

Ribbis in Unexpected Places

Avisar Family Ribbis Initiative

Many common financial transactions involve ribbis, so pitfalls abound for the unaware. Following are some common business activities that can, depending on the circumstances, constitute ribbis.

- **COSIGNING** cosigning on a loan or car lease, even where the lender isn't Jewish or is a publicly-traded financial institution
- **CREDIT CARDS** using a friend's credit card
- **STRAW PURCHASING** purchasing a home in someone else's name
- **PARTNERS** borrowing done by one partner on behalf of the partnership
- **LATE FEES** charging ongoing late fees in a contract (a one-time late fee for each occurrence is permitted)
- **RETURNABLE ITEMS** selling goods with an unconditional money-back guarantee
- **CONVERSION** borrowing money in a foreign currency
- **FACTORING** purchasing receivables
- **CASH DISCOUNTS** charging different prices for cash and credit
- **EARLY BIRD DISCOUNT** offering a heavily discounted price for paying before a certain date
- **PRE-PAYMENT DISCOUNT** paying today to lock in a reduced price for an item that is not yet available