**Currency fluctuations**

*I ordered a new sheitel from Israel some months ago to be delivered in time for Yom Tov; the seller contacted me last week to say that it has arrived but that it will cost around 10% more because of the recent drop in the value of Sterling. What are the Jewish business law and ethics implications?*

There are a number of possible issues that arise in this situation. The starting point, however, as always, is simply the terms of any contract. If you had a written contract with terms of service provided to you at the time when you agreed to buy the sheitel, and those terms specified a price, then that is the price which the seller and buyer are both bound by contract to honour. If the price is expressed in Sterling then that is the end of the matter and the seller cannot now force you to pay any more. If the price is expressed in Shekalim then you cannot now object to paying the higher exchange rate. Similarly, if the price was expressed to be in Sterling but expressly subject to exchange rate fluctuations, then again you cannot object to paying the higher price.

If there was no formal document provided to you when you ordered the sheitel, it could be that as a matter of law you did not enter into a contract to buy it at all at that point, and that you are entitled now simply to back away and refuse to buy at the higher price. That would not, of course, allow you to insist on buying at the originally quoted price, but it would allow you to avoid paying the increased price.

If you signed an order form of some kind which included a reference to the seller's standard terms and conditions, the position in law and as a matter of business ethics is likely to depend both on whether those terms and conditions were made available to you at the time, and how easy it was to access them; and on whether the terms and conditions are thought to be reasonable, in the sense of striking a fair balance between the interests of the buyer and seller, or whether they are perceived as creating an unfair balance in favour of the seller.

Clearly there is straightforward consumer law involved here and you may wish to take advice, perhaps from a citizens advice bureau or similar organisation, as to your secular legal rights. And those rights are likely to be given effect as a matter of Jewish law, given that this was a standard consumer transaction undertaken in the United Kingdom. (unless, of course, the order form you signed was actually with an Israeli supplier, and the seller here was no more than an agent).

As to the ethics of the situation, a great deal depends again on all the circumstances of the sale and the natural expectations that would be created in those circumstances. Clearly, an experienced commercial supplier would be expected to take appropriate steps to protect themselves against the possible fluctuation of exchange rates when supplying a product sourced from another country, and having quoted a price to a UK consumer in pounds Sterling, the seller might be expected as a matter of business ethics to stick to it. On the other hand, a small business with relatively little exposure to complicated commercial business might be thought to be less likely to be able to protect themselves, and it might be thought more fair for the risk, and the burden, to be shared between the two sides.

On its face, this situation sounds like something that might be worth taking to a competent and respected Beis Din, and relying upon their natural tendency to strike a pesharah (compromise) in the light of all the circumstances. At one extreme, if they were satisfied that you signed a clear contract with a price linked to the rate of exchange in some way or another, they may feel that the ethical result is for you to pay the full increased price (particularly if that also is in accordance with your strict legal obligations). At the other extreme, if they feel that the seller clearly contracted to supply at a UK price and knowingly and reasonably took the risk of currency fluctuations, they may feel that the seller must simply perform his or her obligations under the contract. If the case falls somewhere in the middle, for any of a possible wide variety of reasons, the Beis Din, or indeed a secular arbitrator, might feel that the risk should be shared somewhere along the line, and that a compromise price somewhere between the original Sterling price quoted and the new exchange equivalent should be paid.

**Daniel Greenberg.  (Copyright the author; all rights reserved; note that this column aims to explore general issues of secular and Jewish law and ethics and does not purport to provide legal advice.)**