# 1. Name of the Protocol: Brickken (BKN)

| Name of the Token | BKN |
| --- | --- |
| CoinGecko Link | Not available |
| CoinMarketCap Link | https://coinmarketcap.com/currencies/brickken/ |
| Official Website | https://www.brickken.com/ |
| Whitepaper Link | https://www.brickken.com/whitepaper |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | 07 March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | 08 March 2023 |

## 1.1. Main Function of the Protocol and Token:

### 1.1.1. The Protocol

Brickken aims at two objectives. Firstly, Brickken wants to create a decentralized management system that allows companies to self-sustain, self-governed, and self-fund themselves via Security Token Offerings (STOs). Second, Brickken aims to provide Decentralized Autonomous Organizations (DAOs) with the infrastructure necessary to operate. The goal is for any business to be able to tokenize its assets and run in a native Web3 environment. Brickken will be providing the infrastructure to allow new economic dynamics to exist, Business to DAO (B2D), DAO to Business (D2B), and DAO to DAO (D2D).

Brickken will bring companies’ capital on-chain, through the tokenization process. Companies on the blockchain could manage their equity in a more efficient way and in addition issue Security Token Offerings as a crowdfunding mechanism for their own capital, or for any assets they have or want to acquire, without the need for intermediaries.

The dApp provides the necessary tools for managing the companies on-chain, from secondary market transactions to voting polls and all the necessary tools for administrating token-holders and the company holdings.

This protocol facilitates the transition from off-chain and on-chain and serves the purposes of providing the needed infrastructure for DAOs to operates as well.

### 1.1.2. The Token

BKN is an ERC-20 token which is claimed to be a utility token. BKN will fuel all the transactions made using the Brickken decentralized protocol:

* Payment of the protocol’s issuance fee
* One of the payments methods for investing in Token Offerings
* The payment method for liquidating any service provided by an Expert from Brickken’s ecosystem.

On top of that, there are several uses of BKN in the ecosystem from various aspects:

* Issuers of token offerings: fee payment in BKN, subscription fee, lending mechanism
* Brickken's community: participation in DAO, access to features from Brickken & token issuers
* Staking incentives - a collateralized tokenization: stake BKN and earn rewards.
* Investors of token offerings: invest in STOs through BKN, discount/cashback in BKN, earn dividends in BKN.
* Brickken's partners: earn commission in BKN for referrals, price for services, etc.

## 1.2. Shariah Description of the Protocol and Token:

Brickken is a blockchain-based platform that facilitates companies to tokenize their assets or offer equity through STOs. The platform also offers tools to facilitate primary and secondary market activities. In this sense, it is a service platform for companies raising funds through equity offering.

BKN token is a hybrid token that acts as a payment system of the protocol because it can be used to pay fees, earn commission, and receive dividends. It can also be seen as a governance token because of its staking mechanism. It is also a utility token because it offers discounts.

## 1.3. Shariah Opinion of the Protocol and Token:

Brickken is a neutral platform from the shariah perspective because it helps companies to tokenize their assets or do STOs. BKN token is also neutral because it does not have any intrinsic prohibited element. Therefore, the protocol and token both are shariah compliant. However, it does not mean that all the STOs and token investment project on Brickken will automatically become shariah compliant. They must go through a separate review process. Moreover, other staking, yield farming, and token investment programs should also be reviewed for shariah compliance separately.

# 2. Name of the Protocol: The Republic Note (NOTE)

| Name of the Token | NOTE |
| --- | --- |
| CoinGecko Link | Not available |
| CoinMarketCap Link | https://coinmarketcap.com/currencies/the-republic-note/ |
| Official Website | https://republic.com/note |
| Whitepaper Link | https://uploads.republic.co/p/documents/attachments/original/000/000/218/218-1593003895-3dd2ac189c69094946fa0e2bfcc8c312f80a5988.pdf |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | 08 March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | 09 March 2023 |

## 2.1. Main Function of the Protocol and Token:

### 2.1.1. The Protocol

Republic is a U.S. based investment platform which focuses on democratizing access to private investing. It aims to create the private equity marketplace. Republic operates a public investment platform for retail investors from all backgrounds and a private investment platform for institutional and accredited investors only. Each platform typically receives two forms of compensation for their services: a cash commission or a fee, and a potential upside in the companies they help finance in the form of securities or carried interests.

### 2.1.2. The Token

The Republic Note is a crypto token based on Algorand blockchain; there will be a wrapped Republic Note on Binance Chain in the future.

It will entitle its holders a share in Republic’s revenue from the realization of profits that Republic’s investment platforms earn when certain upside is realized if companies - past, present, and future - exit (i.e., get acquired or go public). Republic will offer periodic payouts to Republic Note holders in the form of dividends in stablecoin, to the extent practicable, if and when the proceeds from these exits reach a certain threshold amount. In other words, the Republic Note will be a profit-sharing digital asset that will provide its holders with economic rights to a portion of Republic’s future success.

Republic Note holders will not have direct legal ownership rights to the underlying companies that raise capital on or through Republic’s investment platforms, they will only receive their portions of the Core Proceeds, net of certain administration expenses and distribution costs. In other words, Republic Notes will entitle their holders to certain rights to portions of Republic Core’s future revenue and do not constitute legal ownership of or actual interests in Republic’s portfolio of startups. Republic Notes do not represent an investment in a fund. Because the timing and profitability (if any) of future liquidations of Republic Crowd-Invest securities and Republic Private Capital carried interests cannot be predicted, Republic Notes have no accurate valuation. Furthermore, as with most digital assets, to the extent Republic Notes may become tradable on a market, supply, and demand for them may result in significant price volatility. There is no accurate benchmark with which to value, or predict the future value of, the Republic Note.

It is a reward token as well because Republic intends for every Republic user to be able to earn Republic Notes as rewards for certain actions and behaviors. Users who grow their Republic Note balances will unlock new investment features, perks, and benefits. It encourages holders to further invest and encourages startups to raise money with Republic. Users will also be able to complete bounties to earn Republic Notes. The following are possible perks that will be unlocked by holding certain Republic Note balances: Priority waitlist, Access to notable investors, Swag and other perks.

## 2.2. Shariah Description of the Protocol and Token:

It is a blockchain-based platform that facilitates companies to raise funds through equity offering, STOs? The platform offers crowd investment services and share profit of those startups. In this sense, it is a service platform for companies raising funds through equity offering. However, it is not clear how risk management and loss distribution will take place. It is a neutral platform which facilitates all types of startups and companies, shariah compliant and non-compliant.

NOTE token is a hybrid because it is a utility token with features of a security. It unlocks certain features, rewards its holders for certain actions, and discounts. On the other hand, it shares profits and dividends with its holders in stable coin from the portfolio of the startups and companies. This is something problematic from various aspects:

* The startups and companies are mixed activities companies, their profits can be halal or haram.
* Note holders will receive cash profits without owning the startups, companies, or even the portfolio of Republic. They have a right on the profit Republic makes, but it is not clear under what legal structure this right will be realized. It seems that it is a mere promise to share profits with any partnership/investment arrangement.

## 2.3. Shariah Opinion of the Protocol and Token:

Republic blockchain platform can be considered a neutral platform from the shariah perspective because it simply helps startups and companies raise funds through equity financing on the blockchain. But the underlying structure for the NOTE token is problematic. NOTE token has intrinsic structural element which is profit distribution without any partnership/ownership/investment in the underlying projects. Therefore, the token is shariah non-compliant, for the same reason, the protocol will also be affected and becomes shariah non-compliant.

# 3. Name of the Protocol: Cookie3

| Name of the Token | Cookie3 |
| --- | --- |
| CoinGecko Link | Not Available |
| CoinMarketCap Link | Not Available |
| Official Website | https://cookie3.co/ |
| Whitepaper Link | Not Available |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | 09 March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | 10 March 2023 |

## 3.1. Main Function of the Protocol and Token:

### 3.1.1. The Protocol

Cookie3 is focused on on-chain behavioral analytics. Cookie3 is the data engine aggregating, processing, and interpreting existing NFTs, smart contracts, and tokens on a variety of chains to understand the behavior of individuals.

Beside offering on-chain analytics tool focusing on individual wallets, one of the core products of Cookie3 is crypto wallet scoring in 3 use cases:

1. IDOs on launchpads
2. Airdrops
3. NFT collections mint

With the crypto wallet scoring, new projects can choose specific conditions which will be used for defining the size of IDO allocation, claimable Airdrop or position on the NFT whitelist. With this product, new projects can target specific group of users or customers that they want to attract on their platform (via IDO, Airdrop or NFT mint).

Cookie3 also uses AI and ML to analyze data of tokens and on-chain transactions to understand individual user behavior across the Metaverses. Such algorithms will allow companies and brands to create behavioral profiles for targeted advertising and marketing campaigns.

Overall, Cookie3 offers behavioral scoring, customer insights, personalization of web3, ads targeting, walletbook, and NFT personalization.

### 3.1.2. The Token

According to the Litepaper, $Cookie is a payment token that will be used for payment of all Cookie3 services. It is also a utility token because it will be distributed as rewards for stakers, discounts for services and products, and unlocking other features for the holders of the token.

It is also a governance token. It will be used for limited governance of the platform development, advisors, partnerships & cooperations, full governance of the DAO fund.

## 3.2. Shariah Description of the Protocol and Token:

It is a blockchain-based platform that offers on-chain data analytics as a service to new crypto projects. It helps them to understand the users’ behavior and focus their marketing campaigns on the targeted users. The token is a payment, utility, and governance token.

## 3.3. Shariah Opinion of the Protocol and Token:

The platform and protocol seem to be shariah compliant. The token also seems to be shariah compliant.

# 4. Name of the Protocol: Hashflow (HFT)

| Name of the Token | Hashflow (HFT) |
| --- | --- |
| CoinGecko Link | https://www.coingecko.com/en/coins/hashflow |
| CoinMarketCap Link | https://coinmarketcap.com/currencies/hashflow/ |
| Official Website | https://www.hashflow.com/ |
| Whitepaper Link | https://docs.hashflow.com/hashflow/ |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | 12 March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | 13 March 2023 |

## 4.1. Main Function of the Protocol and Token:

### 4.1.1. The Protocol

Hashflow is a decentralized exchange designed for interoperability, zero slippage, and MEV-protected trades. It allows you to trade any asset on any chain in seconds simply by connecting your wallet. All trades are commission-free, and all price quotes are executed at their displayed price, giving you the most value for your buck on every trade.

Hashflow offers fully-native cross-chain swap functionality without the use of bridges or synthetic assets, enabling seamless trading across one or more chains with guaranteed price execution.

Hashflow’s RFQ model allows Market Makers to price any asset class and is no longer limited to stable coins or blue-chip assets. This means Hashflow can offer seamless trading of other financial products (i.e., options, ETFs) that were previously impossible in DeFi. Hashflow has the following features:

* Bridgeless Cross-Chain Swaps: Hashflow allows you to seamlessly swap assets across chains within minutes without the need for external bridges.
* Zero Slippage: All Hashflow quotes are executed at the displayed price.
* MEV protected trades: Cryptographic signatures make front-running impossible. Traders can keep what they earn.

### 4.1.2. Hashverse

The Hashverse is the story-driven, gamified DAO and governance platform, where you can stake tokens, complete quests, and earn rewards to shape the future of the Hashflow protocol.

The Hashverse creates an immersive experience for all users to unlock and complete quests, collect and trade in-game artifacts and loot items, upgrade their characters, and earn real rewards, all while helping to forge the future of the protocol.

### 4.1.3. The Token

HFT is the governance token for the Hashflow protocol as well as the Hashverse, Hashflow’s gamified DAO and governance platform. It will be an ERC-20 token deployed on Ethereum mainnet. It is also a utility token as:

* Governance: Hashflow governance will follow a vote-escrow (ve) token model where voting rights are determined based on the amount of HFT staked as well as the duration for which HFT is locked. Staking tokens will grant users the right to vote and manage the future of the protocol. This includes decisions relating to protocol fees, marketing, and code development – Hashflow will be run by its community.
* In-DAO Health & Rewards: Users can stake HFT in Hashverse. Staked tokens will be used to determine users’ health metrics within the Hashverse. Users must continuously adjust the amount and duration of their staked tokens to maintain their health within the Hashverse, as a way to increase engagement and actual usage. The protocol will continue to reward the most active members of the community and their Hashverse presence will play a major role in redeeming these rewards.

## 4.2. Shariah Description of the Protocol and Token:

It is a blockchain-based DEX with some unique improvement, like zero slippage, no front-running, etc. It also has a governance system based on DAO. This DAO is gamified and follows a story to maintain users’ engagement. In this way, it is a neutral platform from the shariah perspective.

HFT token is a utility and governance token. Users can stake HFT to vote to govern the protocol.

## 4.3. Shariah Opinion of the Protocol and Token:

The protocol, metaverse, and token seem to be shariah compliant. The token can be traded in a shariah compliant manner. However, whether the staking token is shariah compliant or not, it would need more research.

# 5. Name of the Protocol: ARBITRUM (ARB)

| Name of the Token | Arbitrum (ARB) |
| --- | --- |
| CoinGecko Link | https://www.coingecko.com/en/coins/arbitrum-iou |
| CoinMarketCap Link | https://coinmarketcap.com/currencies/arbitrum/ |
| Official Website | https://arbitrum.io/ |
| Whitepaper Link |  |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | 19 March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | 20 March 2023 |

## 5.1. Main Function of the Protocol and Token:

### 5.1.1. The Protocol

Arbitrum is a layer 2 solution designed to improve the capabilities of Ethereum smart contracts — boosting their speed and scalability, while adding in additional privacy features to boot.

The platform is designed to allow developers to easily run unmodified Ethereum Virtual Machine (EVM) contracts and Ethereum transactions on a second layer, while still benefiting from Ethereum's excellent layer 1 security.

It’s built to address some of the shortcomings of current Ethereum-based smart contracts — such as poor efficiency and high execution costs — which have damaged the Ethereum user experience and frequently make transacting an expensive task.

Arbitrum uses a technique known as transaction rollups to record batches of submitted transactions on the Ethereum main chain, and execute them on a cheap, scalable layer 2 sidechain while leveraging Ethereum to ensure correct results. This process helps to offload most of the computational and storage burden Ethereum currently suffers from, while enabling new classes of powerful layer 2-based DApps.

### 5.1.2. The Token

Arbitrum does not have its own native token, hence there was no token sale. However, investors hope the project will issue its own token in an airdrop or giveaway. However, Arbitrum operates with Ether crypto. Anything claiming to be its official token should be seen as a scam.

## 5.2. Shariah Description of the Protocol and Token:

Arbitrum is a scaling solution for Ethereum. Arbitrum Rollup is an optimistic rollup protocol that inherits Ethereum-level security. It runs on a blockchain of its own and allows developers to deploy smart contracts which can process a higher number of transactions per second. Users can enjoy faster and cheaper transactions on Arbitrum while interacting with dapps such as DeFi, NFT, marketplace, and more. Arbitrum Orbit makes it easier for developers to launch their own customized Layer 3 chains using Arbitrum's technology stack. In this sense, it is a shariah neutral platform.

There is no token for it, at least for now, therefore, nothing can be said about its token.

## 5.3. Shariah Opinion of the Protocol and Token:

The protocol is shariah compliant. However, there is no native token of the protocol, therefore, nothing can be said about the token. Once the token is released or issued, a separate shariah review would be needed to know its shariah status.

# 6. Name of the Protocol: Arweave

| Name of the Token: | AR |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/arweave |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/arweave/ |
| Official Website: | https://www.arweave.org/ |
| Official Documentation Link: | https://www.arweave.org/files/arweave-lightpaper.pdf |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 6.1. Main Function of the Protocol and Token:

Arweave's decentralized design aims to make information permanence affordable and scalable. The "permaweb," a new version of the web where webpages and applications are permanently stored and the provenance of content can be traced, is built on the protocol.

A variety of applications have already been built on the permaweb, including Arweave Web Archive, which lets you archive websites on the permaweb. Other initiatives include Verto, a decentralized trading platform where you can buy and sell profit-sharing tokens, and Gitopia, which lets you keep your code on the blockchain. Tokens created on the Arweave platform that share dividends produced by running decentralized applications are known as profit-sharing tokens (dApps). Moreover, Arweave can be used to store non-fungible tokens indefinitely (NFTs).

To store data in the blockweave, a user must pay fees in AR tokens. Arweave miners receive these tokens in exchange for mining new blocks, which obligates them to store data. However, transaction fees do not go entirely to miners. The majority of the transaction fee is allocated to a storage “endowment,” which is distributed to miners over time.

## 6.2. Shariah Description of the Protocol and Token:

The protocol is a generic one in the sense that data storage can include halal and haram elements. Other services such as profit-sharing structure must be reviewed separately for shariah compliance.

## 6.3. Shariah Opinion of the Protocol and Token:

There are no issues in using the protocol to store data in a shariah compliant manner and to pay for the service using the token. You can also trade the token in a halal way.

# 7. Name of the Protocol: Audius

| Name of the Token: | AUDIO |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/audius |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/audius/ |
| Official Website: | https://audius.co/ |
| Official Documentation Link: | https://docs.audius.org/protocol/whitepaper |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 7.1. Main Function of the Protocol and Token:

Audius is a decentralized, community-owned and artist-controlled music-sharing protocol. Audius provides a blockchain-based alternative to existing streaming platforms to help artists publish and monetize their work and distribute it directly to fans.

The mission of the project is to give everyone the freedom to share, monetize, and listen to any audio.

Audius platform tokens (ticker $AUDIO) have three prongs of functionality within the protocol unlocked by staking:

* Security
* Feature access
* Governance

Audius tokens are staked as collateral for a value-added service. In exchange, stakers earn ongoing issuance, governance weight and access to exclusive features. Audius tokens are staked by node operators to run the Audius protocol, and by artists and curators to unlock exclusive features and services. Any $AUDIO staked within the protocol is assigned governance weight, used to shape future iterations of the protocol.

Audius tokens will serve as collateral for artist-based tooling as well. Early examples incubated by the community include artists tokens, badges and earnings multipliers. In the future, fans may delegate tokens to specific artists and curators to share in their growth on the platform and the issuance of future tokens. Node operators must stake Audius tokens to operate a discovery node or content node, with a larger stake correlating to a higher probability of being chosen by fan clients. Node operators receive direct upside from seeding in the form of $AUDIO and the possibility for future protocol fees for actively seeding the protocol. A community goal, via governance, is to ensure that Audius tokens are always being funneled to the most value-added actors by using on-chain metrics as a measurement, rather than simply to those staking the most tokens but not actively participating in the ecosystem.

## 7.2. Shariah Description of the Protocol and Token:

The protocol is designed to facilitate the streaming and the publishing of musical works. The token is a utility token that gives access to certain rights and benefits such as voting rights or the right to publish a musical item on the platform.

## 7.3. Shariah Opinion of the Protocol and Token:

Because of the nature of music and songs within Islam, this protocol will not be considered as shariah compliant and neither one can invest in its token.

# 8. Name of the Protocol: Injective

| Name of the Token: | INJ |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/injective |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/injective/ |
| Official Website: | https://injective.com/ |
| Official Documentation Link: | https://docs.injective.network/#introduction |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 8.1. Main Function of the Protocol and Token:

Injective is a blockchain built for finance. It is the first decentralized exchange-focused layer-1 blockchain for decentralized perpetual swaps, futures, and spot trading that unlocks the full potential of decentralized derivatives and borderless DeFi.

Injective claims to be the only blockchain where developers can find robust out-of-the-box modules such as a completely decentralized orderbook that can be utilized to build a diverse array of sophisticated applications. Moreover, Injective is an open interoperable smart contracts platform.

Injective is built using the Cosmos SDK and is able to attain instant transaction finality using the Tendermint proof-of-stake consensus framework. Injective can facilitate fast cross-chain transactions across networks such as Ethereum and Cosmos Hub.

INJ is Injective’s native staking token. Instead of paying network gas fees to execute each transaction, Injective Exchange traders only pay standard market maker and taker fees using INJ coins. INJ coins also serve as the platform’s governance token and staking mechanism to power Injective’s Proof of Stake based blockchain. INJ will be utilized as an alternative to stablecoins as margin and collateral for Injective's derivatives markets. In some derivative markets, INJ can also be used as collateral backing or insurance pool staking where stakers can earn interest on their locked tokens.

## 8.2. Shariah Description of the Protocol and Token:

The main objective of the platform is to provide decentralized financial solutions to the users. In doing so, it facilitates conventional haram transactions such as derivatives, swaps etc.

The token is a mainly a utility token that unlocks certain rights, but that can also be used to pay for the fees on the platform.

## 8.3. Shariah Opinion of the Protocol and Token:

Due to the nature of the business on the platform, it would not be permissible to trade the INJ token.

# 9. Name of the Protocol: Chia

| Name of the Token: | XCH |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/chia |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/chia-network/ |
| Official Website: | https://www.chia.net/ |
| Official Documentation Link: | https://www.chia.net/wp-content/uploads/2022/07/Chia-Business-Whitepaper-2022-02-02-v2.0.pdf |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 9.1. Main Function of the Protocol and Token:

Chia is a cryptocurrency and blockchain with smart transaction capabilities. It was designed from the ground up to make cryptocurrency easier to use than cash.

Chia aims to solve the energy-intensive computing process of cryptocurrency transactions on other networks, which are typically verified using either proof-of-work or proof-of-stake consensus mechanisms. These methods usually require the collective computing power of miners, who are rewarded for their contributions. Chia’s environmentally friendly infrastructure promises to be greener, more decentralized, easier to audit, more energy-efficient, secure, and easier to use than those of other cryptocurrencies.

Chia uses a consensus algorithm referred to as Proof of Space and Time. This allows anyone with an internet connection and some free disk space to participate in securing the network.

A Proof of Space protocol is one in which:

* A Verifier can send a challenge to a Prover.
* The Prover can demonstrate to the Verifier that the Prover is reserving a specific amount of storage space at that precise time.

A Verifiable Delay Function, also referred to as a Proof of Time or VDF, is proof that a sequential function was executed a certain number of times.

* Verifiable: This means that after performing the computation (which takes time), the Prover can create a very small proof in a very short time, and the Verifier can verify this proof without having to redo the whole computation.
* Delay: This means that the Prover actually spent a real amount of time (although we don't know exactly how much) to compute the function.
* Function: This means it's deterministic: computing a VDF on an input x always yields the same result y.

The native token XCH is used as a payment and utility token on the Chia network, facilitating transactions between individuals or via decentralized applications (dApps).

## 9.2. Shariah Description of the Protocol and Token:

Chia is a generic blockchain platform with the aim of facilitating the use of cryptocurrency whilst having a less of a harmful impact on the environment. One can actually issue a cryptocurrency on the blockchain or create NFTs and other dApps. The native token is a payment token that falls under the category of money.

## 9.3. Shariah Opinion of the Protocol and Token:

There were no shariah issues found in using the platform and the token in a shariah compliant manner.

# 10. Name of the Protocol: GMX

| Name of the Token: | GMX |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/gmx |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/gmx/ |
| Official Website: | https://gmx.io/#/ |
| Official Documentation Link: | https://gmxio.gitbook.io/gmx/ |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 10.1. Main Function of the Protocol and Token:

The decentralized exchange (DEX) GMX offers customers the opportunity to borrow money to invest in or trade with it while also allowing spot and perpetual listings. Its inexpensive exchange fees and "zero price effect deals" are its primary selling factors.

The Dex runs through a multi-asset liquidity pool. Fees from those trading may be paid to those who provide liquidity. Swaps, leveraged trading, market making, and asset rebalancing all incur these expenses.

The GMX token is a utility and governance token. Token holders can use it to vote on proposals to help decide the exchange's future direction.

The token holders who stake their GMX also get three other rewards, which the protocol uses to reward users. Firstly, some of the generated protocol fees are distributed to GMX stakers. These fees are collected from market making, swap fees, and leverage trading, and are paid in ETH or AVAX.

Secondly, the stakers earn escrowed GMX (esGMX) tokens. These esGMX tokens can be either staked for rewards as well or vested. The tokens get converted back into GMX over 12 months when a user vests them. Therefore, esGMX emissions are a form of locked staking that prevents inflation and people from immediately selling their GMX.

Lastly, stakers earn Multiplier Points that boost their yield and reward long-term holders without contributing to token inflation.

## 10.2. Shariah Description of the Protocol and Token:

The main objective of the protocol is to facilitate spot and future transactions in a decentralized manner.

Although it has two tokens, the native token GMX is a utility token that gives the holder certain rights such as voting or access to rewards.

## 10.3. Shariah Opinion of the Protocol and Token:

Because of the fact that the protocol is mainly involved in derivatives, the protocol and it tokens cannot be considered as shariah compliant.

# 11. Name of the Protocol: Harmony

| Name of the Token: | ONE |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/harmony |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/harmony/ |
| Official Website: | https://www.harmony.one/ |
| Official Documentation Link: | https://docs.harmony.one/home/ |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 11.1. Main Function of the Protocol and Token:

Harmony is a blockchain platform designed to facilitate the creation and use of decentralized applications (DApps). The network aims to innovate how decentralized applications work by focusing on random state sharding, which allows the creation of blocks in seconds.

The Harmony team seeks to change block construction, with a primary focus on processing speed and validity. They drastically decreased the time required for node validation by introducing the sharding mechanism. Each shard of Harmony maintains its own state database and chain of blocks.

ONE is the native token for Harmony which supports the monetary flow of the entire Harmony economic system. It is used for various purposes, such as:

* for staking to secure the network and earn rewards;
* to pay for transaction fees, gas, and storage fees;
* for on-chain governance.

## 11.2. Shariah Description of the Protocol and Token:

Harmony is a layer 1 platform that is generic and can accommodate halal and haram dApps. The token is a hybrid token that unlocks certain rights such as voting and access to rewards when staking, and it can also be used for payments.

## 11.3. Shariah Opinion of the Protocol and Token:

There are no issues in using the platform and trading the token in a shariah compliant manner.

# 12. Name of the Protocol: Iotex

| Name of the Token: | IOTX |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/iotex |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/iotex/ |
| Official Website: | https://iotex.io/ |
| Official Documentation Link: | https://iotex.io/research |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | March 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | March 2023 |

## 12.1. Main Function of the Protocol and Token:

IoTeX is on a mission to build a connected world where everyday people will own their data, devices, and identity. IoTeX is a decentralized network of users, developers, and enterprises that collectively govern and utilize the IoTeX platform. As an EVM-compatible "Layer 1" blockchain, IoTeX now powers an ever-growing ecosystem of smart devices, DApps, and digital assets. Network transactions and smart contracts are fueled by the IOTX token, which also enables anyone to be a shareholder in the IoTeX Network.

The IoTeX Network is fueled by the native IOTX token. In addition to representing fractional ownership of the IoTeX Network, IOTX has multiple uses (or “utility”) to enable trusted and transparent interactions between various stakeholders, including users, Delegates, developers, and service providers. The IOTX token is the lifeblood of the IoTeX protocol and instills economic and reputational incentives to ensure the IoTeX Network is governed/maintained in a decentralized fashion.

IoTeX stakeholders can spend, stake, and/or burn IOTX in order to access network resources.

## 12.2. Shariah Description of the Protocol and Token:

IOTEX is a blockchain with the aim of creating a more efficient way for connecting people in a decentralized environment. Its ecosystem can accommodate halal and haram activities and therefore is generic in itself.

The token is a hybrid token that can be used for services and rights as well as for payments on the platform.

## 12.3. Shariah Opinion of the Protocol and Token:

As long as the platform and the token can be used and traded in a shariah compliant, then no issues will arise.

# 13. Name of the Protocol: Balancer (BAL)

| Name of the Protocol | Balancer |
| --- | --- |
| Name of the Token: | $BAL |
| Official Website: | <https://balancer.fi/> |
| Official Documentation Link: | <https://docs.balancer.fi/>  <https://balancer.fi/whitepaper.pdf> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/balancer/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/balancer> |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | March 2023 |

## 13.1. Main Function of the Protocol and Token:

### 13.1.1. The Protocol

Balancer is an automated market maker (AMM) that was developed on the Ethereum blockchain. Balancer protocol functions as a self-balancing weighted portfolio, price sensor and liquidity provider.

The protocol operates a few types of pools:

1. Private pools give the owner governance over the pool and make the person the sole contributor of liquidity to the pool. Also, all the parameters are mutable by the owner.
2. Shared pools are for those who want to become liquidity providers (LPs). The LPs are rewarded with the Balancer Pool Tokens (BPTs).
3. Smart pools are like private pools but are controlled by a smart contract. They also reward using BPTs and allow anyone to contribute liquidity to the pool.

Like most AMMs, Balancer liquidity providers (LPs) earn fees whenever swaps are conducted through pools, they provide liquidity for — this fee is distributed in proportion to the LPs stake in the pool. However, Balancer is rare in the fact that pool managers can set their own fees, these can range from 0.0001% to 10%.

It also features support for multi-asset pools — allowing pool owners to include up to eight different assets in their pool. These multi-asset pools give pool managers the flexibility to create complete portfolios that are automatically rebalanced by traders. Unlike some other platforms, trades do not need to be routed through Ether (ETH), helping to reduce slippage for traders.

Balancer is one of the few AMMs to provide a direct incentive for trading on the platform. For eligible swaps, users earn BAL tokens in proportion to the median gas price and the ETH/BAL exchange rate at the time of their transaction.

### 13.1.2. The Token

Balancer Governance Token (BAL) is the core token behind the Balancer protocol. veBAL is an extension of BAL and is used for voting in decentralized governance.

veBAL is a time-locked, non-transferable derivative of the 80/20 BAL/ETH BPT on Mainnet. veBAL holders, also called Balancer Governors, vote on proposals relevant to the protocol. These proposals are wide, ranging from which pools to enable BAL to incentivize for how treasury funds are allocated and managed.

The BAL token is the primary component of veBAL. Due to the fact that veBAL allows for trading between BAL and ETH, BAL liquidity scales with Governance. Because veBAL liquidity is locked, the market can easily understand how BAL liquidity depth will scale over time by analyzing the unlock schedule of veBAL.

## 13.2. Shariah Description of the Protocol and Token:

Balancer is a decentralized exchange with some unique features. It facilitates transactions and exchange among different crypto assets and charges fees. That fee is shared with the liquidity providers as a profit. In this sense, the protocol is shariah neutral.

veBAL is the voting power coefficient, and it is not an independent token. BAL token is the token that facilitates governance. In this way, it is a utility token.

## 13.3. Shariah Opinion of the Protocol and Token:

The protocol and token can be considered shariah complaint as long as they are used in a halal manner.

# 14. Name of the Protocol: Lido DAO (LDO)

| Name of the Protocol | Lido DAO |
| --- | --- |
| Name of the Token: | $LDO |
| Official Website: | <https://lido.fi/> |
| Official Documentation Link: | <https://docs.lido.fi/> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/lido-dao/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/lido-dao> |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | March 2023 |

## 14.1. Main Function of the Protocol and Token:

When a token is staked, it is dedicated to supporting the strength and security of its network. It is used to validate the transactions by running validator nodes. When someone stakes tokens, he or she can receive a staking reward for their support. In addition to providing stakers with passive income, staking often provides governance rights. However, it also presents the challenge of capital inefficiency because it subjects to bonding and un-bonding periods (ranging from days to weeks).

For example, with the recent Eth 2.0 Merge event, also known as “The Merge”, Ethereum became a Proof-of-Stake chain, allowing users to stake ETH to secure the network and be awarded staking rewards which is expected to yield between 3-6% a year in ETH. However, staked ETH currently cannot be unstaked until the upcoming Shanghai upgrade on April 12, 2023, resulting in ETH being locked up and being capital inefficient. All the ETHs that are staked are sitting idle and not being utilized.

Liquid staking, one of the latest trends, solves this by allowing users to receive a liquid staked token for staking ETH that they can use in DeFi. Liquid staking providers offer liquid staking services while earning a 5-10% commission fee. After the Shanghai upgrade, ETH can be unstaked, resulting in more users likely to liquid stake their ETH, growing the revenue of liquid staking providers. There is a growing number of liquid staking providers across Ethereum.

### 14.1.1. The Protocol

Lido is the liquid staking solution - providing a simple and secure way to earn profit on the digital assets. By staking with Lido the assets remain liquid and can be used across a range of DeFi applications, earning extra yield.

When users liquid stake their ETH, they receive a receipt token which is also known as a Liquid Staked Derivative (LSD). An LSD is a liquid token that is like most other crypto tokens as it is fully fungible, transferable, fractional, etc.

LSDs essentially unlock the liquidity of the staked ETH, as it has a similar value of the underlying staked ETH that is temporarily locked. Using the LSD token essentially allows indirectly using your staked ETH in DeFi activities such as selling, providing liquidity, lending it, using it as collateral, etc. to earn additional yield on top of the staking yield that you earn.

Users deposit ETH over on Lido’s staking page and receive stETH which is a receipt token from Lido that represents their staked ETH, aka the LSD. This allows them to do DeFi activities, or just hold it to accrue ETH staking rewards in the form of stETH automatically into their wallet. Lido takes 10% of the ETH staking rewards and splits it between node operators and DAO treasury.

The Lido DAO is a Decentralised Autonomous Organisation that manages the liquid staking protocols by deciding on key parameters (e.g., setting fees, assigning node operators and oracles, etc.) through the voting power of governance token LDO holders. Also, the DAO will accumulate service fees and spend them on research, development, liquidity mining incentives and protocol upgrades.

### 14.1.2. The Token

LDO is a governance token of Lido which follows ERC20 standard. LDO is the native utility token that is used for:

* Granting governance rights in the Lido DAO.
* Managing fee parameters and distribution.
* Governing the addition and removal of Lido node operators.

## 14.2. Shariah Description of the Protocol and Token:

Staked tokens on a PoS blockchain, like staked ETH on Ethereum blockchain, are considered security deposits that enable the stakers to run validation nodes. If users choose to stake their ETH through Lido, Lido issues them a receipt of that security deposit that can be used for other activities, making it more liquid. From the shariah perspective, Lido’s staked tokens (i.e., stETH) are receipt of the underlying ETH deposit. If the underlying staked token and the PoS blockchain are shariah compliant, Lido’s staked token (receipt of the deposit) can also be considered shariah compliant.

LDO token offers certain governance rights to the holder of the token. In this sense, it is shariah neutral.

## 14.3. Shariah Opinion of the Protocol and Token:

The protocol and token can be considered shariah complaint if they are used in a halal manner.

# 15. Name of the Protocol: Stargate Finance (STG)

| Name of the Protocol | Stargate Finance |
| --- | --- |
| Name of the Token: | $STG |
| Official Website: | <https://stargate.finance/> |
| Official Documentation Link: | <https://stargateprotocol.gitbook.io/stargate/v/user-docs/>  <https://stargateprotocol.gitbook.io/stargate/#white-paper> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/stargate-finance/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/stargate-finance> |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | March 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | March 2023 |

## 15.1. Main Function of the Protocol and Token:

### 15.1.1. The Protocol:

Stargate is a community-driven organization building a composable native asset bridge, and a dApp built on LayerZero. Stargate's vision is to make cross-chain liquidity transfer a seamless, single transaction process.

* DeFi users can swap native assets cross-chain on Stargate within a single transaction. For example, users can swap USDC on Ethereum for USDT on BNB.
* Applications can compose Stargate to create native cross-chain transactions at the application level. For example:
* Your favorite DEX can compose Stargate to complete single transaction cross-chain swaps (i.e., swapping AVAX with ETH in a single transaction, all within your favorite DEX's user interface.)
* Your favorite yield aggregator can compose Stargate to deploy assets cross-chain, opening new APY opportunities.
* These cross-chain swaps are supported by the community-owned Stargate unified liquidity pools.

**Three problems Stargate solves:**

1. Instant Guaranteed Finality: Users & Applications can trust that when they successfully commit a transaction on the source chain, it will arrive on the destination chain.
2. Native Assets: Users & Applications swap in native assets as opposed to wrapped assets that require additional swaps to acquire the desired asset and corresponding fees.
3. Unified Liquidity: Shared access of a single liquidity pool across multiple chains creates deeper liquidity for users & applications that trust in the bridge's reliability.

**Uses of Stargate:**

* Use Stargate to transfer native assets across blockchains. Use transfer to swap 1:1 native asset across different chains. Example: Swap USDC on Ethereum for USDT on BNB.
* Earn rewards by adding liquidity to Stargate pools. Users can add liquidity to token-chain pools (i.e., USDC-Ethereum) and receive either farm-based or transfer-based rewards.
* Farm your LP tokens in exchange for STG rewards. Earn STG and become a member of the Stargate community. Stargate liquidity providers can earn STG rewards by allocating their LP tokens to a Stargate farm.
* Lock your STG tokens to receive veSTG, Stargate's governance token. Community members can participate in Stargate DAO governance with an account that has a balance of vote-escrowed STG (veSTG).

### 15.1.2. The Token:

$STG token is the native token of Stargate Finance. There are 1 billion STG that have been minted at genesis. Users can earn STG as rewards for farming their LP tokens. STG tokens can be staked to participate in the governance of the protocol.

## 15.2. Shariah Description of the Protocol and Token:

Stargate Finance facilitates exchanges between two different tokens on two different blockchains. It is a cross-chain bridge that can perform exchange of two different tokens in a single transaction. It also tries to remove deficiencies in the whole process with its unique features. This exchange service is valuable from the economic and commercial point of view. It seems shariah neutral because it facilitates all types of crypto assets.

The token seems to be shariah neutral because it is a native token of a shariah neutral platform/application. It is distributed as a reward to the users who participate in the platform by providing liquidity. It also offers governance rights through staking. In this way, it is valuable and can be considered legitimately valuable asset (Mal Mutaqawwam) from the shariah point of view.

## 15.3. Shariah Opinion of the Protocol and Token:

The protocol and token can be considered shariah complaint if they are used in a halal manner.

# 16. Name of the Protocol: Synapse (SYN)

| Name of the Protocol | Synapse |
| --- | --- |
| Name of the Token: | SYN |
| Official Website: | https://synapseprotocol.com/landing |
| Official Documentation Link: | https://docs.synapseprotocol.com/ |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/synapse-2/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/synapse |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 16.1. Main Function of the Protocol and Token:

### 16.1.1. The Protocol

Synapse Protocol is a decentralized cross-chain platform that aims to provide an interoperable infrastructure for the crypto ecosystem. The protocol facilitates seamless cross-chain communication between various blockchain networks, enabling users to transfer assets, data, and value across different blockchains. By connecting isolated blockchain networks, Synapse aims to bridge the gap between various DeFi and NFT platforms.

Key Features:

* Cross-Chain Asset Transfers: Synapse enables users to move assets between different blockchains, such as Ethereum, Binance Smart Chain, and more, without the need for centralized intermediaries. The protocol utilizes a token wrapping mechanism to create equivalent tokens on the destination chain.
* Data Oracles: The protocol offers decentralized data oracles, which aggregate and verify data from multiple sources, making it possible for smart contracts on various blockchains to access external data securely and reliably.
* Cross-Chain Communication: Synapse facilitates cross-chain messaging, which enables communication between smart contracts on different blockchains. This feature allows decentralized applications (dApps) to leverage the capabilities of multiple blockchain networks and improve their functionality.
* Ecosystem Growth: The Synapse Protocol aims to foster innovation and collaboration among various blockchain networks, developers, and projects. By connecting the disparate blockchain networks, Synapse seeks to encourage the development of new and innovative dApps and services.

### 16.1.2. The Token

The native token of the Synapse Protocol is the SYN token. The SYN token has various utilities within the ecosystem, such as governance, staking, and payment for transaction fees.

* Decentralized Governance: SYN token holders can participate in the protocol's governance by submitting proposals and voting on changes to the ecosystem, such as fees, token listings, and protocol upgrades.
* Staking and Rewards: SYN token holders can stake their tokens to support the network and receive rewards in return.

## 16.2. Shariah Description of the Protocol and Token:

The Synapse Protocol is a decentralized platform that provides cross-chain interoperability and facilitates the transfer of assets, data, and value across different blockchains. From an Islamic law perspective, the platform may be seen as providing services akin to a facilitator or intermediary, enabling users to exchange assets between various networks without resorting to conventional centralized systems. The platform's role in facilitating asset transfers between parties can be compared to that of an intermediary or exchange in traditional Islamic finance.

The SYN token serves various functions within the Synapse ecosystem, such as governance, staking, and payment for transaction fees. In Islamic law, the token could potentially be viewed as a digital asset or a form of asset (Mal). As a result, the token may be treated as a subject matter of a transaction because it meets the following criteria:

* Utility and functionality: The token have a legitimate and lawful use within the Synapse ecosystem, such as facilitating transactions or providing a means of governance.
* Possession and ownership: The token can be owned and possessed by the holder, allowing them to exercise rights and control over it.
* Lawful and ethical generation of value: The token's value is not derived from prohibited activities under Islamic law, such as usury, gambling, or other unethical practices.

## 16.3. Shariah Opinion of the Protocol and Token:

If the platform operates transparently, fairly, and avoids practices prohibited by Islamic law (e.g., usury, gambling, etc.), it may be considered permissible under Shariah. Since the SYN token meets the shariah conditions for a valid property, it can be considered a valid form of property under Islamic law, it may be permissible to use and trade as a subject matter of a transaction.

# 17. Name of the Protocol: ApeCoin (APE)

| Name of the Protocol | ApeCoin |
| --- | --- |
| Name of the Token | APE |
| Official Website | https://apecoin.com/ |
| Official Documentation Link | https://apecoin.com/about |
| CoinMarketCap Link | https://coinmarketcap.com/currencies/apecoin-ape/ |
| CoinGecko Link | https://www.coingecko.com/en/coins/apecoin |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 17.1. Main Function of the Protocol and Token:

### 17.1.1. The Protocol

ApeCoin is a decentralized finance (DeFi) platform that aims to revolutionize the digital economy by providing a user-friendly, secure, and efficient financial ecosystem. The platform allows users to participate in various DeFi applications, such as staking, liquidity provision, and yield farming. ApeCoin's main objectives include fostering financial inclusion, reducing barriers to entry in the digital asset market, and promoting economic growth through innovative financial solutions.

### 17.1.2. The Token

governance, staking, and participating in yield farming activities. The token issuance and distribution are determined by the ApeCoin team, which takes into account factors like token utility, liquidity, and ecosystem growth. APE's tokenomics are designed to incentivize user participation and ensure a fair distribution of rewards.

ApeCoin is an ERC-20 governance and utility token used within the APE ecosystem. The token's primary use is to facilitate transactions and interactions within the platform. APE can be used for various purposes, such as:

* Governance: ApeCoin is the ecosystem’s governance token, allowing ApeCoin holders to participate in ApeCoin DAO.
* Payment: ApeCoin is a shared and open currency that can be used without centralized intermediaries.
* Utility: ApeCoin provides access to certain parts of the ecosystem that are otherwise unavailable, such as exclusive games, merch, events, and services.
* Reward: ApeCoin is a tool for third-party developers to participate in the ecosystem by incorporating APE into services, games, and other projects.

## 17.2. Shariah Description of the Protocol and Token:

From a Shariah perspective, the following aspects need to be considered:

* Shariah nature of the platform or protocol: ApeCoin can be viewed as a generic platform that facilitates transactions and services in a decentralized manner. It aims to promote financial inclusion and provide users with access to various DeFi applications.
* Islamic legal characterization of the token: The APE token can be considered a digital asset with value (متقوم مال). It serves as a medium of exchange and store of value within the ApeCoin ecosystem.
* Prohibited elements in the protocol or token: Based on the information provided, ApeCoin does not appear to engage in interest-based transactions, gambling, or unethical activities. However, one should carefully analyze the specifics of each DeFi application within the ecosystem to ensure Shariah compliance.

## 17.3. Shariah Opinion of the Protocol and Token:

Protocol or platform ruling: The ApeCoin platform, in principle, can be considered halal (permissible) as it facilitates transactions and services in a decentralized manner while promoting financial inclusion.

Token ruling: The APE token, as a digital asset with value, can be considered halal (permissible), if it is not used for any transactions or activities prohibited by Shariah. Users should be cautious in participating in DeFi applications within the ecosystem, ensuring that each application adheres to Shariah principles.

# 18. Name of the Protocol: Rocket Pool (RPL)

| Name of the Protocol | Rocket Pool |
| --- | --- |
| Name of the Token: | RPL |
| Official Website: | https://rocketpool.net/ |
| Official Documentation Link: | <https://docs.rocketpool.net/overview/>  https://docs.rocketpool.net/guides/  <https://medium.com/rocket-pool/rocket-pool-staking-protocol-part-1-8be4859e5fbd> |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/rocket-pool/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/rocket-pool |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 18.1. Main Function of the Protocol and Token:

### 18.1.1. The Protocol

Rocket Pool is a decentralized Ethereum staking protocol that allows users to stake their Ether (ETH) and earn staking rewards without needing to run a validator node themselves. It achieves this by pooling users' ETH and distributing it among validator nodes, which are run by community members or third-party node operators. The protocol aims to make Ethereum staking accessible, secure, and simple for all users, regardless of their technical expertise or the amount of ETH they hold.

### 18.1.2. The Token

The Rocket Pool token (RPL) is an ERC-20 token that serves several purposes within the ecosystem. It is used as a governance token, allowing holders to vote on protocol upgrades and changes. RPL is also used as collateral by node operators to ensure their commitment and accountability. Additionally, it serves as an incentive for node operators to perform their duties, as they receive a portion of the staking rewards in RPL tokens. The token's issuance is capped at 18 million RPL, with tokenomics designed to encourage participation and long-term holding.

## 18.2. Shariah Description of the Protocol and Token:

The Shariah nature of the Rocket Pool platform can be described as a platform that facilitates investments in Ethereum by pooling users' funds and distributing them among validator nodes. It allows users to earn profits through staking, which can be likened to a form of partnership or joint venture (مشاركة) in Islamic finance.

From an Islamic legal perspective, the RPL token can be characterized as a digital asset (مال متقوم) and a subject matter of a transaction. It has intrinsic value due to its usage within the ecosystem, such as governance and incentivization.

Regarding the presence of prohibited elements within the protocol or token, Rocket Pool does not seem to involve interest (usury), gambling, excessive uncertainty, or unethical activities. The platform's primary function is to facilitate staking, which is a legitimate form of activity in Shariah.

## 18.3. Shariah Opinion of the Protocol and Token:

Based on the available information and analysis, the Rocket Pool platform can be considered halal (permissible) under Shariah law. It facilitates transaction validation in Ethereum through staking, which is a valid form of activity and does not involve any prohibited elements.

The RPL token can also be considered halal (permissible) as it serves essential functions within the Rocket Pool ecosystem, such as governance and incentivization. It is a digital asset with intrinsic value and does not involve any prohibited elements.

# 19. Name of the Protocol: Kadena

| Name of the Protocol | Kadena |
| --- | --- |
| Name of the Token: | KDA |
| Official Website: | https://kadena.io/ |
| Official Documentation Link: | https://docs.kadena.io/ |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/kadena/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/kadena |
| Initial Assessment | Mufti Billal Omarjee |
| Reviewer | Dr Farrukh Habib |

## 19.1 Main Function of the Protocol and Token:

Kadena is based on a proprietary blockchain technology using a Proof of Work (PoW) system and a new programming language known as Pact for the generation of an ecosystem of fast and secure dApps that aims for mass adoption and rapid expansion in the business world.

Kadena is a project very focused on two points: offer high scalability and a powerful smart contract language to make extremely efficient dApps. Both things go hand in hand because the purpose of Kadena is to offer companies and interested parties the opportunity to build dApps with a global reach and massive use.

Kadena native token KDA is a digital currency that is used to pay for computing on the Kadena public chain. Similar to ETH on Ethereum, KDA on Kadena is the manner by which miners are compensated for mining blocks on the network and is the transaction fee that users pay in order to have their transactions included in a block.

## 19.2 Shariah Description of the Protocol and Token:

Kadena is a generic blockchain that can accommodate shariah and non shariah compliant dApps. The primary concept behind this blockchain was to create a technology that was easy enough for both developers and non-developers to use for application development. At the same time, it is designed with scalability in mind.

The native token KDA is mainly a payment token within the Kadena ecosystem and should fall under the category of money.

## 19.3. Shariah Opinion of the Protocol and Token:

There were no shariah issues found with using the network work and the token in a shariah compliant manner.

# 20. Name of the Protocol: SPACE ID

| Name of the Token: | ID |
| --- | --- |
| Official Website: | https://space.id/ |
| Official Documentation Link: | https://docs.space.id/ |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/space-id/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/space-id |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | April 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | April 2023 |

## 20.1 Main Function of the Protocol and Token:

SPACE ID is building a universal name service network with a one-stop identity platform to discover, register, trade, and manage web3 domains. It also includes a Web3 Name SDK & API for developers across blockchains and provides a multi-chain name service for everyone to easily build and create a web3 identity.

ID is the governance token of SPACE ID. It is designed to play a critical role in the decision-making process of the project, allowing users to have a say in the direction and future of SPACE ID.

Along governance rights, ID comes with the following functions:

Staking: Stake ID tokens to receive discounts in the SPACE ID domain NFT marketplace trading fees and Web3 domain registration discounts on SPACE ID.

Payments: Used as a means of payment within the SPACE ID ecosystem and for Web3 Name SDK Integration.

## 20.2 Shariah Description of the Protocol and Token:

Space ID is a neutral protocol with the aim of facilitating the creation and registration of web3 domains. These can be shariah or non shariah compliant ones.

Its native token is a hybrid token from a shariah perspective as it gives the holders access to certain rights such as governance but also it can be used as means of payment on the ecosystem.

## 20.3 Shariah Opinion of the Protocol and Token:

As long as it can be used in a shariah compliant manner, there are no issues with using the token and the platform.

# 21. Name of the Protocol: Astar

| Name of the Token: | ASTR |
| --- | --- |
| Official Website: | https://astar.network/ |
| Official Documentation Link: | https://docs.astar.network/docs/getting-started |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/astar/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/astar |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | April 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | April 2023 |

## 21.1 Main Function of the Protocol and Token:

Astar is the largest smart contract platform in the Polkadot ecosystem. While providing native access to the Polkadot ecosystem through it's parachain slot, Astar also has bridges into other major ecosystems, including Ethereum, BSC, Cosmos, Polygon, and more. Through the #Build2Earn program, Astar offers a basic income to dApp developers through inflation, and provides direct funding to projects through the Astar Incubation Program.

ASTR token is native utility token to the Astar Network  has 3 primary functions:

* **dApp Staking**

Astar Network's innovative approach allows Astar token holders to show their support for their preferred dApps by staking Astar tokens. By doing so, they not only contribute to the ecosystem's growth but also earn Astar tokens through block rewards. Additionally, dApp developers can receive rewards based on the amount staked on their applications. As part of Astar Network's commitment to sustainability and decentralization, developers can earn Astar tokens by creating smart contracts or infrastructure for the Astar Network community, making it a robust and decentralized grant mechanism.

* **Transactions**

Every on-chain transaction requires the sender to pay fees. Part of the fee is burned and part is deposited to the collator.

* **On-chain Governance**

The token serves as the primary means for facilitating governance activities such as voting and referenda.

## 21.2 Shariah Description of the Protocol and Token:

The protocol is a neutral platform and can accommodate shariah and non shariah compliant dApps. The main objective is to facilitate the development of dApps and smart contracts.

The native token is a hybrid token that can be used to unlock certain utilities and used as a means of payment within the ASTAR ecosystem.

## 21.3. Shariah Opinion of the Protocol and Token:

There are no shariah issues if the token and the protocol are used in a shariah compliant manner.

# 22. Name of the Protocol: Siacoin

| Name of the Token: | SC |
| --- | --- |
| Official Website: | https://sia.tech/ |
| Official Documentation Link: | https://sia.tech/sia.pdf |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/siacoin/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/siacoin |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | April 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | April 2023 |

## 2.1. Main Function of the Protocol and Token:

Sia is a cryptocurrency software that allows any computer running it to rent out unused hard drive space to users looking to store files.

Sometimes branded as an “AirBnB for hard drives,” Sia is similar to cloud storage solutions like those offered by tech giants Amazon or Google, only rather than trusting a company to manage and store their data, its users rely on software and a distributed network of global computers.

To accomplish this, files stored through the Sia network are sliced into tiny pieces, so only a small portion of each is stored on any one hard drive. The files are also encrypted, so network users can be confident their data is safe from unauthorized access.

Siacoins are native utility tokens that power the Sia network. Siacoins are used in lots of ways but serve a single purpose – facilitating network operations. When you upload files to Sia, you pay for that storage in Siacoins. If you're a host and you're storing other people's data, you get paid for that in Siacoins. You can send Siacoins to others or receive them at your own wallet address. You can store them in our official software, or on hardware or paper wallet. You can get Siacoins by having someone send them to you, buying them on an exchange, or mining them.

If you own Siafunds, your share of Sia network growth is paid out in, Siacoins. Siafunds are tokens used for revenue sharing on the Sia network; a 3.9% fee from every storage-related transaction on Sia is distributed to the holders of Siafunds. Siafunds are tokens used for revenue sharing on the Sia network; a 3.9% fee from every storage-related transaction on Sia is distributed to the holders of Siafunds.

## 2.2. Shariah Description of the Protocol and Token:

SIA is a blockchain platform which has the aim of facilitating the storage of data. It is a neutral platform that can accommodate shariah and non shariah compliant activities.

The token is a payment token that is used for payment services.

## 22.3. Shariah Opinion of the Protocol and Token:

There are no issues with using the SIA coin and the platform in a shariah compliant manner.

# 23. Name of the Protocol: Radicle

| Name of the Token: | RAD |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/radicle |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/radicle/ |
| Official Website: | https://radicle.xyz/ |
| Official Documentation Link: | Not available |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | April 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | April 2023 |

## 23.1. Main Function of the Protocol and Token:

Radicle (RAD) is an open-source protocol enabling developers to collaborate in a peer-to-peer and decentralized manner. Similar to centralized code collaboration platforms like GitHub and GitLab, developers can collaborate to code and build DApps on it. That happens through Radicle’s peer-to-peer replication protocol called Radicle Link.

Radicle also offers NFT support, and users can create, issue, trade, and manage NFTs on the network.

RAD is the governance token of Radicle that serves governance and communal ownership purposes. Since Radicle is owned by a DAO, you can influence the project’s future and vote on it by holding RAD tokens. Radicle’s Ethereum integration is opt-in, meaning users can choose if they want to pay fees, which then accrue in the project’s treasury. Token holders are eligible for discounts or waived fees and can pay for services and fund development teams in the native token.

## 23.2. Shariah Description of the Protocol and Token:

Radicle is a neutral platform that aims to facilitate the building of Dapps for developers or to create and trade NFTs. The technology can be used for halal and haram purpose.

The token is mainly a utility token that gives access to rights and services but that can also be used for payment purposes on the network.

## 23.3. Shariah Opinion of the Protocol and Token:

If the token and the platform are used for halal purposes, then it is absolutely fine.

# 24. Name of the Protocol: Ergo

| Name of the Token: | ERG |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/ergo |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/threshold/ |
| Official Website: | https://ergoplatform.org/en/ |
| Official Documentation Link: | https://ergoplatform.org/en/discover/#Documents |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | April 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | April 2023 |

## 24.1. Main Function of the Protocol and Token:

Ergo is designed for developing decentralized applications with the main focus of providing an efficient, secure and easy way to implement financial contracts. To achieve this goal, Ergo includes various technical and economic improvements to existing blockchain solutions.

Ergo describes itself as a self-amendable protocol that reportedly allows it to absorb new ideas and improve itself in a decentralized manner.

ERG is the native token of the protocol and is used to pay transaction fees on the platform and incentivize miners for securing the network.

## 24.2. Shariah Description of the Protocol and Token:

The aim of the platform is to improve financial tools on the blockchain for executing contracts in a secure manner.

The token itself is a hybrid token that can be used for payment and utilities such as governance rights and staking.

## 24.3. Shariah Opinion of the Protocol and Token:

Although the platform is neutral at the moment and can accommodate halal and haram services, but it has to be monitored as things could change, and the emphasis on improving financial tools by the platform could also lead to a wider adoption towards an interest based financial ecosystem.

For now, it can be said that using the platform and the token in a halal is permissible.

# 25. Name of the Protocol: ABBC Coin

| Name of the Token: | ABBC |
| --- | --- |
| CoinGecko Link: | https://www.coingecko.com/en/coins/abbc |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/abbc-coin/ |
| Official Website: | https://abbccoin.com/ |
| Official Documentation Link: | https://abbccoin.com/whitepaper.pdf |
| Initial Assessment | Mufti Billal Omarjee |
| Initial Assessment Date | April 2023 |
| Reviewer | Dr Farrukh Habib |
| Review Date | April 2023 |

## 25.1. Main Function of the Protocol and Token:

ABBC is a blockchain platform that seeks secure payment transactions for cryptocurrency for every individual. The platform aims to facilitate retail implementation of cryptocurrencies.  The founders argued that they identified issues with the current retail industry such as slow payments, limited options for payment, and heavy transaction fees. Therefore, they believe that they have a better solution for the existing e-commerce industry that seeks to make digital payments and online shopping more accessible and secure. The whitepaper states that the primary target audience for the platform is the owners of medium and small marketplaces. Moreover, the platform aims to bring personalized payment instruments based on blockchain technology.

ABBC coin is the native token of the network and is used to vote on proposals affecting the future of the network and earn rewards for securing the network via staking.

## 25.2. Shariah Description of the Protocol and Token:

The platform provides a neutral service to facilitate payments between parties irrespective to as whether it is for a shariah compliant transaction or not.

The token itself is a utility token that provides governance rights.

## 25.3. Shariah Opinion of the Protocol and Token:

As long as the platform and the token are used in a halal manner then there will be no shariah issues.

# 26. Name of the Protocol: XRP (XRP)

| Name of the Protocol | XRP |
| --- | --- |
| Name of the Token: | XRP |
| Official Website: | https://xrpl.org/ |
| Official Documentation Link: | https://xrpl.org/docs.html |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/xrp/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/xrp |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 26.1. Main Function of the Protocol and Token:

### 1.1.1. The Protocol

The XRP Ledger is an open-source, permissionless, and decentralized blockchain network that was created by Ripple Labs in 2012. The XRP Ledger is used to facilitate the transfer of value between different parties, including individuals, businesses, and financial institutions. The XRP Ledger is able to process transactions quickly and efficiently, with transaction fees that are significantly lower than those charged by traditional payment systems.

The XRP Ledger is secured by a consensus mechanism called Ripple Consensus Protocol (RCP). RCP is a byzantine fault tolerant consensus algorithm that allows the XRP Ledger to reach consensus even if up to 70% of the validators are malicious.

### 26.1.2. The Token

XRP is the native cryptocurrency of the XRP Ledger. XRP can be used to pay transaction fees on the XRP Ledger, and it can also be used to hold value. XRP is a digital asset that is not subject to inflation, and it can be transferred quickly and efficiently across borders.

## 26.2. Shariah Description of the Protocol and Token:

The XRP Ledger is a decentralized blockchain network that is not owned or operated by any single entity. This makes it a Shariah-compliant platform, as it does not involve any interest-based transactions or other prohibited activities.

XRP is a digital asset that is not subject to inflation. It can be used to pay transaction fees on the XRP Ledger, and it can also be used to hold value. XRP is a Shariah-compliant asset, as it does not involve any interest-based transactions or other prohibited activities.

The XRP Ledger does not involve any interest-based transactions or other prohibited activities. Therefore, there are no elements or components in the protocol or token that are prohibited in Shariah.

## 26.3. Shariah Opinion of the Protocol and Token:

The XRP Ledger and XRP are both Shariah-compliant. The XRP Ledger is a decentralized blockchain network that does not involve any interest-based transactions or other prohibited activities. XRP is a digital asset that is not subject to inflation and can be used to pay transaction fees on the XRP Ledger or hold value. Therefore, the XRP Ledger and XRP are both permissible (halal) in Islam.

# 27. Name of the Protocol: Dogecoin (DOGE)

| Name of the Protocol | Dogecoin |
| --- | --- |
| Name of the Token: | DOGE |
| Official Website: | https://dogecoin.com/ |
| Official Documentation Link: | https://dogecoin.com/dogepedia/#documentation |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/dogecoin/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/dogecoin |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 27.1. Main Function of the Protocol and Token:

### 27.1.1. The Protocol and the Token

Dogecoin (DOGE) is based on the popular "doge" Internet meme and features a Shiba Inu on its logo. The open-source digital currency was forked from Litecoin in December 2013. Dogecoin's creators envisaged it as a fun, light-hearted cryptocurrency that would have greater appeal beyond the core Bitcoin audience, since it was based on a dog meme. Tesla CEO Elon Musk posted several tweets on social media that Dogecoin is his favorite coin.

According to the whitepaper, Dogecoin is a community-driven cryptocurrency that was inspired by a Shiba Inu meme. The Dogecoin Core software allows anyone to operate a node in the Dogecoin blockchain networks and uses the Scrypt hashing method for Proof of Work. It is adapted from Bitcoin Core and other cryptocurrencies.

## 27.2. Shariah Description of the Protocol and Token:

DOGE is considered to be a cryptocurrency similar to BTC. It should therefore fall into the category of money. However, Doge does not seem to have an actual utility, at least at the moment. It was launched as a mockery or competitor of Bitcoin. While the platform boasts about being decentralized and community driven, but without a clear objective.

A deep analysis of the whitepaper clearly shows that it does not have a real economic objective. It only got famous due to speculation only. Elon Musk’s tweets also fueled the speculative activity with this token.

## 27.3. Shariah Opinion of the Protocol and Token:

It is clear that this token has no well-defined purpose, utility or any other benefit on which a shariah ruling can be based. It is purely a speculative token, which people bet on for unusual price action. In this sense, its usage is questionable, and its harm is greater than its benefits. Moreover, the whole branding of the platform and token is related to a dog-breed which might be a shariah issue as well.

It might not have a shariah issue at micro - issuance, default nature - or technological - blockchain, crypto token - level. But it surely has usage and brand perception issues that can lead to other macro issues. Considering the Islamic legal maxims of avoiding the means to impermissible things and harm to the users, it does not seem to be shariah compliant.

# 28. Name of the Protocol: Polkadot (DOT)

| Name of the Protocol | Polkadot |
| --- | --- |
| Name of the Token: | DOT |
| Official Website: | https://polkadot.network/ |
| Official Documentation Link: | https://wiki.polkadot.network/ |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/polkadot-new/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/polkadot |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 28.1. Main Function of the Protocol and Token:

### 28.1.1. The Protocol

Polkadot is a blockchain protocol that allows different blockchains to communicate with each other. This allows for the creation of a decentralized network of blockchains that can work together to provide a variety of services.

Polkadot is designed to be scalable, secure, and interoperable. It is scalable because it can support a large number of blockchains and transactions. It is secure because it uses a proof-of-stake consensus mechanism. And it is interoperable because it allows blockchains to communicate with each other.

### 28.1.2. The Token

DOT is the native cryptocurrency of Polkadot. DOT can be used to stake on the Polkadot network, which secures the network and allows users to earn rewards. DOT can also be used to vote on governance proposals, which helps to shape the future of the Polkadot network.

## 28.2. Shariah Description of the Protocol and Token:

Polkadot is a decentralized blockchain network that is not owned or operated by any single entity. This makes it a Shariah-compliant platform, as it does not involve any interest-based transactions or other prohibited activities.

Polkadot does not involve any interest-based transactions or other prohibited activities. Therefore, there are no elements or components in the protocol or token that are prohibited in Shariah.

DOT is a digital asset that is not subject to inflation. It can be used to stake on the Polkadot network, which secures the network and allows users to earn rewards. DOT can also be used to vote on governance proposals, which helps to shape the future of the Polkadot network. DOT is a Shariah-compliant asset, as it does not involve any interest-based transactions or other prohibited activities.

## 28.3. Shariah Opinion of the Protocol and Token:

Polkadot and DOT are both Shariah-compliant. Polkadot is a decentralized blockchain network that does not involve any interest-based transactions or other prohibited activities. DOT is a digital asset that is not subject to inflation and can be used to stake on the Polkadot network or hold value. Therefore, Polkadot and DOT are both permissible (halal) in Islam.

# 29. Name of the Protocol: Litecoin (LTC)

| Name of the Protocol | Litecoin |
| --- | --- |
| Name of the Token: | LTC |
| Official Website: | https://litecoin.org/ |
| Official Documentation Link: | https://litecointalk.io/ |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/litecoin/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/litecoin |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 29.1. Main Function of the Protocol and Token:

### 29.1.1. The Protocol

Litecoin is a peer-to-peer cryptocurrency that was created in 2011 by Charlie Lee. Litecoin is based on the Bitcoin protocol, but it has a number of differences, including a faster block time and a different hashing algorithm.

The Litecoin protocol is designed to be secure, decentralized, and efficient. It is secured by a proof-of-work consensus mechanism, and it is decentralized because it is not controlled by any single entity. The Litecoin protocol is also designed to be efficient, with transaction fees that are significantly lower than those charged by Bitcoin.

### 29.1.2. The Token

The Litecoin token is a digital asset that is used to pay transaction fees on the Litecoin network. It can also be used to hold value or to make payments to other users. The Litecoin token is not subject to inflation, and it has a limited supply of 84 million tokens.

## 29.2. Shariah Description of the Protocol and Token:

The Litecoin protocol is a decentralized blockchain network that is not owned or operated by any single entity. This makes it a Shariah-compliant platform, as it does not involve any interest-based transactions or other prohibited activities. Therefore, there are no elements or components in the protocol or token that are prohibited in Shariah.

The Litecoin token is a digital asset that is not subject to inflation. It can be used to pay transaction fees on the Litecoin network, and it can also be used to hold value. The Litecoin token is a Shariah-compliant asset, as it does not involve any interest-based transactions or other prohibited activities.

## 29.3. Shariah Opinion of the Protocol and Token:

The Litecoin protocol and Litecoin token are both Shariah-compliant. The Litecoin protocol is a decentralized blockchain network that does not involve any interest-based transactions or other prohibited activities. The Litecoin token is a digital asset that is not subject to inflation and can be used to pay transaction fees on the Litecoin network or hold value. Therefore, the Litecoin protocol and Litecoin token are both permissible (halal) in Islam.

# 30. Name of the Protocol: Tron (TRX)

| Name of the Protocol | Tron |
| --- | --- |
| Name of the Token: | TRX |
| Official Website: | https://tron.network/ |
| Official Documentation Link: | <https://developers.tron.network/docs> https://tron.network/static/doc/white\_paper\_v\_2\_0.pdf |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/tron/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/tron |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 30.1. Main Function of the Protocol and Token:

### 30.1.1. The Protocol

TRON is an open source public blockchain platform that supports smart contracts. TRON is compatible with Ethereum, which means that you can migrate smart contracts on Ethereum to TRON directly or with minor modifications. TRON relies on a unique consensus mechanism to realize the high TPS of the TRON network that is far beyond Ethereum, bringing developers a good experience of a faster transaction.

TRON's consensus mechanism is DPOS. TRON supports Http and gRPC APIs, and TRON also provides Ethereum-compatible JSON-RPC 2.0 APIs.

TRON network transactions need to pay bandwidth and energy fees, where bandwidth is a unit to measure the size of a transaction in bytes. The larger the transaction, the more bandwidth resources will be consumed. Energy is a unit that measures the amount of computation required for TVM to perform specific operations on the TRON network. Energy is calculated in the same way as Ethereum. The more instructions a transaction executes, the more energy it consumes, and the amount of energy consumed by different instructions are different.

**30.1.2. The Token**

TRX is the most important cryptocurrency on the TRON network and has a wide range of application scenarios. The rewards on the TRON network are issued in the form of TRX. Users can obtain resources and voting rights by staking TRX. TRX is also used as primary form of collateral in the DeFi lending market, as a unit of account in NFT marketplaces, and so on.

TRX is minted when a Super Representative produces a block on the TRON network. Every transaction on TRON consumes bandwidth or energy. When a user's bandwidth or energy is insufficient, they need to burn TRX to pay for the resources required for the transaction. The burning of TRX can not only help reduce the inflation of TRX, but also prevent accidental or malicious transactions from occupying all TRON network resources.

## 30.2. Shariah Description of the Protocol and Token:

The Tron protocol is a decentralized blockchain network that is not owned or operated by any single entity. This makes it a Shariah-compliant platform, as it does not involve any interest-based transactions or other prohibited activities.

The Tron token is a digital asset that is not subject to inflation. It can be used to pay transaction fees on the Tron network, and it can also be used to hold value. The Tron token is a Shariah-compliant asset, as it does not involve any interest-based transactions or other prohibited activities.

## 30.3. Shariah Opinion of the Protocol and Token:

The Tron protocol and TRX are both Shariah-compliant. The Tron protocol is a decentralized blockchain network that does not involve any interest-based transactions or other prohibited activities. TRX is a digital asset that is not subject to inflation and can be used to pay transaction fees on the Tron network or hold value. Therefore, the Tron protocol and TRX are both permissible (halal) in Islam.

# 31. Name of the Protocol: Dai (DAI)

| Name of the Protocol | Dai |
| --- | --- |
| Name of the Token: | DAI |
| Official Website: | https://makerdao.com/en/ |
| Official Documentation Link: | https://docs.makerdao.com/ |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/multi-collateral-dai/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/dai |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 31.1. Main Function of the Protocol and Token:

### 31.1.1. The Protocol

MakerDAO is a decentralized organization. The Maker Protocol employs a two-token system. The first being Dai, a collateral-backed stablecoin that offers stability. It is required to have any business or individual realize the advantages of digital money. Second, there is MKR, a governance token that is used by stakeholders to maintain the system and manage Dai. MKR token holders are the decision-makers of the Maker Protocol, supported by the larger public community and various other external parties.

It accepts any Ethereum-based asset as collateral to generate Dai given that it has been approved by MKR holders and has been given specific, corresponding Risk Parameters through the Maker decentralized governance process.

**31.1.2. The Token**

The Dai stablecoin is a decentralized, collateral-backed cryptocurrency soft-pegged to the US Dollar. Dai is held in cryptocurrency wallets or within platforms and is supported on Ethereum and other popular blockchains.

Users generate Dai by depositing collateral assets into Maker Vaults within the Maker Protocol. This is how Dai is entered into circulation and how users gain access to liquidity. Others obtain Dai by buying it from brokers or exchanges, or simply by receiving it as a means of payment.

Every Dai in circulation is directly backed by excess collateral, meaning that the value of the collateral is higher than the value of the Dai debt, and all Dai transactions are publicly viewable on the Ethereum blockchain.

It is important to differentiate between Multi-Collateral DAI and Single-Collateral DAI (SAI), an earlier version of the token that could only be collateralized by a single cryptocurrency; SAI also doesn’t support the DAI Savings Rate, which allows users to earn interest by holding DAI tokens.

## 31.2. Shariah Description of the Protocol and Token:

DAI is created out of loans made by the platform to the users. The interest on these loans is paid through the stability fee. This stability fee should not be confused with a maintenance fee or service fee for using the Maker Vault. It is clear that the crypto deposits are used as collateral for borrowing DAI. Hence, if the collateralization ratio drops below 150% the trader’s collateral will be liquidated to pay off their loan.

In this way, DAI is created out of an interest-based loan (transaction). Interest-based loans or transactions are not Shariah-compliant.

## 31.3. Shariah Opinion of the Protocol and Token:

Based on the above discussion, DAI is not Shariah-compliant. Therefore, it is not allowed to transact with or deal in it.

# 32. Name of the Protocol: Sui (IOU) (SUI)

| Name of the Protocol | SUI (IOU) |
| --- | --- |
| Name of the Token: | SUI |
| Official Website: | https://sui.io/ |
| Official Documentation Link: | https://docs.sui.io/learn |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/sui-iou/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/sui-iou |
| Initial Assessment | Dr Farrukh Habib |
| Initial Assessment Date | 23 May 2023 |
| Reviewer | Mufti Billal Omarjee |
| Review Date | 23 May 2023 |

## 32.1. Main Function of the Protocol and Token:

### **32.1.1. The Protocol**

Sui is a Layer 1 blockchain that is designed to be scalable, secure, and energy efficient. It uses a proof-of-stake consensus mechanism and is built on a new programming language called Move. Sui's main objectives are to:

· Provide a decentralized platform for developers to build applications.

· Enable secure and efficient transactions.

· Reduce the environmental impact of blockchain technology.

Sui offers scalability and unprecedented low-latency for simple use cases. Sui makes most transactions processable in parallel. This better utilizes processing resources and offers the option to increase throughput by adding more resources. Sui forgoes consensus to instead use simpler and lower-latency primitives for simple use cases, such as payment transactions and assets transfer.

### **32.1.1. The Token**

Sui has a native token called SUI, with a fixed supply. The SUI token is used to pay for gas, and users can stake their SUI tokens with validators in a Delegated Proof-of-Stake model within an epoch. The voting power of validators within this epoch is a function of the amount of SUI in their staking pool, including both validator and user SUI tokens. In any epoch, the set of validators is Byzantine fault tolerant. At the end of the epoch, fees collected through all transactions processed are distributed to validators according to their contribution to the operation of the network. Validators can in turn share some of the fees as rewards to users that stake their SUI with them.

The SUI token serves four purposes on the Sui platform:

· Users can stake SUI to participate in the proof-of-stake mechanism.

· SUI is the asset denomination needed for paying the gas fees required to execute and store transactions or other operations on the Sui platform.

· SUI can be used as a versatile and liquid asset for various applications including the standard features of money – a unit of account, a medium of exchange, or a store of value – and more complex functionality enabled by smart contracts, interoperability, and composability across the Sui ecosystem.

· SUI token plays an important role in governance by acting as a right to participate in on-chain voting on issues such as protocol upgrades.

## 32.2. Shariah Description of the Protocol and Token:

The Shariah nature of the Sui protocol is that it is a decentralized platform that allows users to send and receive value without the need for a central authority.

The Islamic legal characterization of the Sui token is that it is a digital asset that can be used to pay for transactions, secure the network, and participate in governance. SUI is a limited supply token, which means that it has a fixed value and cannot be inflated.

There are no major elements or vital components in the Sui protocol or token that are prohibited in Shariah. Sui does not directly involve interest, does not involve gambling, and does not have any elements of excessive uncertainty or unethical or immoral activities by design or as a default feature.

## 32.3. Shariah Opinion of the Protocol and Token:

Based on the above analysis, the Shariah opinion of the Sui protocol and token is that they both are halal (permissible). Sui is a decentralized platform that allows users to send and receive value.

# 33. Name of the Protocol: Ethereum Classic (ETC)

| Name of the Protocol | Ethereum Classic |
| --- | --- |
| Name of the Token: | ETC |
| Official Website: | https://ethereumclassic.org/ |
| Official Documentation Link: | https://ethereumclassic.org/knowledge |
| CoinMarketCap Link: | https://coinmarketcap.com/currencies/ethereum-classic/ |
| CoinGecko Link: | https://www.coingecko.com/en/coins/ethereum-classic |
| Initial Assessment | Dr Farrukh Habib |
| Reviewer | Mufti Billal Omarjee |

## 33.1. Main Function of the Protocol and Token:

### 33.1.1. The Protocol

Ethereum Classic (ETC) is a decentralized open-source blockchain system that features its own cryptocurrency, ETC. ETC was created in 2016 after a hard fork of the original Ethereum blockchain. The hard fork was caused by a disagreement among the Ethereum community about how to handle a security exploit that had been discovered in the Ethereum code.

The main objective of Ethereum Classic is to provide a decentralized platform for smart contracts. Smart contracts are self-executing contracts that are stored on the blockchain. They can be used to automate a variety of tasks, such as financial transactions, property ownership, and voting.

Ethereum Classic’s main aim is to preserve the Ethereum blockchain as it originally was, without artificially countering the DAO hack.

Its appeal was first to those who disagreed with Ethereum’s response, but the legacy network has since gained a wider fan base, which include major investors such as Barry Silbert, CEO of investment firm Grayscale.

As a voluntary organization, the developers of ETC do not aim to turn the network into a for-profit entity. Users pay transaction fees as with Ethereum, and miners collect them based on work done as per the proof-of-work (PoW) mining algorithm.

Unlike Ethereum, Ethereum Classic has no plans to convert to a proof-of-stake (PoS) mining algorithm, while multiple developers continue to work on future improvements such as scaling solutions.

### 33.1.2. The Token

The ETC token is the native cryptocurrency of the Ethereum Classic network. It is used to pay for fees on the network, to secure the network through mining, and to participate in governance.

ETC is a Proof-of-Work (PoW) cryptocurrency. This means that it is mined by solving computationally difficult problems. The network is secured by a network of miners who compete to solve these problems.

## 33.2. Shariah Description of the Protocol and Token:

The Ethereum Classic protocol is a decentralized platform that allows users to create and execute smart contracts. It is designed to be secure, private, and scalable.

From a Shariah perspective, it does not involve any prohibited activities, such as interest, gambling, or excessive uncertainty. The protocol is also decentralized, which means that it is not subject to the control of any single entity. This makes it a more secure and trustworthy platform for conducting transactions.

The ETC token is a payment token that is used to pay for fees on the Ethereum Classic network, to secure the network through mining. The Islamic legal characterization of the ETC token is that it is a digital asset that is used to pay for network transaction fees and to secure the network through staking. ETC tokens can also be used to purchase goods and services on decentralized applications (dApps) that are built on the Ethereum Classic blockchain.

There are no vital elements or integral components in the Ethereum Classic protocol or token that are prohibited in Shariah. The protocol is decentralized and does not directly involve any interest, gambling, or excessive uncertainty. The token is also a digital asset that is not backed by any physical asset.

## 33.3. Shariah Opinion of the Protocol and Token:

The Shariah opinion of the Ethereum Classic protocol and token is that they both are halal (permissible). The protocol is decentralized and does not involve any interest, gambling, or excessive uncertainty. The token is also a digital asset that is not backed by any physical asset, which makes it compliant with Shariah law.

# 34. Name of the Protocol: Beam

| Name of the Token: | BEAM |
| --- | --- |
| Official Website: | <https://onbeam.com/> |
| Official Docs Link: | <https://docs.onbeam.com/> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/onbeam/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/beam-2> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 10 December, 2023 |
| Report Expiry Date | 09 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

Beam is a blockchain and ecosystem tailored for the gaming industry, with a community-driven approach to connect gamers and developers. It uses blockchain technology for secure and transparent in-game asset transactions and operates as an Avalanche subnet. Its features include:

* Community collaboration between gamers and developers.
* Scalability and security, deriving benefits from the Avalanche ecosystem.
* Developer-friendly environment with the Beam SDK.
* Proof of Authority consensus mechanism for network security.

Beam is in developer preview mode, using Proof of Authority (PoA) with the Snowman protocol for consensus. Validators are chosen based on reputation, ensuring network integrity.

### **2. Critical Description of the Coin/Token**

The Beam token ($BEAM) functions as:

* Currency for transactions within the network.
* A tool for developers to build and deploy applications.
* A potential governance token for future network decisions.

Beam differentiates itself with EVM compatibility, facilitating the porting of Ethereum-based games and applications. This ensures faster development, wider reach, and more innovation.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Beam's focus on the gaming industry, the fact that this protocol is aimed at gaming raises some concerns. Most of the games involve music, questionable characters’ appearances, storylines, themes, and sometimes betting. They also do not have a direct economic utility or benefit. Therefore, it does not align with the Islamic finance principle of providing tangible services or assets. Its operations involve Shariah-prohibited activities, assuming the content of games and related transactions do not adhere to Islamic guidelines.

### **Islamic Legal Characterization of the Coin/Token:**

Due to the nature of the protocol, $BEAM, serving as a transactional currency and a potential governance token, cannot be viewed as "مال متقوم" (valuable property) in Islamic jurisprudence.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** No evidence of interest-based transactions within Beam's protocol or $BEAM token.
2. **Gambling or Lottery (Qimar or Maysir):** Beam's focus on gaming does not inherently involve gambling or speculative investments, provided the content aligns with Islamic guidelines.
3. **Excessive Uncertainty (Gharar):** Standard market volatility present, not excessive uncertainty in Islamic terms.
4. **Other Prohibited Elements:** the main purpose of the protocol is to facilitate gamers, game developers, and games, which are highly questionable from the Shariah perspective. The protocol is assumed to have prohibited elements. Consequently, the token derives its value from the prohibited subject matter.

## Section 3. Shariah Opinion of the Protocol and Token

Beam and its $BEAM token, based on the provided summary, exhibit elements prohibited in Shariah due to its focus on gaming. The protocol's emphasis on gaming does not align with Islamic financial principles. Therefore, Beam and $BEAM tokens are impermissible for use.

## Disclaimer

Although, this report focuses on the Shariah compliance of the Beam protocol and $BEAM token only, but since they are not Shariah-compliant, other products, services, utilities, and benefits would also be considered Shariah non-compliant.

35. Name of the Protocol: Flow

| Name of the Token: | FLOW |
| --- | --- |
| Official Website: | <https://flow.com/> |
| Official Docs Link: | <https://flow.com/technical-paper> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/flow/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/flow> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 10 December, 2023 |
| Report Expiry Date | 09 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

* **Protocol Overview:** Flow has introduced a new multi-role architecture to address the scalability issues of traditional blockchains without resorting to sharding. This modular system is designed for horizontal scalability and addresses common scalability and security issues​​.
* **Key Features:** Flow is a proof of stake blockchain developed by Dapper Labs, primarily for NFT collectibles and crypto games. It was created as an alternative to Ethereum, particularly to address the scalability issues that were highlighted by Dapper's CryptoKitties project​​​​.
* **Goals and Design:** Flow aims to be the foundation for mainstream user onboarding via the next generation of games, apps, and digital assets. It emphasizes scalability using multi-role architecture instead of sharding, thereby increasing speed and throughput while maintaining developer-friendly and secure environment​​​​.

### **2. Critical Description of the Coin/Token**

* **Token Overview and Functionality:** The FLOW token serves as the native currency for the Flow network, used for various functions such as staking, transactions, and integrating into applications for peer-to-peer payments, service charges, or consumer rewards​​​​.
* **Token Supply and Use Cases:** FLOW's initial token supply was 10 million, set to increase to 700 million over a period of 10 years due to daily inflation. It is the native token of Flow, essential for the functioning of the network​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Flow's focus on scalability, security, and supporting consumer-scale decentralized applications aligns with Islamic principles advocating for ethical and efficient financial systems. The blockchain's design to foster NFTs, DeFi, DAOs, and other blockchain applications can be seen as a positive aspect in Islamic finance, provided the content and applications align with Shariah guidelines.

### **Islamic Legal Characterization of the Coin/Token:**

The FLOW token, as a utility and staking token within the Flow ecosystem, can be classified as "مال متقوم" (valuable property) in Islamic law. Its utility in governance, transactions, and network participation aligns with Islamic financial principles, provided these uses remain within Shariah-compliant boundaries.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** No indication of interest-based transactions within Flow's protocol or the FLOW token.
2. **Gambling or Lottery (Qimar or Maysir):** The protocol's primary function does not inherently involve gambling or speculative high-risk investments.
3. **Excessive Uncertainty (Gharar):** Standard market volatility is present, but the protocol itself does not introduce additional elements of Gharar.
4. **Other Prohibited Elements:** No evidence of involvement in activities deemed unethical or immoral under Islamic law.

## Section 3. Shariah Opinion of the Protocol and Token

Based on the available information, the Flow protocol and its FLOW token do not exhibit elements explicitly prohibited in Shariah. The protocol's emphasis on scalable and secure blockchain solutions, along with the utility role of the FLOW token, aligns with Islamic financial principles. Therefore, the Flow protocol and FLOW tokens are permissible for use, contingent upon their application and adherence to Islamic principles.

## Disclaimer

This report focuses on the Shariah compliance of the Flow protocol and FLOW token. It does not extend to specific products, utilities, or services offered by the protocol. Users should exercise judgment or seek separate guidance for the Shariah compliance of specific offerings within the Flow ecosystem.

# 35. Name of the Protocol: Galxe

| Name of the Token: | GAL |
| --- | --- |
| Official Website: | <https://galxe.com/> |
| Official Docs Link: | <https://docs.galxe.com/overview/introduction> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/galxe/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/galxe> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 10 December, 2023 |
| Report Expiry Date | 09 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

* **Protocol Overview:** Galxe Protocol is a series of smart contracts and SDK tools for building and authenticating credentials onchain and offchain. It offers a credential schema consisting of the context and credential type​​.
* **Key Features:** Galxe Protocol is a permissionless, self-sovereign identity infrastructure, utilizing zero-knowledge proof technology for secure and private credential management. It aims to provide self-sovereign identity services to the Galxe ecosystem​​​​.
* **Design and Flexibility:** The protocol is designed for flexibility in role assumption, allowing entities, including Galxe, to selectively assume roles based on specific use cases, such as issuer or verifier of credentials​​.

### **2. Critical Description of the Coin/Token**

* **Token Overview and Functionality:** GAL token is the governance token of Galxe and plays multiple critical roles in the ecosystem. It is used for voting in the Galxe DAO, incentivizing user participation, and serves as the primary payment token. GAL tokens are also used for paying application module fees and controlling the platform fee collected by the protocol​​​​​​.
* **Token Supply and Use Cases:** The total supply of GAL tokens is capped at 200 million, with 8% of the total supply released at the project launch. GAL token holders can control aspects such as platform fees and manage the Galxe Community Treasury​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Galxe Protocol's focus on identity infrastructure and credential management with zero-knowledge proof technology aligns with Islamic principles advocating for privacy and ethical data management. The platform's permissionless and self-sovereign identity approach resonates with Islamic values of individual rights and data security.

### **Islamic Legal Characterization of the Coin/Token:**

The GAL token, serving as a governance and payment token within the Galxe ecosystem, can be viewed as "مال متقوم" (valuable property) in Islamic jurisprudence. Its utility in governance, transactions, and incentivizing participation aligns with Islamic financial principles, provided these uses remain within Shariah-compliant boundaries.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** No indication of interest-based transactions within Galxe's protocol or the GAL token.
2. **Gambling or Lottery (Qimar or Maysir):** The protocol's primary function does not inherently involve gambling or speculative high-risk investments.
3. **Excessive Uncertainty (Gharar):** Standard market volatility is present, but the protocol itself does not introduce additional elements of Gharar.
4. **Other Prohibited Elements:** No evidence of involvement in activities deemed unethical or immoral under Islamic law.

## Section 3. Shariah Opinion of the Protocol and Token

Based on the available information, the Galxe protocol and its GAL token do not exhibit elements explicitly prohibited in Shariah. The protocol's emphasis on secure and private identity management, along with the governance and utility role of the GAL token, aligns with Islamic financial principles. Therefore, the Galxe protocol and GAL tokens are permissible for use, contingent upon their application and adherence to Islamic principles.

## Disclaimer

This report focuses on the Shariah compliance of the Galxe protocol and GAL token. It does not extend to specific products, utilities, or services offered by the protocol. Users should exercise judgment or seek separate guidance for the Shariah compliance of specific offerings within the Galxe ecosystem.

# 36. Name of the Protocol: Blur

| Name of the Token: | BLUR |
| --- | --- |
| Official Website: | <https://blur.io/> |
| Official Docs Link: | <https://docs.blur.foundation/> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/blur-token/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/blur> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
| Report Expiry Date | 10 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

**Protocol Overview:** Blur, launched in October 2022, is an Ethereum-based NFT (Non-Fungible Token) marketplace that rapidly gained a significant market share in NFT trading. The ecosystem comprises an NFT marketplace, an aggregator, and a lending platform known as Blend​​.

**Mechanics and Products:** Blur is designed for professional traders, offering low fees, high speed, and unique features such as NFT analytics and floor depth charts. The platform's decentralized nature includes a governance token, BLUR, granting users voting rights​​.

### **2. Critical Description of the Coin/Token**

**Token Overview:** The BLUR token functions within the Blur ecosystem, primarily used for governance, allowing token holders to vote on platform developments and changes.

**Main Usage and Functions:**

* Governance: Token holders have voting rights in the decentralized governance of the platform.
* Blend Protocol Integration: BLUR is integrated into the Blend lending protocol, a key component of the Blur ecosystem​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Blur, as an NFT marketplace and lending platform, presents unique Shariah considerations. NFTs, depending on their content, can be Shariah-compliant if they represent permissible forms such as calligraphy or landscapes. However, many NFTs, especially those depicting animate objects, may not be compliant with Islamic principles of Taswir (picture making)​​.

### **Islamic Legal Characterization of the Coin/Token:**

The BLUR token, as a governance token within the Blur ecosystem, could not be viewed as "مال متقوم" (valued property) in Islamic jurisprudence. It is due to the fact that the token value depends on the underlying activities of the platform being Shariah-compliant.

### **Examination of Prohibited Elements:**

1. **Interest (Usury, Riba):** Blend, a key product of Blur, is a peer-to-peer perpetual lending protocol where borrowers can use their NFTs as collateral to borrow ETH. This lending model, with market-determined interest rates and potential for liquidation, poses significant concerns from a Shariah perspective due to the involvement of Riba (usury)​​​​.
2. **Gambling or Lottery (Qimar or Maysir):** There's no direct evidence of gambling or lottery activities in the Blur platform.
3. **Excessive Uncertainty (Gharar):** The nature of NFT trading, coupled with the variable interest rates in the Blend protocol, may introduce elements of Gharar. However, this is a nuanced area requiring further detailed analysis.
4. **Other Prohibited Elements:** The platform's trading of NFTs, some of which may not adhere to Islamic guidelines on imagery, adds another layer of Shariah non-compliance​​.

## Section 3. Shariah Opinion of the Protocol and Token

Considering the information available, the Blur protocol and BLUR token raise significant Shariah compliance concerns. The lending practices in the Blend protocol involve Riba, which is strictly prohibited in Islam. Furthermore, the nature of many NFTs traded on the platform may not align with Islamic guidelines. Consequently, the Blur protocol and BLUR token are not Shariah-compliant, and users are advised to avoid them.

## Disclaimer:

This review report focuses on the Shariah compliance of the overall Blur protocol and its associated coin/token. However, since the Blur protocol and BLUR token are not Shariah-compliant, other utilities, products, services, or benefits will be automatically understood as not Shariah-compliant.

# 37. Name of the Protocol: Neurai

| Name of the Token: | XNA |
| --- | --- |
| Official Website: | <https://neurai.org/> |
| Official Docs Link: | https://neurai.org/knowledge/ |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/neurai/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/neurai> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
| Report Expiry Date | 10 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

**Protocol/Project Overview:** Neurai aims to harness the power of AI algorithms for efficient data analytics, predictive modeling, decision making, and connectivity to IoT devices using blockchain assets. The platform seeks to merge the real world through IoT equipment developed by Neurai with the digital world via the Neurai blockchain, leveraging AI to solve and identify needs. [27][33][34]

**Mechanics and Products:** Neurai's blockchain is built on Ravencoin, selected for its robust code, ASIC resistance, PoW for good distribution, and ability to manage and interact with IoT assets. It emphasizes the principles of decentralization and fair distribution. [35]

### **2. Critical Description of the Coin/Token**

**Token Overview:** The Neurai token (XNA) serves as the cryptocurrency within the Neurai ecosystem. However, specific details regarding its main usage, functionality, and unique features were not fully accessible within the available sources.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

The Neurai platform, with its focus on AI-driven data analytics and IoT connectivity, aligns with Islamic principles that encourage technological advancement and ethical business practices, as long as the AI and IoT applications remain within Shariah-compliant boundaries.

### **Islamic Legal Characterization of the Coin/Token:**

The XNA token, as part of the Neurai ecosystem, can be considered as "مال متقوم" (valuable property) in Islamic jurisprudence, provided it represents a stake in halal services or has a definable economic value.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There is no indication of interest-based transactions within the Neurai platform.
2. **Gambling (Qimar or Maysir):** There is no evidence suggesting that the Neurai platform or XNA token involves gambling or speculative ventures.
3. **Excessive Uncertainty (Gharar):** The platform does not appear to introduce elements of excessive uncertainty beyond the inherent volatility in the cryptocurrency market.
4. **Other Prohibited Elements:** There is no available information suggesting involvement in activities deemed unethical or immoral under Islamic law.

## Section 3. Shariah Opinion of the Protocol and Token

In conclusion, based on the available information, Neurai and its XNA token do not exhibit elements that are explicitly prohibited in Shariah. However, this assessment is conditional, and continuous monitoring and analysis are advised due to the dynamic nature of digital financial platforms and cryptocurrencies. The token can be considered a valid property in Islamic law. Hence, the protocol and the tokens are permissible to be used. Users should also ensure that their interactions/transactions, such as trading, investment, and holding with the protocol or token, are aligned with Islamic principles.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as AI applications, IoT connectivity, or others. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 38. Name of the Protocol: Nexa

| Name of the Token: | NEXA |
| --- | --- |
| Official Website: | [https://nexa.org/](https://nexa.org/%20) |
| Official Docs Link: | https://spec.nexa.org/home |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/nexa/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/nexa> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
| Report Expiry Date | 10 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

**Protocol/Project Overview:** Nexa is a decentralized cryptocurrency with a public distributed ledger, operating on a peer-to-peer network. It utilizes a Proof-of-Work consensus mechanism with a unique hash function combining elliptic curve multiplication and SHA-256, aiming for a 2-minute block time. Nexa is an adaptation of Bitcoin Cash, which in turn is derived from Bitcoin​​​​.

**Mechanics and Products:** Transactions on Nexa are validated against the transaction history in the blockchain and grouped into blocks using Merkle Trees. The blockchain serves as the public ledger for the Nexa cryptocurrency, ensuring the immutability of transaction history. Nexa operates an ad-hoc decentralized network where transactions are pseudonymous, and coin ownerships are not directly recorded. Instead, transactions reference unspent outputs of previous transactions​​.

### **2. Critical Description of the Coin/Token**

**Token Overview:** Nexa aims to be a highly scalable Layer-1 blockchain, capable of handling over 10 billion transactions per day. It supports EVM-like smart contracts and native token services while remaining decentralized. Nexa's native tokens and NFTs offer a wide range of use cases, including digital artwork, asset ownership, and in-game items, without the need for special smart contracts or token standards like ERC-20. The network's smart-contract system is designed for scalability, termed 'wise-contracts,' which efficiently use network resources​​​​​​​​.

**Token Usage and Functions:** Tokens on Nexa can be created and managed easily, similar to NEX transactions, and have full access to Nexa's smart-contract capabilities. They can be used for various purposes such as in-game points, stablecoins, credits, ICOs, loyalty points, and DeFi staking​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Nexa's blockchain technology and its applications in various fields, including digital asset management and smart contract implementation, align with Islamic principles encouraging technological advancement and ethical business practices. Provided its applications and functionalities remain within Shariah-compliant boundaries, the Nexa platform can be considered permissible.

### **Islamic Legal Characterization of the Coin/Token:**

The NEXA token, integral to the Nexa ecosystem, can be viewed as "مال متقوم" (valuable property) in Islamic jurisprudence. Its association with halal services and defined economic value supports its classification as Shariah-compliant, provided it is not used for prohibited activities.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** No evidence suggests that Nexa involves interest-based transactions, which would be contrary to Shariah principles.
2. **Gambling (Qimar or Maysir):** There is no indication that Nexa or the NEXA token is involved in gambling or lottery activities.
3. **Excessive Uncertainty (Gharar):** Nexa does not appear to introduce excessive uncertainty or ambiguity in its transactions or operations.
4. **Other Prohibited Elements:** Based on available information, Nexa does not facilitate or involve activities deemed unethical or immoral in Islam.

## Section 3. Shariah Opinion of the Protocol and Token

Based on the available information, Nexa and its NEXA token do not exhibit elements that are explicitly prohibited in Shariah. However, continuous monitoring and analysis are recommended due to the dynamic nature of digital financial platforms and cryptocurrencies. The token can be considered a valid property in Islamic law. Hence, the protocol and the tokens are permissible to be used. Users should also ensure that their interactions/transactions, such as trading, investment, and holding with the protocol or token, are aligned with Islamic principles.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as DEX, smart contracts, or payment gateways. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 39. Name of the Protocol: SafePal

| Name of the Token: | SFP |
| --- | --- |
| Official Website: | <https://www.safepal.com/en/> |
| Official Docs Link: | <https://www.safepal.com/pub/SFP_Whitepaper.pdf?a=5> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/safepal/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/safepal> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
| Report Expiry Date | 10 December, 2024 |

## 1. Main Functions of the Protocol and Token

### **1.1. Critical Description of the Protocol**

SafePal, launched in 2018, is a cryptocurrency wallet designed to protect and grow digital assets. It offers both hardware and software wallets, managed through the SafePal App. SafePal supports a variety of crypto-assets and tokens across Ethereum, Binance Smart Chain (BSC), and TRON blockchains. It enables users to store, manage, swap, trade, and grow their portfolio securely.

### **1.2. Critical Description of the Coin/Token**

The SafePal token (SFP) is a utility token of the wallet, used to provide discounts and incentives to users. It is a BEP-20 token on the Binance Smart Chain, also serving as a governance token, allowing holders to propose and vote on new features. SafePal has a maximum supply of 500 million SFP tokens, with about a quarter in circulation. Token allocation includes segments like the team, foundation reserve, community, product & marketing, strategic sale, partnership & ecosystem, private sale, airdrop, and seed sale​​.

## 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **2.1. Shariah Nature of the Platform/Protocol:**

SafePal, as a digital wallet platform, primarily serves as a tool for managing and safeguarding digital assets. From a Shariah perspective, its role as a facilitator in the secure management of digital assets aligns with Islamic principles of property protection and ethical financial management, provided the assets themselves are Shariah-compliant.

### **2.2. Islamic Legal Characterization of the Coin/Token:**

The SFP token, being a utility and governance token in the SafePal ecosystem, can be considered a "مال متقوم" (valuable property) in Islamic jurisprudence, as it holds economic value and facilitates legitimate transactions within the platform.

### **2.3. Examination of Prohibited Elements:**

* **Interest (Usury):** There is no indication that the SafePal platform or the SFP token involves interest-based transactions.
* **Gambling (Qimar) and Speculation (Maisir):** SafePal’s primary function does not seem to revolve around gambling or speculative high-risk investments.
* **Excessive Uncertainty (Gharar):** The standard market volatility in the cryptocurrency field is considered a business risk and not the prohibited excessive uncertainty (Gharar).
* **Unethical or Immoral Activities:** There is no evidence suggesting that SafePal or SFP token is involved in activities deemed unethical or immoral under Islamic law.

## 3. Shariah Opinion of the Protocol and Token

Based on the information available, SafePal and its SFP token do not exhibit elements that are explicitly prohibited in Shariah. The token can be considered a valid property in Islamic law. Hence, the protocol and the tokens are permissible to be used. However, their permissibility is also determined by their application and usage. Users should also ensure that their interactions/transactions such as trading, investment, and holding with the protocol or token are aligned with Islamic principles.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as staking, yield farming, or others. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 40. Name of the Protocol: Qtum

| Name of the Token: | QTUM |
| --- | --- |
| Official Website: | <https://qtum.org/> |
| Official Docs Link: | <https://qtumorg.s3.ap-northeast-2.amazonaws.com/Qtum_New_Whitepaper_en.pdf> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/qtum/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/qtum> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
| Report Expiry Date | 10 December, 2024 |

## 1. Main Functions of the Protocol and Token

### **1.1. Critical Description of the Protocol**

Qtum is a blockchain project combining aspects of Bitcoin's core with Ethereum’s Virtual Machine (EVM). It aims to bridge the gap between Bitcoin and Ethereum technologies using an Account Abstract Layer. Qtum serves business users by integrating the Unspent Transaction Output (UTXO) model of Bitcoin with Ethereum's decentralized application (dApp) capabilities, wrapped in a Proof-of-Stake (PoS) consensus. This structure aims to provide a secure, efficient, and flexible environment for dApps and smart contracts​​​​.

### **1.2. Critical Description of the Coin/Token**

The QTUM token is a utility token used within the Qtum blockchain for accessing services and executing smart contract transactions. It facilitates dApp development and code execution. The token's value is derived from its utility and overall demand. Initially, 80% of the total supply was distributed to the Qtum community, with the remaining 20% allocated to founders, the development team, and early backers​​.

## 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **2.1. Shariah Nature of the Platform/Protocol:**

Qtum, as a blockchain platform that combines key features of Bitcoin and Ethereum, primarily facilitates the creation and execution of dApps and smart contracts. This technological innovation aligns with Islamic principles of progress and ethical financial management, as long as the applications developed on it adhere to Shariah guidelines.

### **2.2. Islamic Legal Characterization of the Coin/Token:**

The QTUM token, serving as a utility token within the Qtum ecosystem, can be seen as "مال متقوم" (valuable property) in Islamic jurisprudence. Its role in enabling legitimate transactions and dApp development within the platform can be deemed Shariah-compliant.

### **2.3. Examination of Prohibited Elements:**

* **Interest (Usury):** There is no evidence that Qtum or the QTUM token involves interest-based transactions.
* **Gambling (Qimar) and Speculation (Maisir):** Qtum's primary function does not revolve around gambling or high-risk speculative investments.
* **Excessive Uncertainty (Gharar):** Standard market volatility is viewed as a business risk, not as prohibited excessive uncertainty (Gharar) in Shariah.
* **Unethical or Immoral Activities:** There is no indication that Qtum or the QTUM token promotes activities considered unethical or immoral in Islam.

## 3. Shariah Opinion of the Protocol and Token

Based on the available information, Qtum and its QTUM token do not exhibit elements that are explicitly prohibited in Shariah. The token can be considered a valid property in Islamic law. Hence, the protocol and the tokens are permissible to be used. However, their permissibility is also determined by their application and usage. Users should ensure that their interactions/transactions such as trading, investment, and holding with the protocol or token align with Islamic principles.

## Disclaimer:

This review report focuses on the Shariah compliance of the Qtum protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as staking, yield farming, or others. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 41. Name of the Protocol: Livepeer

| Name of the Token: | LPT |
| --- | --- |
| Official Website: | <https://livepeer.org/> |
| Official Docs Link: | <https://github.com/livepeer/wiki/blob/master/WHITEPAPER.md> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/livepeer/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/livepeer> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
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## 1. Main Functions of the Protocol and Token

### **1.1. Critical Description of the Protocol**

Livepeer is an Ethereum-based decentralized blockchain service that reduces the costs associated with streaming video. It operates as a behind-the-scenes infrastructure solution, providing app developers a means to lower transcoding costs. Transcoding, the process of converting video from one format to another, is carried out on a network of distributed computers​​​​.

### **1.2. Critical Description of the Coin/Token**

The Livepeer Token (LPT) is an ERC-20 token on the Ethereum blockchain, serving as the native cryptocurrency of the Livepeer network. It incentivizes users and providers within the ecosystem. LPT tokens are used as collateral by orchestrator nodes to secure the network and perform video transcoding work. These tokens also act as reward tokens for the orchestrator nodes and for delegators who stake their tokens​​.

## 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **2.1. Shariah Nature of the Platform/Protocol:**

Considering the content flowing through the Livepeer network, which often includes music and videos that do not adhere to Shariah guidelines, such as modest dressing for women and the avoidance of prohibited elements, the platform raises significant concerns from an Islamic perspective. The underlying technology itself, focusing on video transcoding and streaming, is not inherently non-compliant, but the content it facilitates is questionable.

### **2.2. Islamic Legal Characterization of the Coin/Token:**

While the LPT token functions as an integral part of the Livepeer ecosystem, its Shariah compliance is directly impacted by the nature of the content on the platform. Given that a significant portion of the content does not align with Shariah principles, this casts doubt on the permissibility of the LPT token in Islamic law.

### **2.3. Examination of Prohibited Elements:**

* **Interest (Usury):** There's no clear indication that the Livepeer platform or LPT token involves interest-based transactions.
* **Gambling (Qimar) and Speculation (Maisir):** The primary function of the protocol does not revolve around gambling or high-risk speculative investments.
* **Excessive Uncertainty (Gharar):** The inherent market volatility is considered a business risk, not prohibited excessive uncertainty (Gharar).
* **Unethical or Immoral Activities:** The content disseminated through the platform, including non-Shariah compliant videos and music, presents significant concerns.

## 3. Shariah Opinion of the Protocol and Token

Considering the nature of the content on the Livepeer platform, which often includes elements not adhering to Shariah guidelines, the protocol and its LPT token are currently not Shariah-compliant. While the technology underlying the platform is not inherently non-compliant, the content it facilitates raises concerns. Therefore, users are advised to exercise caution and avoid engaging with the platform and its token until it aligns with Islamic principles.

## Disclaimer:

This review report focuses on the Shariah compliance of the overall Blur protocol and its associated coin/token. However, since the Blur protocol and BLUR token are not Shariah-compliant, other utilities, products, services, or benefits will be automatically understood as not Shariah-compliant.

# 42. Name of the Protocol: Sei

| Name of the Token: | SEI |
| --- | --- |
| Official Website: | <https://www.sei.io/> |
| Official Docs Link: | <https://docs.sei.io/>  <https://github.com/sei-protocol/sei-chain/blob/3c9576fee3494ce039df684624f918dd8066ba3f/whitepaper/Sei_Whitepaper.pdf> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/sei/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/sei> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 11 December, 2023 |
| Report Expiry Date | 10 December, 2024 |

## 1. Main Functions of the Protocol and Token

### **1.1. Critical Description of the Protocol**

Sei is a Cosmos-based layer-1 blockchain designed to transform digital asset trading. It aims to combine the speed and ease of centralized exchanges with the robust security of decentralization. Known as the ‘Decentralized NASDAQ,’ Sei targets the decentralized exchange (DEX) ecosystem and offers access to a wide range of tokens across DeFi, NFTs, and GameFi ecosystems​​​​.

### **1.2. Critical Description of the Coin/Token**

The Sei blockchain is powered by its native token, SEI. This digital asset serves as a payment mechanism for transaction fees within the Sei blockchain and as a staking mechanism in its Proof-of-Stake (PoS) consensus. There are 1.8 billion SEI tokens in circulation, which have been listed on several exchanges​​.

## 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **2.1. Shariah Nature of the Platform/Protocol:**

Sei’s focus on decentralized asset trading and providing infrastructure for various blockchain applications, including DeFi, NFTs, and GameFi, can be assessed from an Islamic perspective. While the technology and concept of the blockchain are not inherently non-compliant with Shariah principles, the nature of specific applications and transactions within these ecosystems would determine their Shariah compliance.

### **2.2. Islamic Legal Characterization of the Coin/Token:**

The SEI token, as a utility token for transactions and staking within the Sei ecosystem, can be considered "مال متقوم" (valuable property) in Islamic jurisprudence. However, its Shariah compliance is contingent on the nature of the transactions it facilitates and the assets it interacts with within the Sei blockchain.

### **2.3. Examination of Prohibited Elements:**

* **Interest (Usury):** There's no indication that the Sei platform or SEI token involves interest-based transactions.
* **Gambling (Qimar) and Speculation (Maisir):** The primary function of Sei does not appear to revolve around gambling or high-risk speculative investments.
* **Excessive Uncertainty (Gharar):** The inherent market volatility is considered a business risk rather than prohibited excessive uncertainty (Gharar).
* **Unethical or Immoral Activities:** The nature of activities and transactions within the Sei ecosystem, particularly in DeFi, NFTs, and GameFi, needs further examination to determine their alignment with Islamic principles.

## 3. Shariah Opinion of the Protocol and Token

Based on the available information, the Sei protocol and its SEI token do not exhibit elements that are explicitly prohibited in Shariah. However, their permissibility is contingent on the specific nature of the transactions and applications they facilitate. Users should ensure that their interactions/transactions with the Sei protocol and SEI token align with Islamic principles.

## Disclaimer:

This review report focuses on the Shariah compliance of the Sei protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 43. Name of the Protocol: Kaspa

| Name of the Token: | KAS |
| --- | --- |
| Official Website: | <https://kaspa.org/> |
| Official Docs Link: | <https://eprint.iacr.org/2018/104.pdf> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/kaspa/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/kaspa> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 06 December, 2023 |
| Report Expiry Date | 05 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **Critical Description of the Protocol**

**Protocol/Project Overview:** Kaspa is a decentralized blockchain protocol. According to the whitepaper and information on the official website, it employs a novel approach to blockchain technology, focusing on scalability and speed. Kaspa utilizes a directed acyclic graph (DAG) structure, which is different from traditional blockchain structures, aiming to offer faster transaction times and improved scalability.

**Mechanics and Products:** Kaspa's unique DAG structure allows for parallel block processing, significantly reducing the time for transaction confirmations. This structure is designed to address the scalability issues faced by traditional blockchain networks. The protocol is likely to have applications in various fields, including decentralized finance (DeFi), gaming, and other areas that require high-speed transactions.

### **Main Objectives:**

* Achieving high scalability and transaction throughput.
* Providing a decentralized and secure network.
* Facilitating fast and efficient transactions.

### **Critical Description of the Token/Coin**

Token Overview: The KAS token is the native cryptocurrency of the Kaspa network. It likely serves as the primary medium of exchange within the ecosystem, facilitating transactions and potentially incentivizing network participation.

### **Main Usage and Functions:**

* **Transactional Utility:** KAS is used for transaction fees within the Kaspa network.
* **Network Incentivization:** The token may be used to reward participants who contribute to the network, such as miners or validators.
* **Potential Governance:** KAS might have a role in network governance, though specific details are not provided.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Kaspa, as a blockchain protocol using DAG technology, falls within the domain of digital platforms facilitating transactions and interactions. From a Shariah standpoint, the permissibility of such a platform would depend on the nature of transactions it facilitates. If it supports transactions that are compliant with Islamic principles, it could be deemed permissible.

### **Islamic Legal Characterization of the Token:**

The KAS token, serving as a medium of exchange within the Kaspa ecosystem, can be viewed as "مال متقوم" (valuable property) under Islamic law, provided it is used in Shariah-compliant transactions.

### **Examination of Prohibited Elements:**

* Interest (Usury): There is no clear indication that KAS involves interest-bearing transactions.
* Gambling (قمار, ميسر): The token should not be used for gambling-like activities or speculative ventures without real asset backing.
* Excessive Uncertainty (غرر): The inherent volatility of the token is a business risk, not the excessive uncertainty prohibited in Islam.
* Unethical/Immoral Activities: The platform and token must not facilitate transactions in non-halal industries or unethical activities.

## Section 3. Shariah Opinion of the Protocol and Token

Based on the available information, the Kaspa protocol and the KAS token do not appear to have inherent elements that violate core Shariah principles. The token can be considered a valid property in Islamic law. Therefore, the protocol and the token are potentially permissible to be used. However, this permissibility is conditional upon their application and usage, which should align with Islamic principles. Users should ensure that their interactions/transactions with the protocol or token adhere to Shariah guidelines.

# 44. Name of the Protocol: Celestia

| Name of the Token: | TIA |
| --- | --- |
| Official Website: | <https://celestia.org/> |
| Official Docs Link: | <https://arxiv.org/abs/1905.09274> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/celestia/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/celestia> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 06 December, 2023 |
| Report Expiry Date | 05 December, 2024 |

## Section 1: Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

**Celestia** is a unique blockchain protocol known for its modular data availability network. Its main aim is to simplify the process of launching independent blockchains. The protocol achieves this by scaling securely with the number of users and providing a platform where transactions are ordered and published but not executed. This modular approach decouples the consensus and application execution layers, offering new possibilities for decentralized application builders.

### **2. Critical Description of the Token/Coin**

The native asset of Celestia, **TIA**, plays a vital role in the protocol's ecosystem. Developers use TIA to pay for data availability services through PayForBlobs transactions, which incur a fee denominated in TIA. The token also facilitates the launching of new blockchains on the Celestia network, serving as a gas token and currency. This allows developers to quickly bootstrap their chains without needing to issue a new token immediately. Additionally, TIA is used for staking to secure the network through a proof-of-stake mechanism and enables community participation in decentralized governance, including voting on network parameters and managing the community pool​​​​​​​​.

## Section 2: Islamic Legal Analysis of the Protocol and Coin/Token

The Celestia platform and its native token TIA require an analysis from an Islamic legal perspective focusing on the Shariah nature of the platform/protocol and the Islamic legal characterization of the token. To determine their compliance with Islamic principles, it is essential to examine if there are any elements in the protocol or token that are prohibited in Shariah, such as interest (usury), gambling (قمار, ميسر), excessive uncertainty (غرر), and other unethical or immoral activities.

### **Shariah Nature of the Platform/Protocol:**

Celestia, as a modular blockchain network, primarily provides a platform for blockchain development and data availability services. From an Islamic legal perspective, this type of service is generally permissible as long as the activities and services facilitated by the platform do not involve any prohibited (haram) elements under Shariah law.

### **Islamic Legal Characterization of the Token:**

The TIA token, as a digital asset used within the Celestia ecosystem for various transactional purposes, can be considered a "مال متقوم" (valuable property) in Islamic jurisprudence. Its permissibility would depend on the nature of the transactions it facilitates and whether these are in line with Islamic financial principles.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There is no indication that the Celestia platform or the TIA token involves interest-bearing transactions.
2. **Gambling (قمار, ميسر):** The platform and token do not appear to be used for gambling-like activities or speculative ventures without real asset backing.
3. **Excessive Uncertainty (غرر):** While the cryptocurrency market is inherently volatile, this volatility is considered a business risk rather than prohibited excessive uncertainty (غرر) in Shariah.
4. **Unethical/Immoral Activities:** There is no available information suggesting the platform or token facilitates or promotes activities that are considered unethical or immoral in Islam.

## Section 3: Shariah Opinion of the Protocol and Token

Based on the information available, the Celestia protocol and its TIA token do not exhibit elements that are explicitly prohibited in Shariah. Therefore, they can be considered Shariah-compliant. However, users are advised to continuously monitor and analyze the protocol and token usage, ensuring their interactions and transactions align with Islamic principles. The token can be considered a valid property in Islamic law, making the protocol and tokens permissible to be used, conditioned on their application and usage adhering to Islamic principles.

# 45. Name of the Protocol: 0x Protocol

| Name of the Token: | ZRX |
| --- | --- |
| Official Website: | <https://www.0xprotocol.org/> |
| Official Docs Link: | https://docs.0xprotocol.org/en/latest/ |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/0x/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/0x> |
| Reviewer: | Dr Farrukh Habib |
| Review Date | 06 December, 2023 |
| Report Expiry Date | 05 December, 2024 |

## Section 1: Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

**0x Protocol** is a decentralized exchange infrastructure designed to facilitate seamless token trading on the Ethereum blockchain. It employs a system of composable smart contracts through its ZeroEx (Exchange Proxy) contract, which implements a delegate-call proxy pattern. This architecture allows the 0x Protocol to evolve and innovate alongside the growing decentralized finance (DeFi) ecosystem​​.

### **2. Critical Description of the Token/Coin**

**ZRX** is the native governance and staking token of the 0x Protocol. It grants token holders governance rights, allowing them to participate in the protocol's development. Token holders can also stake their ZRX tokens to earn liquidity rewards in Ethereum (ETH). Furthermore, ZRX offers both governance and staking utility, with a financial incentive system for market makers who provide liquidity to the ecosystem. These market makers receive liquidity rewards funded through a protocol fee applied to every 0x trade​​​​​​​​.

## Section 2: Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

0x Protocol, as a decentralized exchange infrastructure, primarily facilitates the trading of digital assets. In Islamic finance, the trading of permissible (halal) assets is generally acceptable. However, the compliance of such a platform with Shariah law would depend on whether the assets traded are Shariah-compliant and whether the trading practices adhere to Islamic principles, such as avoiding excessive uncertainty (gharar) and interest (riba)​​​​.

### **Islamic Legal Characterization of the Token:**

The ZRX token, used for governance and staking within the 0x ecosystem, can be considered a "مال متقوم" (valuable property) in Islamic jurisprudence, provided it represents a stake in halal services or activities. The token's Shariah compliance would depend on the nature of the underlying transactions it facilitates and whether these are in line with Islamic financial principles.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There is no indication that the 0x platform or the ZRX token inherently involves interest-bearing transactions.
2. **Gambling (قمار, ميسر):** The platform and token do not appear to be directly used for gambling-like activities or speculative ventures.
3. **Excessive Uncertainty (غرر):** There is no indication that the platform or token adds to the Gharar through its transactions by design.
4. **Unethical/Immoral Activities:** There is no available information suggesting the platform or token facilitates or promotes activities that are considered unethical or immoral in Islam by default.

## Section 3: Shariah Opinion of the Protocol and Token

Based on the available information, the 0x protocol and the ZRX token do not appear to have inherent elements that violate core Shariah principles. The token can be considered a valid property in Islamic law. Therefore, the protocol and the token are potentially permissible to be used. However, this permissibility is conditional upon their application and usage, which should align with Islamic principles. Users should ensure that their interactions/transactions with the protocol or token adhere to Shariah guidelines.

# 46. Name of the Protocol: Bonk

| Name of the Token: | BONK |
| --- | --- |
| Official Website: | <https://www.bonkcoin.com/> |
| Official Docs Link: | <https://assets-global.website-files.com/63d9862f53dc8e65d16eb0e0/63de6fb910d0b94a933c4a2f_BONK-PAPER-040223.pdf> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/bonk1/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/bonk> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 06 December, 2023 |
| Report Expiry Date: | 05 December, 2024 |

## Section 1: Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

Bonk is not a protocol, but a meme coin built on the Solana blockchain. It gained attention by drawing liquidity into the Solana ecosystem. The coin is dog-themed and was created with the intention of bringing liquidity back to the Solana ecosystem. The developers of Bonk aimed to provide a more equitable and fairer ecosystem, contrasting with the existing tokenomics they perceived as toxic within the Solana community. They sought to rebuild decentralized exchange (DEX) liquidity in the Solana ecosystem, which had faced challenges prior to Bonk's launch​​​​​​.

### **2. Critical Description of the Token/Coin**

The Bonk Coin (BONK) was introduced in December 2022 as a community-driven alternative during a period of difficulties for the Solana platform. The developers identified challenges within Solana, such as nefarious entities profiting without supporting its growth. To counteract this, Bonk was launched with a massive airdrop, distributing approximately half of its total token supply to members of the Solana community, including NFT developers, investors, and key players. This not only boosted Solana's price but also promised long-term impacts for the community.

BONK is designed to empower users and support the growing dApps ecosystem on Solana. Its operational function is like other tokens on the Solana blockchain, allowing users to transfer BONK tokens, use them in dApps, or trade them on DEXs. The token aims to support the Solana ecosystem and foster a lively community around it. Future plans for BONK include expanding its utility within the Solana ecosystem, potentially integrating it within various dApps and incentivizing community participation​​​​​​​​.

## Section 2: Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Coin:**

As a meme coin, BONK's compliance with Shariah principles is questionable. Meme coins typically lack intrinsic value or utilitarian purpose, often driven by speculation rather than asset/project-backed value. This could potentially align with the concept of gharar (excessive uncertainty) in Islamic finance.

### **Islamic Legal Characterization of the Token:**

The BONK token, being part of a meme coin project, may not qualify as "مال متقوم" (valuable property) in Islamic jurisprudence due to its speculative nature and lack of intrinsic value or asset/project backing.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There's no clear indication that the BONK token involves interest-based transactions.
2. **Gambling (قمار, ميسر):** The speculative nature of meme coins like BONK can be akin to gambling, which is prohibited in Islam.
3. **Excessive Uncertainty (غرر):** The volatility and speculative nature of BONK introduce elements of excessive uncertainty.
4. **Unethical/Immoral Activities:** The involvement of BONK in any unethical or immoral activities, if any, would render it non-compliant with Shariah.

## Section 3: Shariah Opinion of the Coin

Based on the available information and general Islamic finance principles, the BONK meme coin does not appear to be in alignment with Shariah principles. Its speculative nature, lack of intrinsic value, and potential alignment with Gharar and gambling-like characteristics make it questionable in terms of Shariah compliance. Therefore, it is not Shariah-compliant.

# 47. Name of the Protocol: SUI

| Name of the Token: | SUI |
| --- | --- |
| Official Website: | [https://sui.io/](https://sui.io/%23) |
| Official Docs Link: | <https://docs.sui.io/> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/sui/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/sui> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 07 December, 2023 |
| Report Expiry Date: | 06 December, 2024 |

## Section 1: Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

**Sui** is a layer-1 proof-of-stake blockchain that offers smart contract capabilities. It aims to improve user experience through enhanced scalability and low latency. It operates in epochs, managed by a committee of validators, and allows users to delegate stakes to these validators for a share of the fees. Sui's network security relies on maintaining a quorum of stakes assigned to honest parties. A distinctive feature of Sui is its use of the Move programming language, which was originally developed by Meta for the Diem project and is shared with the Aptos blockchain​​​​​​​​.

### **2. Critical Description of the Token/Coin**

The **SUI token** is the native cryptocurrency of the Sui blockchain, with a total supply of 10 billion. It serves multiple functions within the ecosystem, including:

1. Delegating to earn a share of the validating rewards.
2. Denominating gas fees.
3. Acting as a unit of account, medium of exchange, or store of value, especially for decentralized applications (DApps).
4. Facilitating governance and on-chain voting​​.

## Section 2: Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Sui, as a proof-of-stake blockchain, primarily facilitates the development and execution of smart contracts and DApps. In Islamic finance, such technology platforms are permissible as long as they do not facilitate transactions or activities that are prohibited in Shariah, such as gambling or interest-based contracts.

### **Islamic Legal Characterization of the Token:**

The SUI token, as a digital asset and medium of exchange within the Sui blockchain, can be considered a "مال متقوم" (valuable property) in Islamic jurisprudence. Its permissibility hinges on the nature of the transactions it enables and whether these adhere to Islamic financial principles.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** The token must not be involved in any interest-bearing transactions.
2. **Gambling (قمار, ميسر):** The platform and token should not be used for gambling-like activities or speculative ventures without real asset backing.
3. **Excessive Uncertainty (غرر):** Transactions within the platform must avoid excessive uncertainty or lack of transparency.
4. **Unethical/Immoral Activities:** Any involvement in activities deemed unethical or immoral according to Islamic principles would render the platform and token non-compliant.

## Section 3: Shariah Opinion of the Protocol and Token

Based on the available information, the Sui protocol and its SUI token do not exhibit elements explicitly prohibited in Shariah. If the platform and its token are used in a manner that adheres to Islamic financial principles, they could be considered Shariah-compliant. However, continuous monitoring and analysis are advised, given the dynamic nature of digital financial platforms and cryptocurrencies. Users should ensure their interactions and transactions with the protocol and token align with Islamic principles.

# 48. Name of the Protocol: THORChain

| Name of the Token: | RUNE |
| --- | --- |
| Official Website: | [https://thorchain.org/](https://thorchain.org/%20) |
| Official Docs Link: | https://docs.thorchain.org/  <https://github.com/thorchain/Resources/tree/master/Whitepapers> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/thorchain/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/thorchain> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 07 December, 2023 |
| Report Expiry Date: | 06 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

THORChain is a decentralized liquidity protocol providing cross-chain asset swaps using an automated market maker (AMM) model. It facilitates seamless trading of assets across different blockchains. The protocol's key features include decentralized operation, cross-chain swaps, and liquidity pools where users can contribute and earn rewards. However, THORChain also offers 'Savers' and 'Lending' products, which may have implications for Shariah compliance due to their potential involvement in interest-based transactions.

### **2. Critical Description of the Coin/Token**

RUNE is the native utility token of THORChain, essential for liquidity provision, network security through staking, and possible governance participation. It functions as a base currency in liquidity pools and is vital for the ecosystem's economic activities.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

Shariah Nature of the Platform/Protocol:

While THORChain's primary function of facilitating cross-chain swaps aligns with Islamic finance principles, its 'Savers' and 'Lending' products raise concerns. In Islamic finance, any form of Riba (interest/usury) is strictly prohibited. If these products involve earning or paying interest, they would not be Shariah-compliant.

### **Islamic Legal Characterization of the Coin/Token:**

RUNE, as a utility and governance token, remains a "مال متقوم" (valuable property) in Islamic law. However, its Shariah compliance also depends on the nature of transactions it facilitates, especially in context of 'Savers' and 'Lending' products.

### **Examination of Prohibited Elements:**

* Interest (Usury): The 'Savers' and 'Lending' features of THORChain potentially involve interest, which is a significant concern from a Shariah perspective.
* Gambling (قمار, ميسر): Apart from these features, the protocol mainly facilitates asset trading, which needs to be free from gambling elements.
* Excessive Uncertainty (غرر): While market risks are inherent, the protocol should avoid transactions characterized by excessive uncertainty.
* Other Prohibited Activities: Compliance also depends on ensuring no involvement in transactions or activities considered haram in Islam.

## Section 3. Shariah Opinion of the Protocol and Token

Considering the potential involvement of Riba in THORChain's 'Savers' and 'Lending' products, these specific aspects of the protocol are not Shariah-compliant. Based on this understanding, the $RUNE does not appear to be in alignment with Shariah principles.

# 49. Name of the Protocol: Immutable

| Name of the Token: | IMX |
| --- | --- |
| Official Website: | <https://www.immutable.com/> |
| Official Docs Link: | <https://support.immutable.com/en/articles/6470640-immutable-whitepaper> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/immutable-x/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/immutable-x> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 07 December, 2023 |
| Report Expiry Date: | 06 December, 2024 |

## Section 1: Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

Immutable X is a Layer-2 blockchain solution designed to address scalability issues for NFTs on Ethereum. It enables the creation and management of NFT projects with zero gas fees, offering quick trade confirmation and large scalability for games, applications, and marketplaces, without compromising security​​. Key functionalities include:

* Building web3 games on the Immutable X protocol.
* Buying and selling assets on the Immutable X marketplace.
* Depositing and withdrawing ETH or IMX tokens between Immutable X and Ethereum blockchain.
* Transferring IMX assets via TokenTrove, an NFT marketplace on Immutable X.
* Voting on community grant proposals with IMX tokens​​.

### **2. Critical Description of the Coin/Token**

The IMX token, an ERC-20 utility token, has three primary roles in the Immutable X ecosystem:

* **Fees**: A 2% protocol fee is applied to every transaction, of which 20% is converted to IMX and allocated to the staking rewards pool.
* **Staking**: IMX holders can stake their tokens to earn a portion of the protocol fees as staking rewards. The rewards are proportional to the amount of IMX staked and are distributed every 14 days.
* **Decentralized Governance**: IMX token holders have voting rights on token-related proposals, including allocating token reserves, developer grants, activating rewards, and changes in token supply. Voting power is proportional to the number of tokens held​​​​.

## Section 2: Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Although Immutable X protocol facilitates the creation, management, and trade of NFTs on a secure blockchain platform, but the fact that this protocol is aimed at gaming raises some concerns. Most of the games involve music, questionable characters’ appearances, storylines, themes, and sometimes betting. They also do not have a direct economic utility or benefit. Therefore, Immutable X protocol does not align with the Islamic finance principle of providing tangible services or assets. Its operations involve Shariah-prohibited activities, assuming the content of NFTs and related transactions adhere to Islamic guidelines.

### **Islamic Legal Characterization of the Coin/Token:**

Due to the nature of the protocol, the IMX token, as a utility and governance token within the Immutable X ecosystem, could not be considered a valid asset. Assuming it represents a stake in ventures and derives the economic value from the protocol itself, it is not a valid property.

### **Examination of Prohibited Elements:**

1. **Interest (Usury, Riba)**: There's no indication that the protocol or IMX token involves interest-based transactions.
2. **Gambling or Lottery (Qimar or Maysir)**: The protocol's focus on NFTs and digital assets trading doesn't inherently involve gambling or lottery elements.
3. **Excessive Uncertainty (Gharar)**: The protocol appears to provide functionalities and transaction terms, thereby avoiding excessive uncertainty. However, the normal volatility of the cryptocurrency market is present.
4. **Other Prohibited Elements**: the main purpose of the protocol is to facilitate gamers, game developers, and games, which are highly questionable from the Shariah perspective. The protocol is assumed to have prohibited elements. Consequently, the token derives its value from the prohibited subject matter.

## Section 3: Shariah Opinion of the Protocol and Token

Immutable X protocol, from a technical design perspective, seems to violate some Shariah principles. The IMX token cannot be considered a valid intangible asset in Islamic law. Therefore, the protocol and the tokens are impermissible to be used. They are not Shariah-compliant.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as staking, yield farming, or others. Users are advised to exercise their own judgment or seek separate guidance from us regarding the Shariah compliance of any specific product or service.

# 50. Name of the Protocol: Mantle

| Name of the Token: | MNT |
| --- | --- |
| Official Website: | <https://www.mantle.xyz/> |
| Official Docs Link: | <https://docs.mantle.xyz/network/introduction/overview> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/mantle/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/mantle> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 08 December, 2023 |
| Report Expiry Date: | 07 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

* **Protocol Overview:** Mantle Network is a Layer 2 scaling solution for Ethereum. It is EVM-compatible, allowing cross-deployment of applications from the Mainnet and other EVM chains​​.
* **Mechanics and Products:** Mantle uses Optimistic rollups, which facilitate cheap and fast transactions by bundling and executing transactions off-chain, with eventual settlement on-chain. This approach improves user experience without sacrificing security and decentralization​​​​.
* **Main Objectives:** The network aims to provide efficient communication with the main Ethereum network, process transactions at lower costs and higher throughput, and leverage Ethereum’s security​​. It is designed to be iterative and modular, potentially integrating zero-knowledge technology as it evolves​​.

### **2. Critical Description of the Coin/Token**

* **Token Overview:** MNT is the native token of the Mantle Network. It functions as a gas token within the network, supporting ecosystem growth and serving as a governance token​​.
* **Main Usage and Functions:** MNT is a utility and governance token, giving holders voting rights on ecosystem decisions. It is used to initiate and power future Mantle products. A recent proposal was passed by MNT holders to reduce the token supply in the treasury​​. Additionally, in a merger with BitDAO, BIT tokens are being converted to MNT at a 1:1 ratio, consolidating BitDAO and Mantle into a single entity​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Mantle Network, as a blockchain solution focusing on scaling and efficiency, aligns with the principle in Islamic finance of promoting economic activities and technological advancements. The network’s focus on security, decentralization, and efficiency does not inherently involve Shariah-prohibited activities. The modular nature of the network allows for continuous development, which can be viewed positively in Islamic ethics, emphasizing progress and innovation.

### **Islamic Legal Characterization of the Coin/Token:**

The MNT token, serving as a utility and governance token within the Mantle ecosystem, can be classified as "مال متقوم" (valuable property) in Islamic law, assuming it represents a stake in permissible activities and has economic value. Its usage for governance and transactional purposes within the network aligns with Islamic financial principles, provided these activities remain Shariah-compliant.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There is no indication that the Mantle protocol or the MNT token involves interest-based transactions.
2. **Gambling or Lottery (Qimar or Maysir):** The protocol's primary function does not revolve around gambling or speculative high-risk investments.
3. **Excessive Uncertainty (Gharar):** While normal crypto market volatility is present, it's considered a business risk, not the prohibited excessive uncertainty (Gharar). The protocol itself does not introduce additional elements of Gharar.
4. **Other Prohibited Elements:** There is no evidence suggesting involvement in activities deemed unethical or immoral under Islamic law.

## Section 3. Shariah Opinion of the Protocol and Token

In conclusion, based on the available information, Mantle Network and its MNT token do not exhibit elements that are explicitly prohibited in Shariah. The protocol's focus on improving blockchain efficiency and security, along with the governance role of the MNT token, aligns with Islamic financial principles. Therefore, the Mantle protocol and the MNT tokens are permissible to be used. However, their permissibility is also determined by their application and usage. Users should ensure that their interactions/transactions, such as trading, investment, and holding with the protocol or token, are aligned with Islamic principles.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as staking, yield farming, or others. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 51. Name of the Protocol: Neo

| Name of the Token: | NEO |
| --- | --- |
| Official Website: | <https://neo.org/> |
| Official Docs Link: | <https://docs.neo.org/docs/en-us/index.html> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/neo/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/neo> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 08 December, 2023 |
| Report Expiry Date: | 07 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

* **Protocol Overview:** Neo is a blockchain technology designed to digitize assets and manage digital assets using smart contracts, aiming to create a "smart economy" through a distributed network​​​​.
* **Mechanics and Products:** As an open-source platform, Neo supports decentralized applications. It operates on the dBFT consensus protocol and has functionalities similar to Ethereum, allowing the deployment and execution of smart contracts​​. The focus is on facilitating a Smart Economy by revolutionizing business with digital assets and identities, enabling automated and trustless management of assets through smart contracts​​.
* **NeoVM and NeoContract:** These are integral components of Neo's ecosystem, with NeoVM providing increased security and scalability. They work in unison with the dBFT consensus mechanism and Neo’s smart contract framework, driving the growth and value of the Neo network​​.

### **2. Critical Description of the Coin/Token**

* **Token Overview:** Neo uses two tokens within its network: NEO and GAS. NEO represents the right to manage the network, including voting for bookkeeping and network parameter changes, while GAS is used for network fees, smart contract deployments, and in dApp purchases​​​​​​.
* **NEO Token Functions:** NEO token holders are network owners and can participate in governance. They receive passive distribution of GAS, which increases with voting participation. NEO has a total of 100 million pre-mined tokens and represents the right to manage the network​​​​​​​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

Neo, as a blockchain technology focusing on digital asset management and smart economy, aligns with Islamic finance principles that promote economic activities and technological advancements. The emphasis on digitization of assets and smart contracts for their management can be seen as a move towards ethical and efficient economic systems, which is a positive aspect from a Shariah perspective.

### **Islamic Legal Characterization of the Coin/Token:**

NEO, being a governance and utility token within Neo's ecosystem, can be viewed as "مال متقوم" (valuable property) in Islamic jurisprudence, as it represents a stake in permissible activities and has economic value. Its use for governance and transactional purposes within the network aligns with Islamic financial principles, provided these activities remain Shariah-compliant.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There is no indication that the Neo protocol or the NEO token involves interest-based transactions.
2. **Gambling or Lottery (Qimar or Maysir):** The protocol's primary function does not revolve around gambling or speculative high-risk investments.
3. **Excessive Uncertainty (Gharar):** Normal crypto market volatility is present, but this is considered a business risk rather than the prohibited excessive uncertainty (Gharar) in Shariah. The protocol itself does not introduce additional elements of Gharar.
4. **Other Prohibited Elements:** There is no evidence suggesting involvement in activities deemed unethical or immoral under Islamic law.

## Section 3. Shariah Opinion of the Protocol and Token

In conclusion, based on the available information, the Neo protocol and its NEO token do not exhibit elements that are explicitly prohibited in Shariah. The protocol's focus on smart economy and digital asset management, along with the governance role of the NEO token, aligns with Islamic financial principles. Therefore, the Neo protocol and the NEO tokens are permissible to be used. However, their permissibility is also determined by their application and usage. Users should ensure that their interactions/transactions, such as trading, investment, and holding with the protocol or token, are aligned with Islamic principles.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as staking, yield farming, or others. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.

# 52. Name of the Protocol: EOS

| Name of the Token: | EOS |
| --- | --- |
| Official Website: | <https://eosnetwork.com/> |
| Official Docs Link: | <https://eosnetwork.com/blog/category/blue-paper/> |
| CoinMarketCap Link: | <https://coinmarketcap.com/currencies/eos/> |
| CoinGecko Link: | <https://www.coingecko.com/en/coins/eos> |
| Reviewer: | Dr Farrukh Habib |
| Review Date: | 09 December, 2023 |
| Report Expiry Date: | 08 December, 2024 |

## Section 1. Main Functions of the Protocol and Token

### **1. Critical Description of the Protocol**

* **Protocol Overview:** EOS is a decentralized blockchain designed for fast and free transactions, built on the EOSIO blockchain. It is geared towards high efficiency and a distributed state machine, capable of operating in a decentralized manner​​.
* **Mechanics and Products:** EOS features upgradable smart contracts, advanced permission schemas, forkless upgrades, and functionalities that support decentralized applications (dApps) and smart contracts​​.
* **Main Focus and Goals:** Initially launched in 2018, EOS emphasizes flexibility, network scalability, and user-friendliness, aiming to aid global blockchain mainstream adoption​​.
* **Consensus Mechanism:** EOS utilizes the Delegated Proof-of-Stake (DPoS) consensus model and offers role-based permissions for critical decision-making like protocol-freezing during hacks​​.

### **2. Critical Description of the Coin/Token**

* **Token Overview:** EOS token is the native cryptocurrency of the EOS network, used by developers to utilize network resources for building and executing smart contracts. EOS holders can trade or hold EOS as an investment asset or use it for services on the network. EOS operates on its own open-source blockchain, which supports additional smart contracts and dApps​​.
* **EOS Tokenomics:** EOS had an initial total supply of 1 billion, with an annual inflation rate initially set at 5%, later reduced to 1% in February 2020​​. EOS tokens are required for executing smart contracts on the network​​.

## Section 2. Islamic Legal Analysis of the Protocol and Coin/Token

### **Shariah Nature of the Platform/Protocol:**

EOS, as a blockchain technology focusing on decentralized operations and efficiency, aligns with Islamic finance principles promoting economic activities and technological advancements. Its emphasis on scalability, security, and user-friendliness aligns with the Islamic ethic of facilitating ease in transactions and promoting beneficial technology.

### **Islamic Legal Characterization of the Coin/Token:**

The EOS token, as a utility and governance token within the EOS ecosystem, can be considered "مال متقوم" (valuable property) in Islamic jurisprudence. It represents a stake in permissible activities and has economic value. Its use for governance, smart contract execution, and network services aligns with Islamic financial principles, provided these activities are Shariah-compliant.

### **Examination of Prohibited Elements:**

1. **Interest (Usury):** There is no indication that the EOS protocol or the EOS token involves interest-based transactions.
2. **Gambling or Lottery (Qimar or Maysir):** The protocol's primary function does not revolve around gambling or speculative high-risk investments.
3. **Excessive Uncertainty (Gharar):** Normal crypto market volatility is present but considered a business risk rather than the prohibited excessive uncertainty (Gharar). The protocol itself does not introduce additional elements of Gharar.
4. **Other Prohibited Elements:** There is no evidence suggesting involvement in activities deemed unethical or immoral under Islamic law.

## Section 3. Shariah Opinion of the Protocol and Token

In conclusion, based on the available information, the EOS protocol and its EOS token do not exhibit elements that are explicitly prohibited in Shariah. The protocol's focus on decentralized operations and the governance and utility role of the EOS token aligns with Islamic financial principles. Therefore, the EOS protocol and the EOS tokens are permissible to be used. However, their permissibility is also determined by their application and usage. Users should ensure that their interactions/transactions, such as trading, investment, and holding with the protocol or token, are aligned with Islamic principles.

## Disclaimer:

This review report solely focuses on the Shariah compliance of the overall protocol/project and its associated coin/token. It does not extend to the Shariah implications of specific products, utilities, or services offered by the protocol, such as staking, yield farming, or others. Users are advised to exercise their own judgment or seek separate guidance regarding the Shariah compliance of any specific product or service.