141966 - Ruling on referring people to an insurance company in return for payment

the question

I am a student living in Germany. I had a car that was insured under compulsory insurance, and now my brother has a car which he has to insure. I said to him: Insure it with the same company I used, and the company will give me some money for this referral, and thus I will get back some of the money that I spend without getting anything in return. Is this money halaal?.

Detailed answer

Praise be to Allah.

Commercial insurance is haraam in all forms. If a person is compelled to get insurance, it is permissible for him to get insured, and the sin is on the one who compelled him to get insurance. See question no. 36955.

If your brother's taking out insurance with the same company means that they will give you some money, there is nothing wrong with that, because it is payment for acting as a middleman and referring someone to the company, so long as the company is going to give you this money from its profits and will not add any part of that payment for the referral to the money they charge to the one whom you referred to them.

This referral has to do with an action that is permissible, because your brother was compelled to take out insurance as you said. But referring someone who is not compelled or obliged to take out insurance is not permissible, because it is pointing out the way to sin.

And Allah knows best.