International Islamic Fiqh Academy, "Resolution No. 65 (3/7)."

³⁵ Al-Haytami, *Tuhfat al-Muhtaj fi Sharh al-Minhaj* (Egypt: Al-Maktaba al-Tijariyya al-Kubra, 1357H/1983), 5:294; Al-Buhuti, *Al-Rawd al-Murbi' Sharh Zad al-Mustaqni'* (Riyadh: Dar al-Mu'ayyad, n.d.), 392.

³⁶ Al-Bukhari, *Sahih*, book of Merits, no. 3642 (4:207).

³⁷ Al-Sarakhsi, *Al-Mabsut*, 2:19; Al-Maziri, *Sharh al-Talqin*, ed. Muhammad al-Mukhtar al-Salami (Beirut: Dar al-Gharb al-Islami, 1st ed., 2008), 2:800; Ibn Qudama, *Al-Mughni* (Cairo: Maktabat al-Qahira, 1388H/1968), 5:63.

³⁸ Al-Kasani, *Bada'i' al-Sana'i'*, 2:233; Al-Shawkani, *Al-Sayl al-Jarrar al-Mutadalliq 'ala Hada'iq al-Azhar* (Beirut: Dar Ibn Hazm, 1st ed., n.d.), 478.

the agent accepts³⁹.

The subject of the agency contract concluding the maritime contract between the importer and the shipping line meets the jurists' conditions of being known, delegable, owned by the principal, and a valid legal act for him⁴⁰. It is a delegable, known act specified in the invoice, consisting of contracting for the hire of the shipping company to transport the goods from the exporter's country to the importer's country. Thus, the agency appointing the exporter is deemed valid.

4.2.1.2.3 The Sharī'ah Ruling on the Agency Contract Appointing the Shipping Company to Receive the Manufactured Goods: The validity of this agency depends on its conformity with legal conditions regarding its pillars. The offer and acceptance are contained within the maritime transport contract and the bill of lading, consistent with international trade customs. The principal-importer, when contracting with the shipping company for the hire of their services to transport goods located elsewhere, implicitly empowers the company-agent to receive the goods from the seller-exporter, and the company accepts. Upon receipt, it issues a document (the bill of lading) confirming receipt of the goods on board. The subject of the agency receiving the manufactured goods for transport is owned by the principal, delegable, and known through commercial custom. Thus, this agency is valid.

4.2.1.2.4 The Sharī'ah Ruling on the Condition of Delivering the Manufactured Goods on Board: As established, this condition entails the transfer of risk upon delivery of the described goods on board the vessel (i.e., constructive possession at a designated place). This condition is permissible and valid based on the legal maxim that conditions are fundamentally permissible and valid unless explicitly prohibited or nullified by Islamic law⁴¹. The *istisnā'* contract is analogous to *salām*; if the contracting parties in a *salām* contract specify a place of delivery other than the contracting place, that place is binding and must be honored⁴². Abu Hanifa and the Shafi'is, according to the fatwa-worthy opinion, even mandate specifying the delivery place in *salām* if the goods involve transport costs⁴³. Furthermore, risk transfers upon the constructive or physical delivery of imported goods by measure, weight, or count, distinguishing them from the seller-exporter's property and handing them over to the shipping company delegated by the importer.

4.2.1.2.5 The Sharī'ah Ruling on the Condition of Payment via Documentary Credit: This condition means securing the payment for the imported goods by the guarantee of the buyer-importer's bank (issuing bank), reinforced by the exporter's bank or a correspondent bank. This condition is permissible and valid, serving the contract's interests, benefiting both parties, and safeguarding their rights. It assures the exporter of the price through the issuing bank's direct undertaking to pay upon receipt of compliant documents, without recourse to the importer. It assures the importer of receiving documents matching the credit terms, enabling them to take delivery upon arrival. Guarantees for financial obligations are sanctioned by Islamic law, including the verse from Surah Yusuf⁴⁴.

³⁹ Al-Adawi, *Hashiyat al-Adawi 'ala Sharh Kifayat al-Talib al-Rabbani*, ed. Yusuf al-Shaykh Muhammad al-Baqai (Beirut: Dar al-Fikr, n.d.), 2:352.

⁴⁰ Ibn Shas, *Iqd al-Jawahir al-Thamini fi Madhhab 'Alim al-Madina*, ed. Hamid ibn Muhammad Lahmar (Beirut: Dar al-Gharb al-Islami, 1st ed., 1423H/2003), 2:825–826; Al-Ghazali, *Al-Wasit fi al-Madhhab*, ed. Ahmad Mahmud Ibrahim et al. (Cairo: Dar al-Salam, 1st ed., 1417H), 3:275–279; Ibn Qudama, *Al-Mughni*, 5:63–68.

⁴¹ Al-Shatibi, *Al-Muwafaqat*, ed. Mashhur ibn Hasan Al Salman (Riyadh: Dar Ibn Affan, 1st ed., 1417H/1997), 1:440; Ibn Taymiyya, *Majmu' al-Fatawa*, ed. Abdulrahman ibn Muhammad ibn Qasim (Medina: King Fahd Complex for the Printing of the Holy Qur'an, 1416H/1995), 29:150.

⁴² Ibn Jazi, *Al-Qawanin al-Fiqhiyya*, 178; Al-Nawawi, *Rawdat al-Talibin wa 'Umdat al-Muftin*, ed. Zuhair al-Shawish (Beirut: Al-Maktab al-Islami, 3rd ed., 1412H/1991), 4:13; Ibn Qudama, *Al-Kafi*, 2:67.

⁴³ Al-Kasani, *Bada'i' al-Sana'i*, 5:213; Al-Nawawi, *Rawdat al-Talibin*, 4:13.

⁴⁴ Al-Maziri, *Sharh al-Talqin*, 2:140; Al-Qarafi, *Al-Dhakhira*, ed. Said Araab (Beirut: Dar al-Gharb al-Islami, 1st ed., 1994),

As for the deferment of the price resulting from this condition (payment occurs after the bank receives compliant documents), which leads to the deferral of both counter-values simultaneously, there is no legal impediment. Delaying the price is permissible in an *istisnāʿ* contract, as previously established. It does not fall under the prohibited sale of debt for debt. Therefore, payment for manufactured goods via documentary credit, involving a bank transfer after receipt of conforming documents, is permissible.

Based on the above, the second mode of qualification comprising the *istisnāʿ*, agency contracts, stipulated conditions, and their combination does not entail any legal objection and does not violate their intended purposes or conditions of validity. Consequently, the FOB maritime sale is valid and carries its legal effects.

4.2.2 Ruling for Scenario Two (Goods Present with the Exporter)

As established, this scenario has two qualification modes based on prior sighting or the lack thereof by the importer. The ruling hinges on the conformity of these modes with legal rulings.

4.2.2.1 Ruling on the First Mode of Qualification: This mode involves the sale of an absent specific object based on prior sighting, along with two agency contracts and two stipulated conditions.

4.2.2.1.1 Ruling on the Sale of an Absent Specific Object Based on Prior Sighting: Jurists permit selling an absent specific object based on prior sighting, whether of the entire object or a part that indicates the remainder, provided the intervening period is not so long that the object is typically expected to have changed⁴⁵. This permissibility rests on the presumption that the initial sighting established knowledge of the object, removing ignorance as long as it remains unchanged.

4.2.2.1.2 Ruling on the Agency Appointing the Exporter to Arrange Transport: As previously discussed, this agency is valid.

4.2.2.1.3 Ruling on the Agency Appointing the Shipping Company to Receive the Goods: As previously discussed, this agency is valid.

4.2.2.1.4 Ruling on the Condition of Delivery on Board: Based on the fact that the goods sold are fungible (homogenous units substitutable for one another), sold while absent from the contract council but with prior sighting, the risk remains with the seller until the buyer takes constructive possession, as the buyer's entitlement involves taking delivery by measure, weight, or count⁴⁶. According to a Maliki view, procuring and delivering an absent item is the buyer's responsibility, not the seller's. If the buyer stipulates that the seller must deliver it while guaranteeing it, the sale becomes void, as the seller becomes the buyer's agent, and the guarantee would be absent, making such a condition invalidating⁴⁷.

However, upon reflection, procuring the absent item is not explicitly mandated by the Law to be solely on the buyer. Therefore, stipulating it on the seller remains within the principle of permissibility for conditions, especially as it benefits the importer and no legal objection arises from negating the seller's guarantee (as they act as the buyer's agent). In fact, the guarantee remains with the seller until delivery on board.

4.2.2.1.5 Ruling on the Condition of Payment via Documentary Credit: As established, this condition is permissible and valid. The deferment of the price it entails is permissible because the goods are

9:191.

⁴⁵ Al-Dardir, *Al-Sharh al-Kabir* (Beirut: Dar al-Fikr, n.d.), 3:24; Al-Mawardi, *Al-Hawi al-Kabir*, ed. Ali Muhammad Muawwad et al. (Beirut: Dar al-Kutub al-Ilmiyya, 1st ed., 1419H/1999), 5:25-26; Ibn Qudama, *Al-Kafi*, 2:9.

⁴⁶ Alish, *Manh al-Jalil Sharh Mukhtasar Khalil* (Beirut: Dar al-Fikr, 1409H/1989), 5:158; Al-Buhuti, *Kashshaf al-Qina' 'an Matn al-Iqna'* (n.p., n.d.), 3:242.

⁴⁷ Al-Zurqani, *Sharh al-Zurqani 'ala Mukhtasar Khalil* (Beirut: Dar al-Kutub al-Ilmiyya, 1st ed., 1422H/2002), 5:73.

absent and sold as a binding contract (*luzūn*), where immediate price payment is not a requirement⁴⁸. Therefore, this first mode of qualification sale of an absent specific object with prior sighting, the two agencies, and the stipulated conditions is valid and carries its legal effects.

4.2.2.2 Ruling on the Second Mode of Qualification: This mode involves the sale of an absent specific object based on description, along with two agency contracts and two stipulated conditions.

4.2.2.2.1 Ruling on the Sale of an Absent Specific Object by Description: The majority of jurists (Hanafis, Malikis, Shafi'is in the old view, and Hanbalis) permit selling an absent specific object by description⁴⁹, based on the following evidence:

- Sale by description of an absent object is a sale involving known elements for both parties, generally deliverable, falling under the general permissibility of trade in verses like: "*But Allah has permitted trade and forbidden usury*" [Al-Baqarah 2:275] and "*O you who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent*" [An-Nisa 4:29]⁵⁰.
 - Description in the sale of an absent object serves as a substitute for viewing the described item⁵¹. Proof is the hadith where the Prophet made description equivalent to viewing: "No woman should describe another woman to her husband so that he sees her as if he is looking at her"^{52,53}.
 - Sale of an absent object by description is analogous to *salam*. Just as *salam* with description is permissible and not deemed gambling (*gharar*), so too is the sale of an absent object by description⁵⁴.
 - Another evidence is the hadith of Ibn Umar: "The Prophet forbade selling palm trees until they ripen, and selling ears of grain until they become white and safe from blight; he forbade the seller and the buyer"⁵⁵. If it's permissible to sell grain in its ear while invisible, based on the description of what has been threshed when present, then it is likewise permissible to buy absent goods by description, as there is no difference between selling absent goods by description or by showing a sample⁵⁶.
- Most Maliki jurists stipulate the following conditions for the permissibility of selling an absent object by description:⁵⁷

- The goods should not be so close that inspection is possible without hardship, as this would be abandoning certainty for potential uncertainty.
- The goods should not be so far away that changes are expected before delivery or that delivery becomes difficult.
- The essential attributes that affect value and utility must be mentioned.
- The buyer must be knowledgeable about what is described.
- If the price is to be paid immediately, the sale should be based on the description of someone

⁴⁸ Al-Kharshi, *Sharh Mukhtasar Khalil* (Beirut: Dar al-Fikr, n.d.), 5:35.

⁴⁹ Al-Kasani, *Bada'i' al-Sana'i'*, 5:163; Ibn Abi Zayd al-Qayrawani, *Al-Risala* (Beirut: Dar al-Fikr, n.d.), 107; Al-Shirazi, *Al-Muhadhdhab*, 2:14; Ibn Qudama, *Al-Kafi*, 2:9.

⁵⁰ Al-Kasani, *Bada'i' al-Sana'i'*, 5:163; Al-Baghdadi, *Al-Ishraf 'ala Masa'il Nukat al-Khilaf*, ed. Al-Habib ibn Tahir (Beirut: Dar Ibn Hazm, 1st ed., 1420H/1999), 2:521.

⁵¹ Al-Kasani, *Bada'i' al-Sana'i'*, 5:163; Ibn Rushd al-Jadd, *Al-Muqaddimat al-Mumahladat*, ed. Muhammad Hajji (Beirut: Dar al-Gharb al-Islami, 1st ed., 1408H/1988), 2:77.

⁵² Al-Bukhari, *Sahih*, book of Marriage, no. 5240 (7:38).

⁵³ Ibn Rushd al-Jadd, *Al-Muqaddimat*, 2:77.

⁵⁴ Al-Baghdadi, *Al-Ishraf*, 2:521; Ibn Rushd al-Jadd, *Al-Muqaddimat*, 2:78; Ibn Qudama, *Al-Kafi*, 2:10.

⁵⁵ Muslim, *Sahih Muslim*, ed. Muhammad Abd al-Baqi (Beirut: Dar Ihya' al-Turath al-Arabi, n.d.), book of Sales, no. 1535 (3:1165).

⁵⁶ Ibn Rushd al-Jadd, *Al-Muqaddimat*, 2:78.

⁵⁷ Ibn Shas, *Iqd al-Jawahir*, 2:625–627; Al-Qarafi, *Al-Furuq* (n.p., n.d.), 3:247; Al-Nafrawi, *Al-Fawakih al-Dawani 'ala Risalat Ibn Abi Zayd al-Qayrawani* (n.p., n.d.), 2:96.

other than the seller.

These conditions are met in the FOB international maritime sale. The imported goods are far but generally safe from change and deliverable, transported by global shipping lines in containers. The sale is via confirmed documentary credit, ensuring payment only upon receipt of conforming documents. The goods are accurately described, substituting for physical viewing, and the importer is knowledgeable. The final condition regarding immediate payment does not apply because this transaction inherently involves deferred payment.

4.2.2.2.2 Ruling on the Agency Appointing the Exporter to Arrange Transport: As previously discussed, this agency is valid.

4.2.2.2.3 Ruling on the Agency Appointing the Shipping Company to Receive the Goods: As previously discussed, this agency is valid.

4.2.2.2.4 Ruling on the Condition of Delivery on Board: As previously discussed, this condition is valid.

4.2.2.2.5 Ruling on the Condition of Payment via Documentary Credit: As previously discussed, this condition is valid and the deferral is permissible.

Based on the validity of the underlying contracts and conditions, and that their combination does not violate any legal principles, the FOB maritime sale in this mode is also valid.

5. THE IMPACT OF THE SHARĪ'AH RULING ON THE FOB MARITIME SALE UPON THE IMPORTER'S RESALE OF THE GOODS

5.1 Impact of the Ruling of the First Two Modes of Qualification for the FOB Maritime Sale on the Importer's Resale

5.1.1 Impact of the Ruling on the First Mode (Goods Not Present, No Craftsmanship Stipulated - Void): The ruling is invalidity (*fāsād*), meaning the legal effects of the transaction, such as transfer of ownership, are disregarded. Consequently, the importer is not permitted to resell the goods in this scenario, as they do not possess valid ownership enabling disposition.

5.1.2 Impact of the Ruling on the Second Mode (Goods Not Present, Craftsmanship Stipulated - Valid): The ruling is validity, and the risk transfers to the buyer-importer upon delivery on board. Thus, the importer is permitted to resell the goods immediately upon shipment. This resale falls under the category of selling an absent object by description. It is permissible to stipulate accelerated payment from the buyer if the resale is a binding contract (*huzūn*), and the goods are described by someone other than the seller (the importer) and are guaranteed. This is an extension of Imam Malik's view: "One should not buy a specific animal while absent, even if seen and approved, and pay the price neither immediately nor deferred, because the seller benefits from the price without knowing if the goods will match what the buyer saw. It is disliked for this reason, but there is no harm if it is guaranteed and described"⁵⁸. It also aligns with Imam al-Shafi'i's position requiring immediate receipt of the price in a described, guaranteed sale for a term to avoid debt-for-debt transactions⁵⁹.

⁵⁸ Malik ibn Anas, *Al-Muwatta'* (n.p., n.d.), 4:947.

⁵⁹ Al-Shafi'i, *Al-Umm*, 3:73.

If the resale includes a purchase option for the buyer, Imam al-Shafi'i permitted stipulating immediate payment, distinguishing it from the prohibition of combining sale and loan; the seller's benefit is akin to benefiting from the price of an absent object that perishes, with the price being returned, or the recipient of a *salam*'s capital benefiting from it before repaying if the goods are unavailable⁶⁰. The Hanbalis also permitted immediate payment in such sales, with the buyer retaining the option upon sighting the goods⁶¹.

5.2 Impact of the Ruling of the Second Two Modes of Qualification for the FOB Maritime Sale on the Importer's Resale

5.2.1 Impact of the Ruling on the First Mode (Goods Present, Prior Sighting - Valid): The ruling is validity, with risk transferred upon shipment. Therefore, the importer is permitted to resell upon shipment. This resale is akin to selling an absent object by description. Stipulating immediate payment is permissible, whether the resale is binding or includes an option for the buyer.

5.2.2 Impact of the Ruling on the Second Mode (Goods Present, Sold by Description - Valid): The ruling is validity, with constructive possession achieved upon shipment. Therefore, the importer is permitted to resell upon shipment, stipulating immediate payment. This resale is also classified as selling an absent object by description, with the same permissibility regarding accelerated payment, whether binding or with an option.

6. FINDINGS

Following this detailed examination, the following key findings can be drawn:

- The FOB maritime sale, when the goods are not present with the seller-exporter (i.e., described generically as a liability) and craftsmanship is not stipulated, is qualified as a composite contract of *salam*, two agencies, and two stipulated conditions (delivery on board, payment via documentary credit). Its sharī'ah ruling is invalidity (*fāsād*), due to the invalidity of the underlying *salam* contract caused by the failure to meet the condition of immediate payment of the capital in the contracting council.
- The FOB maritime sale, when the goods are not present with the seller-exporter (described generically as a liability) but craftsmanship is stipulated, is qualified as a composite contract of *istisnā'*, two agencies, and two stipulated conditions (delivery on board, payment via documentary credit). Its sharī'ah ruling is validity, as all constituent contracts and conditions are sound, and their combination entails no legal impediment.
- The FOB maritime sale, when the goods are present with the seller-exporter (specific goods) and the buyer has previously viewed them, is qualified as a composite contract of selling an absent specific object based on prior sighting, two agencies, and two stipulated conditions. Its sharī'ah ruling is validity, as the contracts and conditions are sound.
- The FOB maritime sale, when the goods are present with the seller-exporter (specific goods) and the buyer has not viewed them but they are sold by description, is qualified as a composite contract of selling an absent specific object by description, two agencies, and two stipulated conditions. Its sharī'ah ruling is validity, as the contracts and conditions are sound.
- The invalidity of the FOB sale in the first mode (goods not present, no craftsmanship) impacts

⁶⁰ Al-Shafi'i, *Al-Umm*, 3:40; Al-Muzani, *Mukhtasar al-Muzani* (n.p., n.d.), 8:225.

⁶¹ Ibn Qudama, *Al-Mughni*, 3:495-497.

the importer's resale negatively; it is not permitted because the importer does not hold valid ownership.

– The validity of the FOB sale in the other three modes (goods not present with craftsmanship stipulated, or goods present with prior sighting, or goods present sold by description) positively impacts the importer's resale: it is permitted upon shipment, before the goods reach the destination port. The seller-importer may stipulate immediate payment from the subsequent buyer, regardless of whether the resale is binding or grants an option.

– In summary, an FOB international maritime sale is valid and permits resale upon shipment with a condition for accelerated payment if it is (a) a sale of generically described goods as a liability where craftsmanship is stipulated, or (b) a sale of specific goods that were either previously seen or sold by description.

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