4849 - Ruling on making use of and investing money with which one has been entrusted

the question

Someone entrusted some money to me and I made use of this money by investing it. When the owner of the money came, I gave him all of his money, but I did not tell him how I had made use of it. Was what I did permissible or not?

Detailed answer

Praise be to Allah.

If anyone entrusts something to you, you do not have the right to use it without his permission… you have to keep it and take care of it in the manner that is usual. If you make use of it without his permission, you have to seek his forgiveness. If he forgives you, then all well and good; otherwise you have to give him the profit made with his money, or try to reach some agreement with him to take half each, or some other agreement. It is permissible to make agreements and reconcile among Muslims, except for agreements that make something that is halaal haraam or vice versa.