**ISLAMIC BUSINESS PARTNERSHIP AGREEMENT**

This Business Partnership Agreement (hereinafter referred to as the "Agreement") is made and entered into on **[Date of Agreement]** between:

**Party A:**
Name: **[Full Name of Party A]**
Address**: [Address of Party A]**

**Party B:**
Name: **[Full Name of Party B]**
Address: **[Address of Party B]**

Collectively referred to as the "Parties."

WHEREAS, the Parties have agreed to enter into a business partnership in accordance with Islamic principles and in consideration of the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

**1. Investment**

**1.1. Party A's Investment:** Party A agrees to invest **[Currency and Amount in words and numbers].
1.2. Party B's Investment:** Party B agrees to invest **[Currency and Amount in words and numbers].
1.3. No Additional Investments:** No additional material investments shall be made by the Parties.

**2. Profit and Loss Sharing**

**2.1. Profit Sharing:** The ratio of profit for each partner shall be as follows, and must be agreed at the time of effecting this contract:

* Party A: **[Percentage]%** of the actual profit accrued to the business
* Party B: **[Percentage]%** of the actual profit accrued to the business

**2.2. Conditions of Profit Sharing:**

* The profit-sharing ratio must be agreed upon at the time of effecting the contract. If profit proportions are not agreed, then the contract is invalid.
* The profit share must be determined in proportion to the actual profit accrued to the business. For example, it is correct to say that a partner would get 25% of the profit made.
* The profit share must not fix a lump sum amount for any partner. For example, it is incorrect to agree on USD 10,000 per month.
* The profit share must not be in proportion to the capital invested by the partner. For example, it is incorrect to agree on 25% of the investment amount done by the partner.

**2.3. Loss Sharing:** Losses shall be shared in proportion to each partner’s capital contribution unless otherwise agreed in writing.

**3. Management and Duties**

**3.1. Management Roles:** The management of the business shall be undertaken by both Parties. Specific roles and responsibilities shall be divided as follows:

* Party A: **[Description of roles and responsibilities]**
* Party B: **[Description of roles and responsibilities]**

**3.2. Decision Making:** All major decisions shall be made jointly by both Parties. In the event of a disagreement, the Parties agree to seek the advice of **[Islamic Institution or scholar]** to resolve the matter.

**4. Termination**

**4.1. Termination by Notice:** This Agreement may be terminated by either party by providing written notice to the other party at least **[number of days]** days prior to the desired termination date.
**4.2. Distribution of Assets:** Upon termination, the business assets shall be liquidated, and the proceeds distributed in proportion to each party’s investment after settling any outstanding liabilities.

**5. Dispute Resolution**

**5.1. Amicable Settlement:** The Parties shall first attempt to resolve any disputes arising from or in connection with this Agreement amicably through mutual discussions.
**5.2. Arbitration:** If a dispute cannot be resolved amicably, the Parties agree to submit the dispute to arbitration in accordance with Islamic principles, with the arbitration to be held in **[Jurisdiction].**

**6. Governing Law**

**6.1. Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of **[Jurisdiction],** provided they do not conflict with Islamic principles.

**7. Entire Agreement**

**7.1. Entire Agreement:** This Agreement constitutes the entire understanding between the Parties concerning the subject matter herein and supersedes all prior discussions, negotiations, or agreements, whether written or oral.

**8. Amendments**

**8.1. Amendments:** No amendment or modification of this Agreement shall be valid unless it is in writing and signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Business Partnership Agreement as of the date first above written.

**Party A:**
Signature: …………………………..
Full Name: …………………………..
Date: ………………………………..

**Party B:**
Signature: …………………………..
Full Name: …………………………..
Date: ………………………………..

**Witness 1:**
Signature: …………………………..
Full Name: …………………………..
Date: ………………………………..

**Witness 2:**
Signature: …………………………..
Full Name: …………………………..
Date: ………………………………..