

Heter Iska-Bris Pinchas

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

Harbor Group Israel (H.G) Ltd. hereby declare and irrevocably undertake as follows:

1. All financial and business matters in which I will be involved, or in which an agent will be involved on my behalf, either as a private individual or on behalf of a business, store, non-profit organization or company, in all of its branches in this country and across the world, in all my dealings with private individuals, businesses, or public offices and/or their agents, regarding anything that I give them and they obligate themselves to me in return, or anything that they may give me and I obligate myself to them in return, regarding any kind of transaction of money or other valuables, including all types of credit, loans, deposit, debts, surety, liens, mortgages, savings, dividends, bonds, and shares, including proprietorship, brokerage, trusts, commissions that I carry out, payments, taxes, fees, property tax, sales, and purchases, whether by credit, payment in advance, receipt of any type of goods or service, or any other form of payment, whether received as a loan, sale, or any other form of transaction, regarding all the above mentioned, anything that could possibly be prohibited in any way according to the Jewish laws of ribbis, 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 bound to the terms of this heter iska agreement as specified below. Any terms written in any other document has no power to nullify the conditions specified in this heter iska document which testifies that this heter iska applies to all transactions.
2. This Heter Iska applies to transactions made by the company with its own funds or funds managed for investors.
3. All of the above agreements will be restructured by the terms of this heter iska, such that any money, merchandise or other valuables received by the recipient (whether ostensibly referred to as a loan or by any other name) will be held as an "iska" (business venture), under the terms of the heter iska as instituted according to Jewish law. The iska shall be owned jointly by the giver (hereafter "the investor") and recipient. Regarding profits realized, the recipient and the investor will each receive 50% of net profits. Regarding losses resulting from business, the recipient will be obligated to repay the investor for 45% of the loss, and the investor will suffer the loss for the other 55%. However, the recipient is fully responsible for losses due to theft or negligence as a hired guard (shomer sachar), as specified by Jewish law, if the funds are otherwise lost or stolen. In any case, the recipient shall receive no less than \$1 (one USD) in return for his work in handling the investment.
4. It is further agreed that if at the beginning of the iska there seems to be any doubt that the above conditions may be insufficient to avoid the prohibition of ribbis according to Jewish law, then such transactions will legally be considered entirely as a "pikadon" (investment) owned entirely by the investor and for which the recipient acts only as an agent, such that all loss in value will be suffered entirely by the investor, and for which the recipient takes no responsibility. However, the recipient will be responsible for physical loss or theft as dictated by Jewish law for a hired guard ("shomer sachar"). The investor will receive 75% of net profits, and the recipient will receive 25%. In any case, the recipient shall receive no less than \$1 (one USD) in return for his work in handling the investment.
5. In exchange for the investment, the investor will acquire partial ownership of all the recipient's business advantageous dealings and property holdings that are permitted by Jewish law as determined by the appraisal of experts chosen by the investor, both in real estate and in portable property, whether owned by the recipient at the time of the investment, or acquired by him afterwards. This clause applies even if it was specifically stipulated that the investment (iska) was given for a specific purpose.
6. It is furthermore agreed, that wherever the issue of ribbis is of Rabbinic origin through sales, rentals, or any other form of business transaction, the iska will be considered a payment plan for the sale, rental or business transaction.
7. It is upon the recipient to prove that he dealt with the money invested with him faithfully. Any claim regarding the total or partial loss of the principal investment will not be believed except by testimony of suitable and trustworthy witnesses in accordance with Jewish law. Any claim regarding the profits of the investment (or lack of profits) will not be believed except by (a) testimony of said witnesses OR (b) solemn oath made in accordance with Jewish law in a rabbinical court of law, which is to be agreed upon between the recipient and the investor, together with the presentation of a detailed explanation, documentation and account books. Any denial of the recipient that he owns or profits from other properties, 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. Even official documentation will not suffice to exempt the recipient from the above-mentioned oath or testimony required to support the truth of his claim. Regarding business dealings in which the recipient was

not personally involved, an oath by an employee made with the above-mentioned conditions will be equally acceptable.

8. Furthermore, it is agreed that the recipient may give the investor a fixed amount, as agreed between them, as full payment of the investor's share of the profits, including linkage of the investment to inflation indexes, foreign currency exchange rates, and the like, as well as all benefits, grants, deliveries of ordered merchandise (in case of payment in advance), or payments made for merchandise (in case of sales made on credit), then - after keeping for himself the amount due to him as his wages - the recipient will be exempt from producing any proof of his business dealings, and the remainder of the profits will belong exclusively to the recipient.
9. It is agreed that all payments, gifts or benefits (whether tangible or verbal) given by the recipient to the investor will be considered part of the profits due to him from his pikadon. It is furthermore agreed that all payments, gifts or benefits that are given by the recipient to the investor before the start of this iska will be considered as payment for the future profits of 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 principal investment.
10. 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.
11. If a third party guarantees or cosigns any part of the business dealings in a way that violates the prohibitions of ribbis according to Jewish law, he too will be bound by the terms of agreement written within this heter iska contract.
12. In any situation where it is stipulated that payments are to be made periodically, then the iska is terminated at the end of each payment period. If the recipient remains in possession of the money, then a new iska agreement will commence in accordance with the conditions of this document. In the event that this clause creates complications of ribbis according to Jewish law, then this clause is null and void.
13. All masculine terms used in this document are understood to apply equally to men and women. All singular terms are understood to apply equally to the plural, such that if there are multiple recipients or investors, all of their interactions with one another, individually or collectively, are bound by the terms of this heter iska agreement in a manner that is binding by Jewish monetary law.
14. 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 those whom I do business with (either as recipients or investors) are unaware of this heter iska contract, or unfamiliar with the concept of heter iska, my dealings with them will still be in accordance with this heter iska 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 violate the prohibition of ribbis according to Jewish law. Therefore, whoever does business with me, or with any of the companies that I own, acts in accordance with the Bris Pinchas heter iska contract, in its most recent format.
15. It is furthermore agreed that if any part of this contract is deemed invalid, the rest of the contract will remain valid. In cases where the terms of the contract fall under debate among Jewish legalists regarding the laws of ribbis, the terms of contract will be binding on both sides, in reliance on the lenient rabbinic opinions that permit them. Any monetary commitment made by one party to the other, which remains forbidden according to Jewish law even after the terms of this heter iska agreement are applied will be deemed mistaken, void and not binding in any way.

This Bris Pinchas heter iska agreement is an inseparable part of all contractual agreements that obligate companies and businesses under my ownership and their customers and clients, and is legally binding in civil courts.

In order to give legal authority to the terms stated above, we hereby set them forth in written record, and openly publicize these terms of agreement. All the above has been made with a complete affirmation, from this time, in the presence of a prominent Jewish court of law, with a legal acquisition binding by Jewish law, whether by "kinyan sudar", in conjunction with an acquisition of real estate, or in whatever act of legal acquisition is binding in the best possible manner according to Jewish law, as instituted by Chazal (the Sages of the Talmud), and all conditions within this document shall be firm and abiding.

To bear witness, we have signed on day 16-04-26

הרב ר' גרופ ישראל (ה.ג.) בע"מ
Signature: HARBOR GROUP ISRAEL (H.G.) LTD

This heter iska is Confirmed by Rabbi Yehuda Cooperman, an Expert Rabbi on interest and transaction matters.

Signature: 

