

In the name of Allah, the most compassionate, the most merciful

The Islamic Shariah view on establishing the “Haqq Chain” network and the issuance of its own currency “Islamic Coin”

Praise be to Allah. Prayers and peace be upon our Prophet, Muhammad, his family, and all of his companions, and those who followed them with goodwill until the day of judgment, and then:

The Shariah Authority formed for the purpose of giving the legitimate Islamic view on establishing the "Haqq Chain" platform ("The Platform") and issuing its currency known as "IslamicCoin", has held a number of meetings until 22/01/2022 A.D. (19/06/1443 Hijri), to review the White Paper of The Platform which is a White Paper in Arabic and English that lists The Platform's blockchain-based features, the technical framework used to program "Haqq Chain" platform, the objective of The Platform and the mechanism used to issue and distribute its currency "IslamicCoin", as well as information on the Evergreen DAO Endowment Fund to be established on The Platform.

After reviewing a detailed presentation of the platform's workflow by its administrators, and their answers to the Authority's questions on this matter, that included the following:

1. Haqq Chain platform will be built using a technical framework that is well-known in the blockchain field, which is the Cosmos technical framework.
2. The platform will operate on a "Proof of ownership" basis for mining, so that users freeze several their currencies to have Authority mining according to specific criteria. This method is more energy-efficient than the traditional mining method based on "Proof of work."
3. That the main currency used in "Haqq Chain" platform is the "IslamicCoin" currency, and a certain percentage of these currencies will be issued exclusively for a limited number of buyers.
4. That 10% of the currencies issued on the platform will be automatically converted to the Evergreen DAO Endowment Fund (An independent decentralized entity), which is an endowment cryptocurrency fund that invests in projects that serve the International Islamic community and is subject to the decisions voted on by the miners of Haqq Chain platform.

After thorough review of the structure of the platform and the white paper, and what has been shown to the Authority from the blockchain technology and the technical framework used in programming "Haqq Chain" platform that is a safe and tested technology through which financial transactions are conducted and users' funds are protected. After reflecting on the types of currencies currently available, which are summarized in the following types:

1. Currencies with no specific purpose behind their issuance other than being a store of value and having a price, where the customer aims to save, use in purchases and reservations, get wages through and pay taxes using them in a number of countries.
2. Currencies issued with the purpose of using them for a particular product or on a specific platform, so that it is the official currency through which evaluation and purchase of services and products provided on those platforms can be made. Some of these currencies can become famous and can have an increase in demand that it can have the characteristics of type 1 as well.
3. Currencies issued against another financial asset, such as gold, dollars, euros, etc. so that the value of the currency is like the value of the financial asset against which it is issued.
4. Non-Fungible Tokens, usually symbolized by NFT. These are currencies symbolizing the ownership of NFTs for certain assets, images or specific property, where the currency owner shall be the owner of the asset, image or associated property.

The Authority has seen that these four types of currencies are considered significant financial assets whose value changes as supply and demand change, and that each of these currencies has its own legitimate provisions, which are not subject to consideration by the Authority, and that the "IslamicCoin" currency falls under the second type mentioned above, and the consideration of the Shariah Authority is strictly limited to the currency of "IslamicCoin" disregarding other currencies.

After studying, considering, and discussing, the Authority decided the following:

First: There is no objection to establish the "Haqq Chain" Platform and issuing the "IslamicCoin" based on the following measures:

1. IslamicCoin is a financial asset that may be traded by sale and purchase and replaced with legitimate services and goods and is considered money of its owners that may not be taken away, and Zakat must be paid by its owners after purchase or after mining and possession according to the Zakat conditions and measures.
2. To check the software code used to build the "Haqq chain" platform at an accredited software audit company, to ensure the integrity of the platform and its ability to protect the funds of its customers.
3. Appoint an Authority committee for the Evergreen DAO Endowment Fund to ensure the safety of the Fund's activities.

Second: The Authority confirms that this view is specific to the white paper, which includes details of establishing the "Haqq Chain" Platform, the issuance of "IslamicCoin" currency and establishing the "Evergreen DAO Endowment Fund" excluding other smart products and contracts to be built on the platform, and that the relevant Authority should ensure that this platform was established in accordance with this Islamic Shariah opinion, and that the entity must obtain the Shariah Authority approval for new smart products and contracts before launching them.

Third: This opinion concerns the legitimate aspect, and the Authority does not express an opinion on any legal aspects, economic feasibility, or the acceptance of the judicial authorities of this view, and the concerned parties are responsible for verifying those aspects.

Fourth: The Authority warns that investing in cryptocurrency products is suitable only for qualified investors, because of the risks involved, and needs expertise, follow-up and accurate knowledge of these products, and those who deals with these must be financially abundant and has surplus to their basic needs and has access to the complex technology that form the basis of cryptocurrencies and the like.

The Authority recommends the appointment of an independent forensic reviewer to verify the platform's compliance with the measures contained in this document and its annexes.

Praise be to Allah, the Lord of the Worlds; **and may His** blessings and peace be upon **our Prophet Muhammad** and upon all **his Family and Companions**.

IslamicCoin Shariah Board

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