

BETH DIN OF
MONTREAL P.Q.

RABBI B. WEISS
Chief Rabbi

RABBI D. SABBAH
RABBI D. BANON
RABBI W.B. LERNER
RABBI Y. C. WENGER
RABBI B. BELL
RABBI A. POSEN
RABBI E. CREMISI
RABBI Y.Y. WOSNER



בית דין צדק
של מאנטריאל

הרב יהונתן בנימין ווייס
אב"ד

הרב דוד צבאח
הרב דוד רפאל באנון
הרב וואלף בער לערנער
הרב דובער הכהן בעל
הרב יואל חנוך ונגר
הרב ארי"ה אליעזר פאזען
הרב אפרים חיים כרימיזי
הרב יעקב יוסף וואזנער

Heter Iska-Bris Pinchas

Contract to permit a heter iska (joint venture)

Note: All my financial agreements, whether private or commercial,
are bound by the terms of the heter iska contract, as follows:

I, _____, the undersigned [own the store, company, or corporation _____]
agree and declare the following:

If this contract is to be used between two parties, sign here:

We, the undersigned, [1st party]: _____ and [2nd party] _____,
each and every one involved.

1. All financial and money matters in which I will be involved, or in which an agent will be involved on my behalf, whether acting as an individual or whether acting on behalf of a company, store, corporation or other such entity (including all branches and all representatives in Israel and in any other country), whether dealing with individuals or with companies, corporations, or their agents, regarding whatever I give to them or they will owe me, or regarding whatever I receive from them or I will owe them, regarding all types of credit, deposit, debts, surety, liens, mortgages, savings, dividends, bonds, and shares, including proprietorship, brokerage, commissions, trusts, and agents acting on my behalf, including payments, taxes, fees, property tax, sales, and purchases, whether by credit, payment up-front, receipt of any type of service, any other form of payment, any work received, and the like, and regarding the receipt of any products or anything of monetary value, whether received as a loan, sale, or any other form of transaction, regarding all the above mentioned, anything that could possibly involve any type of agreement that is prohibited in any way according to Jewish law, even if the words "loan," "interest," "payment for," "remaining debt," or any similar terminology are written in any document, receipt, or the like, all forms of transactions specified above will be legally considered instead as bound to the terms of this heter iska agreement as will be specified below, and any terminology written in any other document has no power to nullify the conditions specified in this heter iska document which testifies that the heter iska laws applies to all transactions.

2. All the above mentioned will be in the possession of the recipient or the debtor (hereafter referred to as the "recipient") under the terms of the heter iska as instituted according to Jewish law. The investment shall be owned jointly by the investor and recipient. Regarding profits realized, the recipient and the investor will each take fifty percent. Regarding losses resulting from business, the recipient will suffer 45 percent, and the investor will suffer 55 percent. However, the recipient is fully responsible as a hired guard (shomer sachar), as specified by Jewish law, if the funds are otherwise lost or stolen.

3. It is further agreed upon that if any transactions are made for which the above conditions are insufficient to avoid payments of issurei ribbis or, if due to the nature of the recipient's business it is known in advance that the investor will not receive a portion of the profits as mentioned below, then such transactions will legally be considered entirely as a pikadon (deposit or investment) owned entirely by the investor and for which the recipient acts only as an agent, and the recipient will be responsible for loss or theft as dictated by Jewish law for a hired guard (shomer sachar). The investor will receive 75 percent of net profits, and the recipient will receive 25 percent of net profits. If these terms are still insufficient to avoid ribbis payments (as mentioned above), then the recipient will be responsible only for loss due to negligence, and the investor will receive 75 percent of net profits, and the recipient will receive 25 percent of net profits. And if these terms are yet insufficient to avoid ribbis payments (as mentioned above), then the recipient will receive one dollar as payment for services.

4. Whether the transaction is considered an iska (joint venture) or a pikadon (deposit or investment), the recipient agrees to act in all business ventures in the best and most advantageous manner for generating profits, whether dealing with merchandise or real estate, whether regarding business ventures that are already in progress, or regarding future business ventures. In exchange for the money or debt, the investor will acquire a portion in the existing and choice merchandise and business transactions of the recipient, as determined by the appraisal of experts chosen by the investor. Likewise, in every acquisition made by the recipient from now on, he will acquire a portion on behalf of the investor and for the investor's best interest, all in the best possible manner.

5. Everything mentioned above applies even if the investment was intended only for a specific purpose. Despite any written agreements, it is agreed that whoever is in possession of the investment shall act in all of his business dealings for the best interest of the joint venture, but rights to the property acquired shall be registered in the name of the recipient.

6. It is upon the recipient to prove that he dealt with the money invested with him faithfully, according to the enactment of the Mahara"m, and if he should claim that the principal investment has been lost, he will not be trusted except by suitable and trustworthy witnesses in accordance with Jewish law, and he will not be believed that he does not own any other property that could be collected as collateral for the investment, and also his claim to the amount of profits or the lack of profits will not be believed except by solemn oath made in accordance with Jewish law in a rabbinical court of law which is to be agreed upon with the investor, and the recipient must also exhibit a detailed explanation, ledger, and whatever documentation is in his possession, all records, and authorized statements, and all testimony and proofs whatsoever. No circumstantial evidence will be accepted to acquit the recipient from the above mentioned oath. The only evidence that will be accepted is suitable and trustworthy witnesses in accordance with Jewish law. Regarding business dealings in which the recipient was not personally involved, an oath by the employee made with the above mentioned conditions will be equally acceptable.

7. Furthermore, it is agreed upon that if the recipient gives the investor a set amount, as agreed between them, in exchange for his share of the profits, including changes in the consumer's price index, money exchange rates, and the like, gifts, grants, deliveries of merchandise paid in advance, or [for sale on credit] payments expected for the sale of merchandise, and the like, then he will be exempt from producing any proof of his business dealings, and the remainder of the profits will belong exclusively to the recipient.

8. Likewise, it is agreed upon that all payments or gifts that are given before the start of this heter iska by the recipient to the investor will only be considered as repayment for the investment, and in the event it becomes evident that the recipient is not obligated in this payment according to the terms of this contract, the amount given will be deducted from the principle investment.

9. It is further agreed upon that if the payment is withheld beyond the time agreed upon by both parties, then the heter iska will be extended according to the terms agreed upon above until full payment is received.

10. All guarantees which might be subject to ribbis payments are bound to the terms of agreement written within this contract.

11. It is agreed upon that under any situation where it is stipulated that payments are to be made periodically, then the heter iska is terminated at the end of each payment period. If the recipient remains in possession of the money, then a new heter iska agreement will commence in accordance with the conditions of this document.

12. If more than one person is signed as the recipient, then the term "recipient" in this document should be understood as "recipients." Likewise, if more than one person is signed as the investor, then the term "investor" in this document should be understood as "investors." And everyone involved, individually and collectively, are obligated to uphold this contract, and in the most advantageous manner for generating profits. All transactions between the undersigned which contain the possibility of any sort of issurei ribbis payments are bound by the terms of agreement within this contract.

13. All the terms of agreement stated above are final and obligate myself and any businesses that I own. It is explicitly agreed that if for whatever reason the recipient or the investor is unfamiliar with the heter iska, or even completely ignorant of it, they will act in accordance with the heter iska as specified in this contract, and all the obligations and benefits which apply to the investor of an iska or to the recipient of an iska apply to them, as specified in this contract since, according to this contract, I and any company that I own will not deal in any financial matters which could possibly contain payments of ribbis, and whoever does business with me, and with any of the companies that I own, acts in accordance with this contract.

This heter iska contract is an inseparable part of all contracts, agreements, and obligations of any company or business that is under my management or that I own, and this contract is legally binding in every manner. In order to reinforce everything stated above, we are setting it forth in writing as a reminder, and openly publicizing these terms of agreement. All the above has been made in conjunction with an acquisition of real estate, in the presence of a prominent Jewish court of law, in the best possible manner according to Jewish law, as instituted by our sages, and all conditions within this document shall be firm and abiding.

To bear witness, we have signed on day _____

Signature: _____ Signature: _____