299918 - He appointed him as a proxy to buy something on his behalf, and the proxy wrote the contract in the name of the one who appointed him and signed on his behalf

the question

I appointed someone to act as my proxy in all my business transactions, and my proxy signed a number of trade contracts with companies that sell air conditioners and fridges on credit. He put my full name on the document, and signed the documents, even though it is not my signature; rather it is the signature of my proxy. Is the contract regarded as valid, even though there is no proof in the document that the one who signed is my proxy, and there is no proof of my proxy's identity and no copy of the contract appointing him as my proxy, and there is only a copy of my proof of identity, and a copy of my commercial registration? Should my proxy have disclosed his position when signing any contract, and written down the number of the contract appointing him as my proxy, and provided proof of his identity? The company that is the other party to the contract should have taken a copy of the contract appointing him as my proxy, and a copy of the proxy's proof of identity; moreover, my signature is completely different from my proxy's signature, whether in the government department or in the bank. My question is: is the contract regarded as valid or invalid with regard to the commercial activities carried out by my proxy, taking into account the fact that the other party to the contract did not ask for any proof that the proxy is authorized to act on my behalf?

Detailed answer

Praise be to Allah.

If someone appoints someone else to buy something on his behalf, and the proxy buys what he was appointed to buy, the transaction is valid, whether he declared that he was buying on behalf of the one who appointed him as his proxy, or he did not declare that and he made the deal in his

own name, and acted as the one who appointed him as his proxy would act.

What appears to be the case is that the proxy wanted to make the deal straightforward, so he put it in your name and signed on your behalf, so that you would be responsible for the conditions attached to the contract, such as returning the goods if they turned out to be defective, maintenance, and so on, because the alternative would be one of two scenarios:

1.. He would put the transaction in his name, and this is valid according to Islamic teachings, but he would then be responsible for the conditions attached to the contract, as appears to be the case, and you will not be able to deal with the seller regarding what we have mentioned of returning the goods in the event of any defect, or maintenance, except through the proxy, and perhaps that would be difficult for you and for him.

2.. He would state clearly that he was purchasing on your behalf, in which case his signature would not be accepted and he would have to show the document of his being appointed as your proxy in every business dealing, and shops may not accept this document. In fact, what usually happens is that the proxy would be told to do the deal in his own name and sign on behalf of the one who appointed him.

Whatever the case, so long as this person was your proxy, the deal is valid, even though we think that he was wrong to use his own signature on your behalf, and that the right thing to do would have been to state clearly that he was buying for you and that he was a proxy acting on your behalf, and to present his proof of identity and the document which confirms that he was acting as a proxy.

The majority of jurists are of the view that the proxy may conduct business as if acting on his own behalf, and he does not have to disclose the fact that he is acting as a proxy, and the purchase will in fact be for the one who appointed him, but he is liable, except in the case of some contracts, such as marriage, in which case he must mention the name of the one who appointed him to act as his proxy.

It says in *al-Furu`*, 7/52: Our shaykh [Ibn Taymiyah] said: Regarding one who is appointed as a

proxy to sell, buy or rent: if he does not state the name of the one who appointed him, then he is liable, otherwise there are two views, and the apparent view of the madhhab is that he is liable.

And Allah knows best.