## ABSTRACT

Niyati Mufidah, Ayyudiana. 2012, *The Multi Level Marketing (MLM) Business K-Link According to Islamic law*. Thesis. Department of Business Law of Sharia. Faculty of Shari'ah. State Islamic University of Malang Maulana Malik Ibrahim. Mentors, Drs. M. Nur Yasin, M.Ag.

## Keywords: Islamic Law, Business, Multi Level Marketing.

Business Multi Level Marketing (MLM) is instrumental in moving the economy of society. In some cases, the MLM business is often used as a cover of the game and idolize money passive income. Departing from cases like that, the National Fatwa Council of Ulemas Indonesia Sharia has devised the principles of the Islamic business including its marketing plans. The goal is to protect employers and their business partners (community) of the unlawful business practice or doubtful.

Of the principles determined by the National Fatwa Council of Ulemas Indonesia Sharia, the researchers conducted the study with the aim to find out how the mechanism of business Multi Level Marketing (MLM), as well as to find out how business Multi Level Marketing (MLM) according to Islamic law.

This thesis uses field research methods research is the study of multi level marketing business PT. K-Link, which is composed of the types of research using empirical. The approach used in this study is a qualitative approach that produces descriptive data, which are describing something by what it is from the writing / expression and behavior.

From the results of the study authors for conducting research in K-Link stockist Kepanjen Malang, the authors found that the mechanism of the MLM business in the K-Link stockist Kepanjen Malang branch in giving bonuses to distributors divided into two parts, Plan A and Plan B, which for the obtain Plan B then automatically also get bonuses Plan A. A bonus to the Plan by 74% given to the distributor while the remaining 26% is taken by the company. Bonus on Plan B by 72% given to the distributor while the company is simply taking the remaining 28% of overall turnover. In addition to bonus Plan A and Plan B, the distributor will also directly benefit 20% of the difference in price of products sold. And PT K-Link has been qualified as an institution of Sharia MLM Business. By reason of its operations in accordance with the provisions of the National Fatwa Council of Ulemas Indonesia Sharia No. Direct Sales of Tiered 75/DSN-MUI/III/2009 Sharia. Management structure has a Shariah Supervisory Board (SSB), which consists of scholars who understand the economic problems. There are two aspects of MLM business to assess whether it is in accordance with sharia or not, which aspects of the product or service sold and the system of MLM itself. Judging from these two aspects of this and a fatwa K-Link MLM business run on sharia principles and does not conflict with Islamic law.