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BayanToken

Real Value • Real Growth

WHITEPAPER

V3.10

A Shariah-Compliant Utility Crypto Token

Be aware that any purchase of crypto tokens is extremely risky. Never spend any funds that you cannot afford to lose. Make sure you read and understand this whitepaper, Terms of Sale and all possible associated risks.

Abstract

The advent of Blockchain technology has created both revolution and disruption globally. Thousands of crypto-currencies have been birthed since but most have no real product or value propositions, bringing no higher purpose or real-world benefits to society. Naturally, this has created cynicism and criticism amongst detractors and equally with investors.

This is where we at Bayan Token **(BYT)** come in.

Driven by a belief of “Good For Goodness”, our value proposition is simple and humane: Participate in good and goodness will come back to you.

To this effect, BYT is grounded on strong Islamic beliefs with growth and value created through real and existing economic projects that will not only bring returns to our BYT holders BUT also bring “goodness” and real-world impact to society.

So we invite you to read on and consider participating in “Good for Goodness”.

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1.0 **Opportunity Gap:** Finding Good in the Bad

To build our product and strong Value Proposition(s) for purchasers, we have identified 3 key category shortfalls that we believe as the big opportunity gaps:

1. Based on an EY report paper on ICOs until December 2017, over 84% of ICOs launched are cryptocurrency projects that are at an early ideation stage during the ICO period. Token Holders – purchasers – not only bear the brunt of the cost of the projects but are also burdened by the higher risk of no profit return in the event that the project fails to realize its product.

2. The report also pointed out that ICO valuations are often based on the "fear of missing out" instead of real project development forecasts and the nature of the token. This leads to extreme token price volatility in the post-ICO trading, hence many tokens and cryptocurrencies are dead within months after the completion of the ICO.

3. Despite the global Halal industry enjoying immense growth worldwide with Islamic finance reaching USD$162 trillion in global commercial banking assets, investments have been slow going into the cryptocurrency market. This is partly due to the unclear ruling of cryptocurrency within the Shariah scope resulting in a majority of the Muslim population worldwide being hesitant to venture into crypto-currency.

Clearly, the opportunity lies in delivering an axis of real projects with real economic value grounded in the power of the Muslim faith - a faith that has also shown tremendous economic and financial growth as witnessed in the Halal and Islamic Finance Markets.

2.0 **Vision:** Good For Goodness

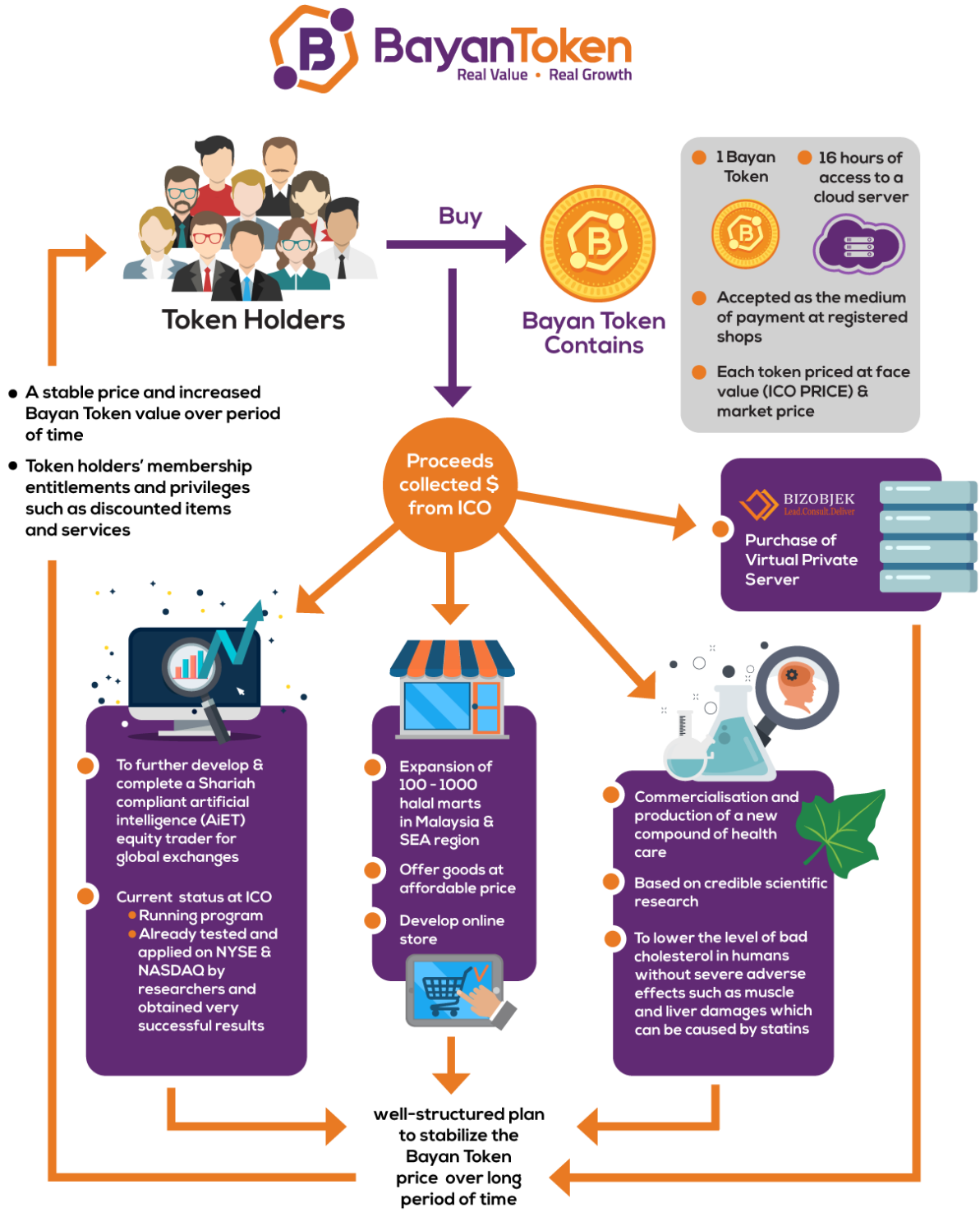
This birthed our vision: Participate in "Good For Goodness". In very simple terms, our product is one born of good (Shariah-Compliant) and because of that we are committed to deliver goodness (real value and real growth) through carefully considered and selected projects for our Token Holders and society as a whole.

As such, BYT is structured with the following attributes:

- **Has intrinsic value and benefit in accordance with Islamic principles**
- **Has real economic benefit and impact**
- **Potential return in the form of virtual membership privileges**
- **Deeply aligned with Environmental, Social and Governance (ESG) and Socially Responsible Investing (SRI) standards**
- **Technology based token and projects**
- **Provides great utility features thus ensuring growth & sustainability of the token**

3.0 "Goodness" at every turn: Bayan Token in a nutshell

From the moment the Tokens are purchased, BYT holders can expect a mechanism built and dedicated to delivering "goodness" at every junction. An ERC20 token built on the Ethereum platform, BYT leverages Ethereum's smart contract attribute. The significant hashing power of the platform ensures the network is secure and efficient. Additionally, a token contract represents the ownership of 16 hours of access to benefits of Private Cloud Server. Each server has 2 GHz of computing power, 1GB of memory, 5GB of SSD disk and 10GB bandwidth per month of data transfer.



4.0 Value Propositions of Bayan Token

4.1 Born of Good: Fully Shariah-Compliant

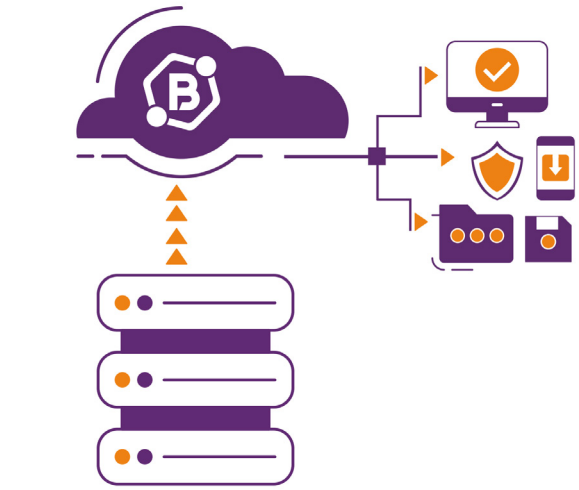
Given the opportunity already coming from the immense growth of the Halal economy, BYT believes that Muslim believers and followers should be given every chance to invest in the momentum of cryptocurrency. As such, we have taken all measures and every necessary step to ensure that our token is fully Shariah-Compliant and in accordance with all the goodness of Islamic principles.

Within the Islamic Finance sphere, in order for something to be permissible as a means of payment, it must satisfy two characteristics: it must be valuable as well as reliable.

We are convinced that we have managed to structure BYT so that it has an intrinsic value and it satisfies the Islamic requirement. This therefore paves the way for Muslim investors and purchasers and we have achieved this by way of the following:

A. Cloud Computing

One BYT will entitle the holder to 16 hours of access to a Private Cloud Server. One cloud server is made up of 2 GHz of computing power, 1GB of memory, 5GB of SSD disk and 10GB bandwidth per month of data transfer.



Biz Objek: Our Virtual Private Server provider

The private cloud server allows users access to a wide range of tools which include private data storage of inventories, invoices, web server, email server, DNS server or any services hosted on a Linux platform. They should comply with the general guidelines to ensure a Shariah-Compliant transaction.

We will provide a guidance kit to token holders on how to utilise the cloud server if they decide to redeem the benefits instead of holding our tokens for capital gains.

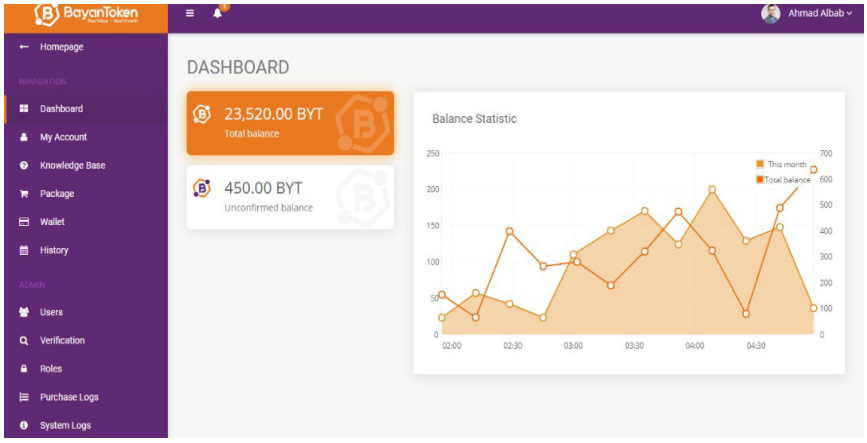
B. Transparent, Safe and Secure Eco-system

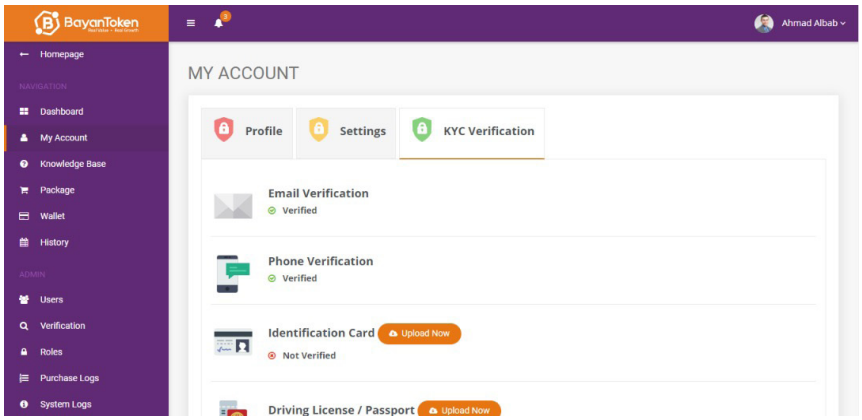
A healthy and robust crypto-ecosystem will include several features including:

1. Exchange and payment gateway
2. E-Wallet and flow of purchasing and unlocking the token and pin matter
3. KYC protocol
4. Web development
5. Open API

These features are maintained by our experienced developers to ensure the whole operation runs smoothly and efficiently. Among our key responsibilities are to ensure that all Token Holders will have a peace of mind and can transparently and easily monitor their ownership of BYT.

As such, we will set-up a personal dashboard for all BYT holders allowing them to observe their BYT balance and transactions. Furthermore, to combat abuse or the illegal use of BYT such as to assist in money laundering activity, terrorism financing and/or transaction, all customers are required to be whitelisted through a Know Your Customer (KYC) process that needs to be completed by the Token holders. This KYC process is also available in the dashboard of BYT.





C. Utility Value and Sustainability of Bayan Token

To ensure sustainability of BYT's value, we need to have an ecosystem where the token can be used and circulated in the market. BYT ultimately satisfies Shariah-Compliancy as it acts as a means of payment, and most importantly is backed by a tangible asset that gives it value. BYT offers Token Holders the ease of payment as well as a secure way to purchase goods at our Halal Mart (terms and conditions apply). Use at other online and offline shops will be informed later to the BYT Holders via their personal dashboard, newsletter and also a BYT Telegram Channel.

As an added value, Token Holders can receive exclusive offers such as privileges and discounted prices at several stores, free gifts and other services etc.

As a case study, we refer to the OmiseGo (OMG) ICO. The following data, based on the etherscan. io data, evinces as follows:

ICO End Date	**:**	**Jun 23, 2017**
Total Cap	**:**	**$25,000,000**
Token Distribution Date	**:**	**Jul 7, 2017**
ICO Price	**:**	**$0.24 | 0.001188 ETH**

The data shows that the new coin was priced at **USD 0.24 during the ICO but increased by 7,087.5% in value to USD17.25 as of 3rd May 2018**. This is attributed to the fact that the issuer had created an exclusive ecosystem and community where coins' holders may transact and circulate their coins among themselves for services and goods. This is the plan for BYT and we believe BYT's price at ICO of USD 0.80 may increase significantly within a year or less.

- **Each BYT to its smallest denomination of 0.01 can be used to make normal purchases at our Halal Mart. This certainly ensures the token acts not only as a store of value but also as a transfer of value. However, there will be a certain limit of acceptance by these stores that will be determined by top management of each store from time to time.**

- **The usability of the token at the store requires a certain upgrade of the stores' payment gateway that will be under the project of this ICO. Therefore, the readiness of the system may take up 6 to 12 months after the completion of the ICO.**

4.2 Being "Good" is Smart: Bayan Token Smart Contract

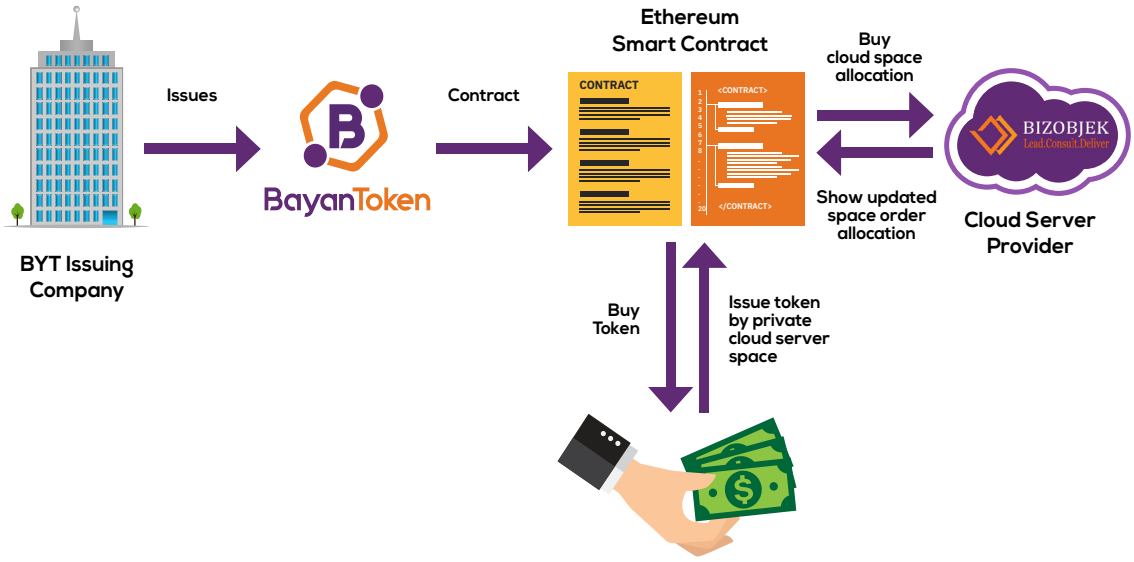
A smart contract running on blockchain would be visible to all the computers in the network. It becomes a self-operating computer program that acts as an executor or enforcer after fulfilling specific conditions. For example, imagine a scenario where an insurance holder is trying to claim payment for an economic loss. A smart contract would ensure that all conditions are met – claim in terms of form submission, evidence of incident, investigation report and approval from insurance company – before releasing payment. Furthermore, private data are only accessible to certain parties who can check and verify the content.

Smart contracts are less prone to manual errors and the process of execution virtually eliminates manipulation and non-compliance. Similar to Bitcoin transactions, computer nodes in the network come to a consensus about the code execution. The network will record the execution of the contract and update the ledger, and monitor the compliance of the contract.

A BYT contract represents ownership of 16 hours' worth of private cloud server space for each BYT. Users can claim the usage of the cloud server via a smart contract, where the smart contract will execute API to the cloud server provider. At the same time, any amount (minimum 0.1 BYT) claimed will be burned in the smart contract whenever the API is successfully executed.

The BYT issued by BYT Issuing Company through the Ethereum Blockchain ensures that the smart contract automatically transfers private cloud server space from the tokens to their owners once redeemed.

BYT can be denominated to 2 decimal points. Therefore, the smallest BYT amount that can be purchased is 0.01 BYT. However, the cloud computing service can only be redeemed starting at 0.1 BYT i.e. 1.6 hours of access. Other examples: a purchase of 1.20 BYT means the holder will be entitled to 19.2 hours, and if 0.80 BYT is purchased, the access would be for 12.8 hours. The data is only useable in countries listed under the cloud computing services region.



4.3 Projects of "Goodness": Participation in Real World Projects with Real World Value and Impact

Proceeds from the BYT ICO will be used to fund several projects that will ensure growth and momentum of BYT. Beyond its utility factor, the Token is also backed by real-life, profitable projects that will not only support the whole ecosystem but also deliver impact for society as a whole – essentially bringing goodness to BYT holders and communities in ways beyond pure financial returns. And more importantly, these projects already exist and are not merely fictional, lofty ideas or at ideation stages.

The Projects include:

1. Development of a sophisticated Shariah compliant **Artificial Intelligence-Equity Trader** for Global Exchanges. Currently, the system is being completed and tested for the US Market and successful results have been obtained.

2. Expansion of 100 to 1,000 stores of **Halal Grocery Mini Marts** across Malaysia and South-East Asia region.

3. Production and commercialisation of the **cholesterol-reducing Basella Alba leaf extract as a health supplement.**

5.0 The Underlying Projects

5.1 The Z2 Shariah Compliant Artificial Intelligence-Equity Trader (AiET)

Bringing Technological Goodness for Smarter Investments

In the era of high-end technology, trading has to be innovated to leverage the fast-paced trading arena and to capitalize on global opportunities. Considering the volatility and complexity of market behaviours today, it is more important that we leverage the power of modern technology and various trading strategies and techniques that will result in above-average trading returns. This inspiration led us to the Z2 Artificial Intelligence-Equity Trader or Z2 AiET in short.

A passion for figures and research drove a zestful market trader 38 years ago, in 1980, to delve into researching and testing stock trading strategies to predict the direction of stock prices. The research centered on the premier stock exchanges, NYSE and NASDAQ. Through sheer perseverance and dedication, applying mathematical and statistical formulas, thousands of hours of flipping from tool to tool, stock to stock, market to market and with rigorous back-testing on years of historical data, and actual trading of stocks have eventuated in the discovery of strategies that are unique as they can be applied to any instrument be it equities, futures or any other, and across the global markets.

Modern day technology and the Internet gave ways to exhaust the capabilities of these strategies by converging powerful technical analysis software, premium analysis tools and dynamic market-scanning applications. This led to the development of the Z2 platform: a fully automated and semi-automated strategy trading system that has time and again proven successful.

The cutting-edge system provides the best investment and trading opportunities by streamlining the whole process of making investment decisions to produce more efficient, profitable trades. It's core characteristics are as such:

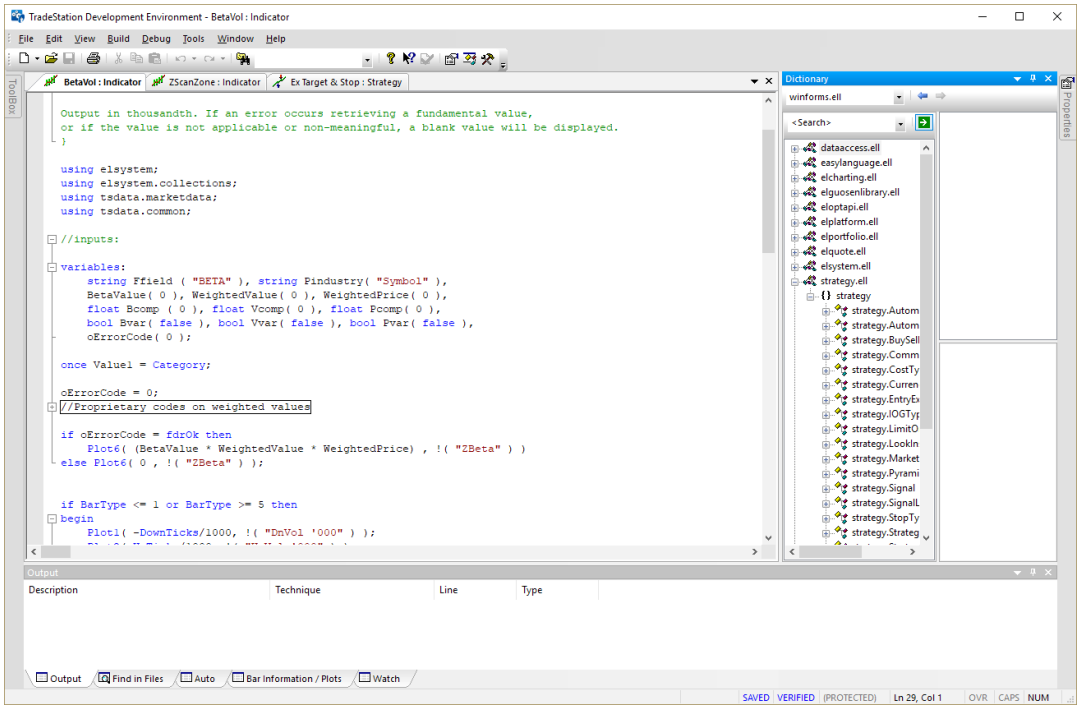
1. Swift in analyzing and identifying prime investments
2. Consistent trading opportunities
3. Reduce human errors in decision-making process
4. Disciplined approach without human discretion
5. Eliminate human emotions in trade execution and monitoring

Z2 PROTOCOL

Designed for efficient filtering, complex alerts and automated execution to support professional trading, the Z2 platform is set on **4 major operating protocols:**

1. Z2 STRATEGY – REVOLUTIONARY

Z2 employs 5 proprietary strategies that are analytical techniques developed through absolute devotion to discover a revolutionary approach. It employs mathematical and statistical models, trading rules based on price and volume transformations, inter-market and intra-market price correlations. These strategies then identify trends, tendencies and trading opportunities. Being proprietary, sharing of information on these strategies is restricted.



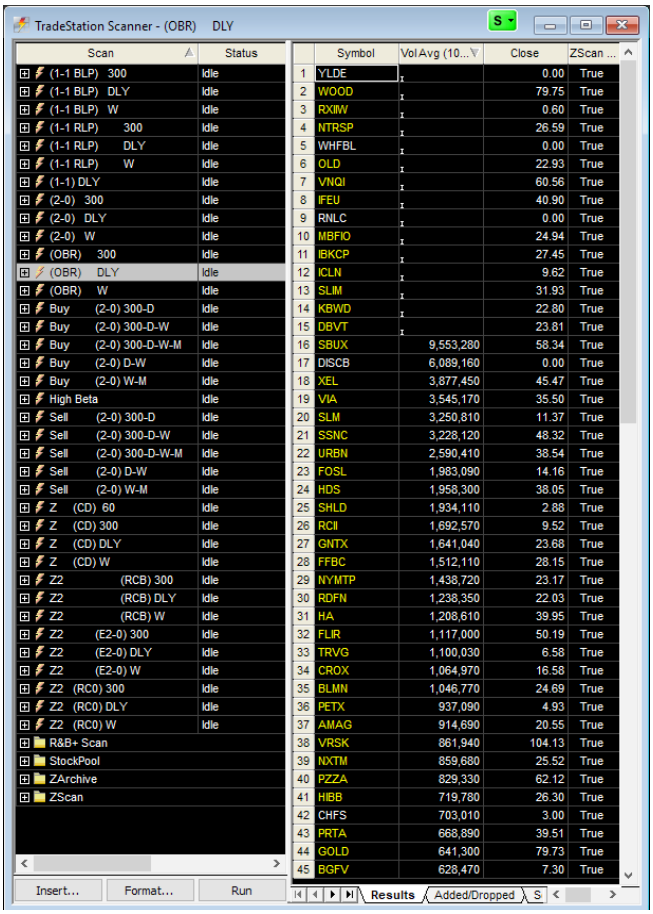
Z2 Coding – Advanced technical and fundamental analysis program developed and refined over a period of 10 years

2. Z2 SCANNER – INNOVATIVE

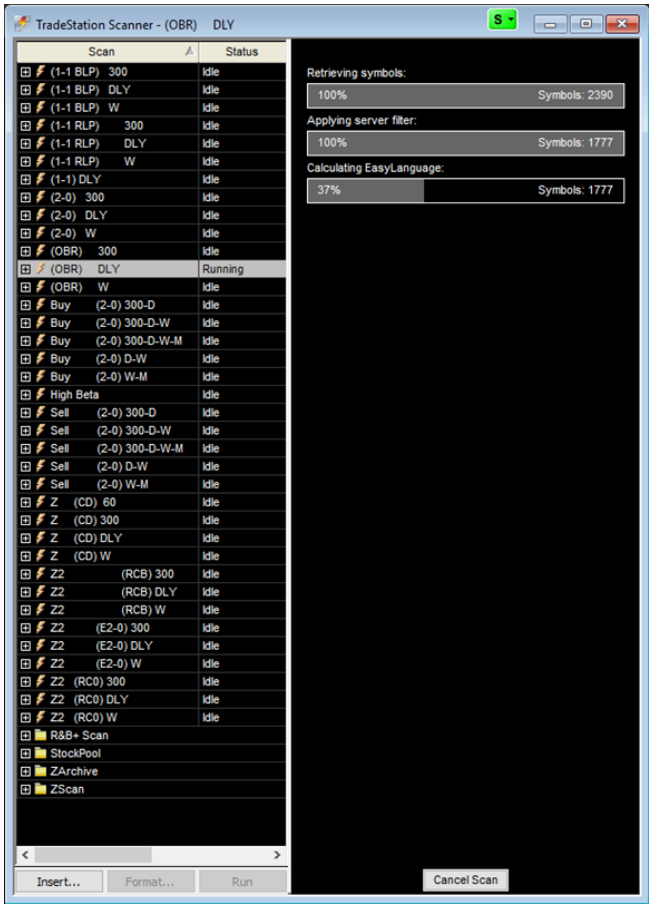
The Z2 Scanner is a tool that allows the scanning of entire markets and their vast network of data to locate stocks that meet the Z2 STRATEGY screening criteria. This high-powered, innovative tool employs the proprietary strategies and ravages through an extensive database of technical and fundamental data to identify potential trades.

All these are carried out in a matter of seconds and as such limit the time required for analysis. The return result of this protocol is an astounding pool of prime stocks, dynamically ranked and presented as trade potentials.

Picture below: Z2 Scanner in Progress

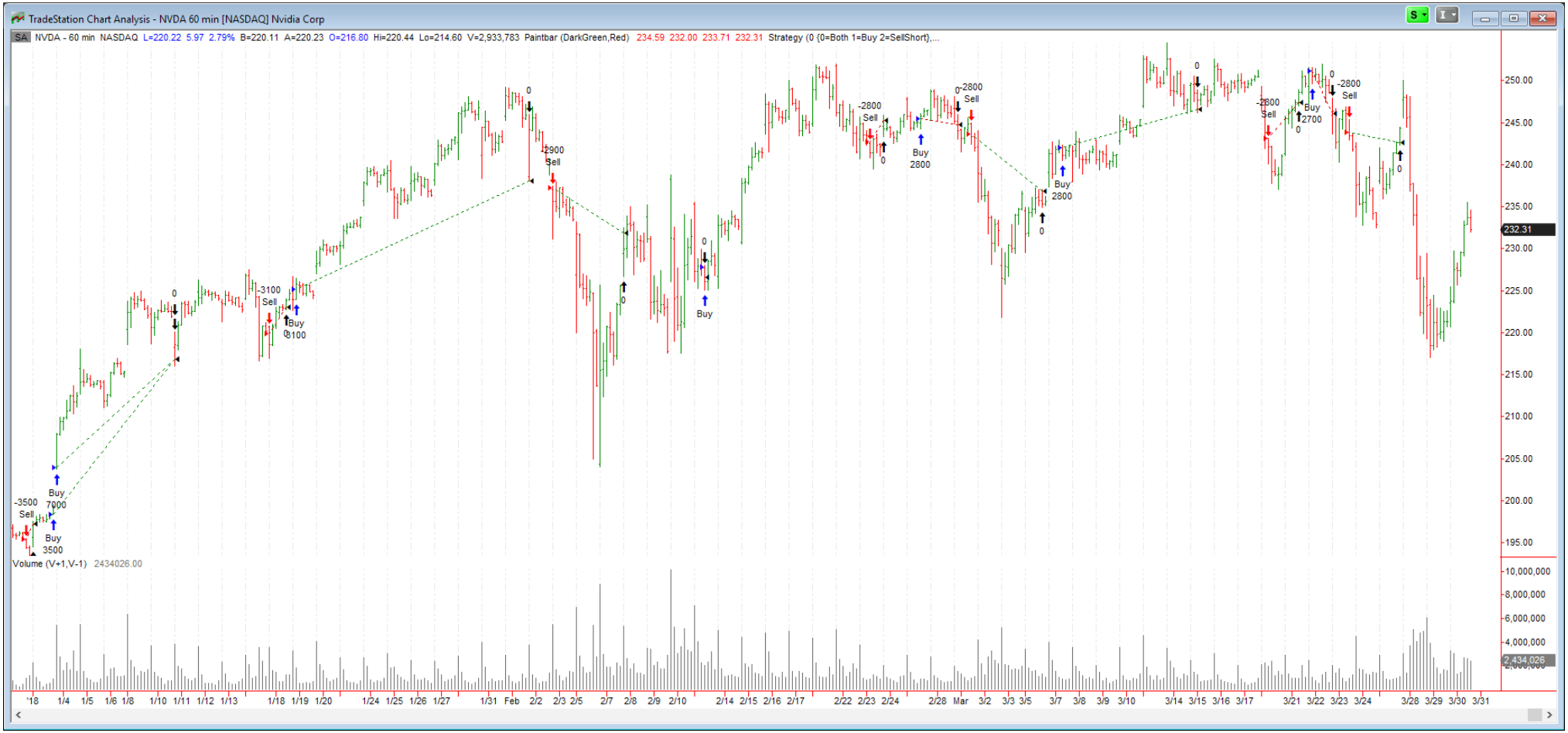


Picture below: Z2 Scanner Results



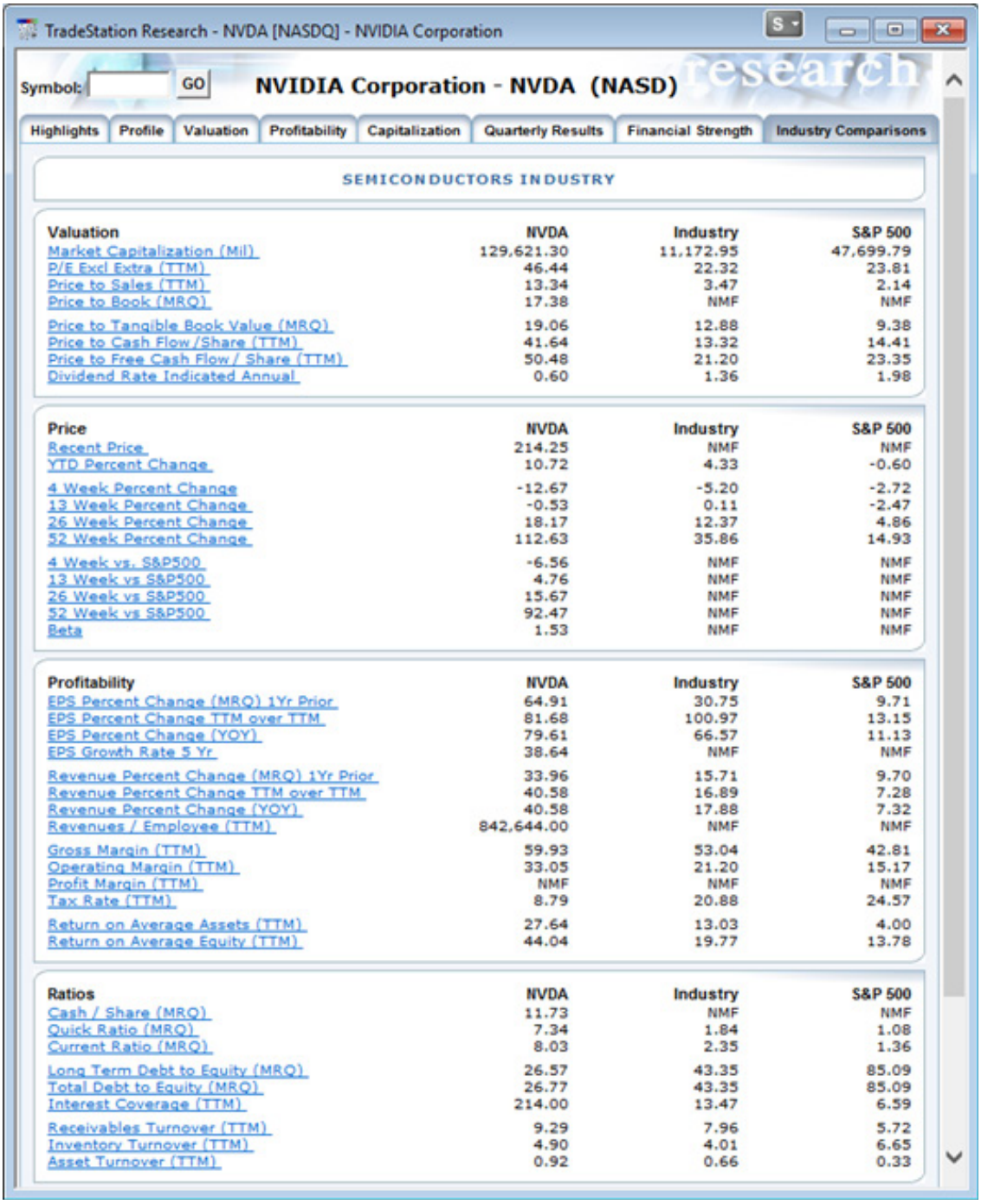
3. Z2 AUTOTRADER – CUTTING EDGE

The A-list stocks are then set onto Z2 AutoTrader, a complex, algorithmic platform based on artificial intelligence and using cutting edge technology, able to open and close positions automatically on the occurrence of the signal. This application is developed in-house and forms an integral part of the Z2 Protocol.



4. Z2 FILTER – PREMIUM SELECTIONS

The pool of potential trades is then sifted through a host of fundamental data, reviewing information from the market, browsing data sources to ensure the final pick is optimal. Stocks meeting these specific filters are A-listed for the day's trade.



Valuation	NVDA	Industry	S&P 500
Market Capitalization (Mil)	129,621.30	11,172.95	47,699.79
P/E Excl Extra (TTM)	46.44	22.32	23.81
Price to Sales (TTM)	13.34	3.47	2.14
Price to Book (MRQ)	17.38	NMF	NMF
Price to Tangible Book Value (MRQ)	19.06	12.88	9.38
Price to Cash Flow/Share (TTM)	41.64	13.32	14.41
Price to Free Cash Flow / Share (TTM)	50.48	21.20	23.35
Dividend Rate Indicated Annual	0.60	1.36	1.98

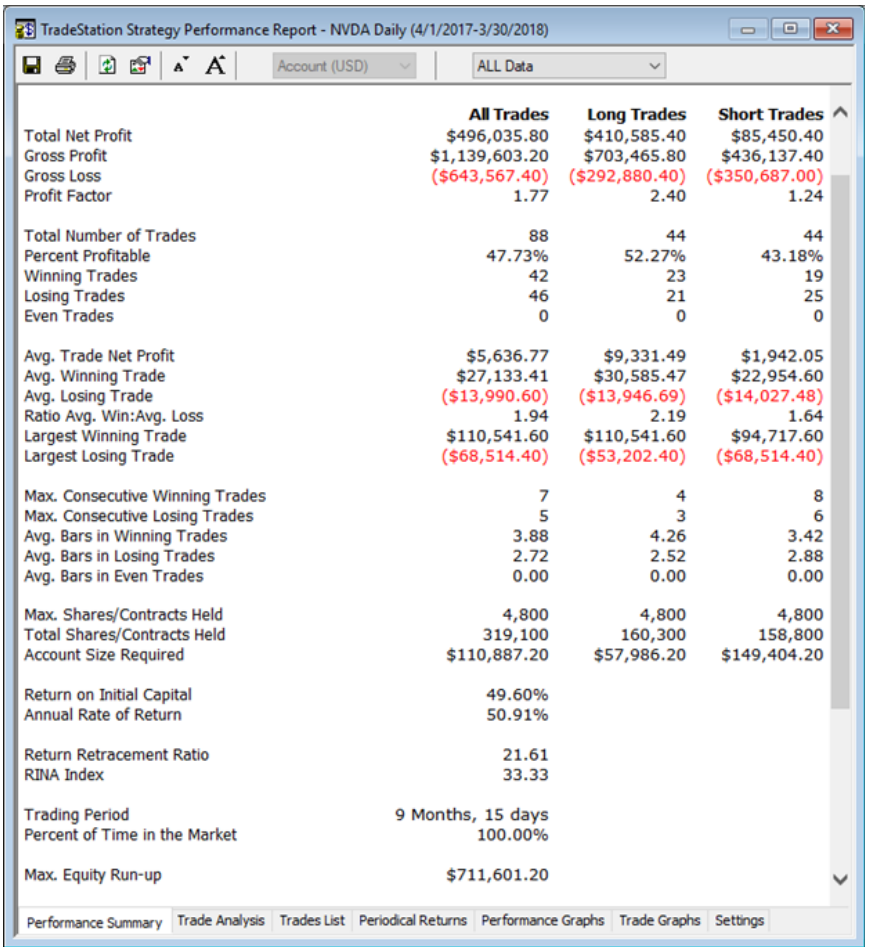
Price	NVDA	Industry	S&P 500
Recent Price	214.25	NMF	NMF
YTD Percent Change	10.72	4.33	-0.60
4 Week Percent Change	-12.67	-5.20	-2.72
13 Week Percent Change	-0.53	0.11	-2.47
26 Week Percent Change	18.17	12.37	4.86
52 Week Percent Change	112.63	35.86	14.93
4 Week vs. S&P500	-6.56	NMF	NMF
13 Week vs S&P500	4.76	NMF	NMF
26 Week vs S&P500	15.67	NMF	NMF
52 Week vs S&P500	92.47	NMF	NMF
Beta	1.53	NMF	NMF

Profitability	NVDA	Industry	S&P 500
EPS Percent Change (MRQ) 1Yr Prior	64.91	30.75	9.71
EPS Percent Change TTM over TTM	81.68	100.97	13.15
EPS Percent Change (YOY)	79.61	66.57	11.13
EPS Growth Rate 5 Yr	38.64	NMF	NMF
Revenue Percent Change (MRQ) 1Yr Prior	33.96	15.71	9.70
Revenue Percent Change TTM over TTM	40.58	16.89	7.28
Revenue Percent Change (YOY)	40.58	17.88	7.32
Revenues / Employee (TTM)	842,644.00	NMF	NMF
Gross Margin (TTM)	59.93	53.04	42.81
Operating Margin (TTM)	33.05	21.20	15.17
Profit Margin (TTM)	NMF	NMF	NMF
Tax Rate (TTM)	8.79	20.88	24.57
Return on Average Assets (TTM)	27.64	13.03	4.00
Return on Average Equity (TTM)	44.04	19.77	13.78

Ratios	NVDA	Industry	S&P 500
Cash / Share (MRQ)	11.73	NMF	NMF
Quick Ratio (MRQ)	7.34	1.84	1.08
Current Ratio (MRQ)	8.03	2.35	1.36
Long Term Debt to Equity (MRQ)	26.57	43.35	85.09
Total Debt to Equity (MRQ)	26.77	43.35	85.09
Interest Coverage (TTM)	214.00	13.47	6.59
Receivables Turnover (TTM)	9.29	7.96	5.72
Inventory Turnover (TTM)	4.90	4.01	6.65
Asset Turnover (TTM)	0.92	0.66	0.33

Z2 Filter - Incorporates multiple fundamental data along with the technical analysis to generate optimal trading strategies

Z2 AutoTrader – 2018 1st quarter hourly chart showing trades generated by one of the automated strategies which sends entry and exit orders to the market with minimal human touch



	All Trades	Long Trades	Short Trades
Total Net Profit	$496,035.80	$410,585.40	$85,450.40
Gross Profit	$1,139,603.20	$703,465.80	$436,137.40
Gross Loss	($643,567.40)	($292,880.40)	($350,687.00)
Profit Factor	1.77	2.40	1.24
Total Number of Trades	88	44	44
Percent Profitable	47.73%	52.27%	43.18%
Winning Trades	42	23	19
Losing Trades	46	21	25
Even Trades	0	0	0
Avg. Trade Net Profit	$5,636.77	$9,331.49	$1,942.05
Avg. Winning Trade	$27,133.41	$30,585.47	$22,954.60
Avg. Losing Trade	($13,990.60)	($13,946.69)	($14,027.48)
Ratio Avg. Win:Avg. Loss	1.94	2.19	1.64
Largest Winning Trade	$110,541.60	$110,541.60	$94,717.60
Largest Losing Trade	($68,514.40)	($53,202.40)	($68,514.40)
Max. Consecutive Winning Trades	7	4	8
Max. Consecutive Losing Trades	5	3	6
Avg. Bars in Winning Trades	3.88	4.26	3.42
Avg. Bars in Losing Trades	2.72	2.52	2.88
Avg. Bars in Even Trades	0.00	0.00	0.00
Max. Shares/Contracts Held	4,800	4,800	4,800
Total Shares/Contracts Held	319,100	160,300	158,800
Account Size Required	$110,887.20	$57,986.20	$149,404.20
Return on Initial Capital	49.60%		
Annual Rate of Return	50.91%		
Return Retracement Ratio	21.61		
RINA Index	33.33		
Trading Period	9 Months, 15 days		
Percent of Time in the Market	100.00%		
Max. Equity Run-up	$711,601.20		

Z2 Performance Report – Nine months performance report of one of the automated strategies with money management incorporated

WHAT IS NEXT FOR Z2?

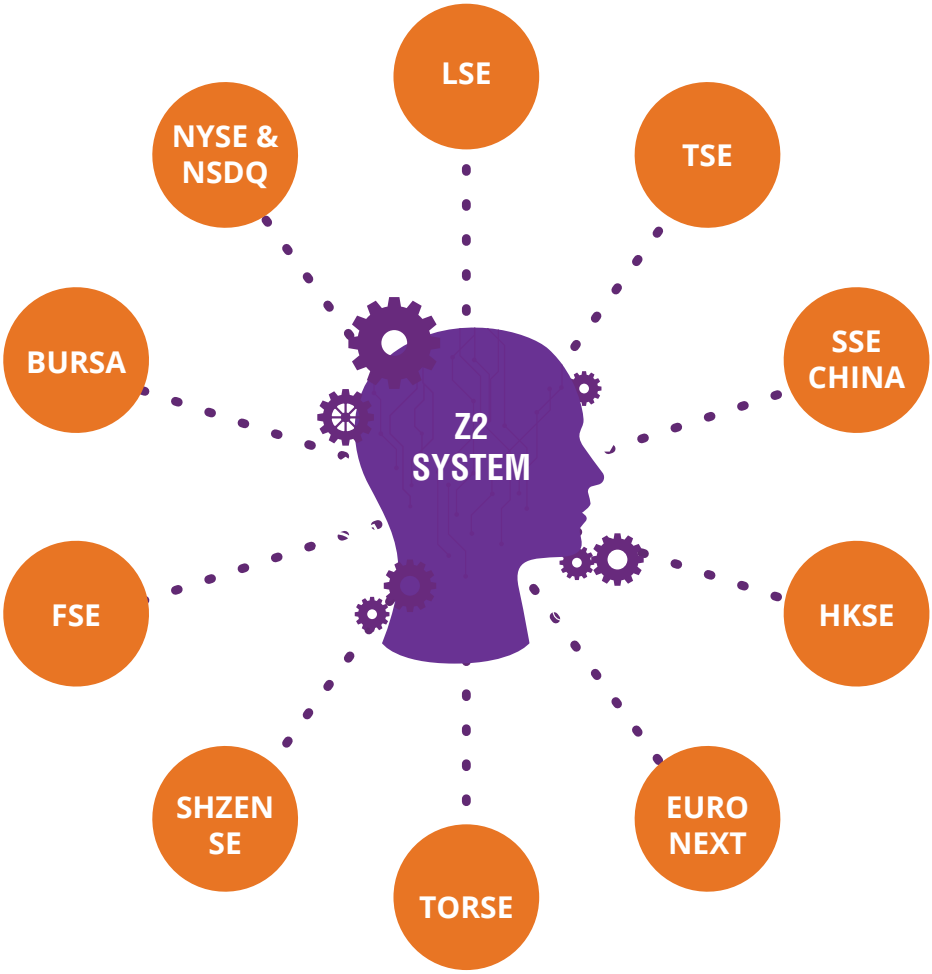
Z2 AiET strategies are unique as they can be applied to any investment product across global markets. The application of the Z2 AiET could be at any location globally as long as there is an Internet connection.

After the NYSE and NASDAQ, we intend for Z2 to explore different markets and different products in the more vibrant exchanges around the world. One of these markets is in the cryptocurrency market.

At the time of writing, the total market capitalization of all cryptocurrencies is over USD$390 billion with Bitcoin leading the market at USD$149 billion. One unit of Bitcoin is currently worth more than USD$8800, with its highest value of USD$19,000 reached in December 2017.

Ether, a known competing altcoin of Bitcoin has a market capitalization of just over USD$62 billion and is valued at $630. Ripple is in third place with a market capitalisation of USD$34 billion. Bitcoin Cash, a cryptocurrency that is separate from Bitcoin, is growing at an unbelievable rate with a market capitalization of USD$8 billion within one day of conception, making it the fourth biggest cryptocurrency in the market.

According to market reports, the 24-hour trade volume in the cryptocurrency market has surpassed USD$50 billion and is nearing the daily average trade volume of New York Stock Exchange.



The Z2 AiET software technology will not be initiated from scratch as the technology has already been researched years ago, tested and proven to give double digit returns. It now only requires several final developments to ensure it is at the highest level of efficiency and accuracy before it can be deployed. The proceeds from the ICO will be used to back up the progress.

The Z2 AiET project is classified as a sustainable and responsible investment in nature and also socially good as it can generate a stable and reliable way of investing. Additionally, it creates a healthy ecosystem for BYT and is of great value to the Token Holders as the company will be investing a certain amount of collected proceeds in the system and expecting a quick return where some potential entitlements will be distributable to the holders.

5.2 Development of a Halal Mart Network

Delivering Goodness for Society by Tapping onto the potential of the Halal Economy

Let's first look at some staggering numbers, important statistics and universal truths:

1. A Formidable Muslim Faith-Powered Economy

- According to Thomson Reuters, the overall size of the Islamic economy is $1.9 trillion in 2015, and with a projected CAGR growth of 8%, the market is expected to reach $3 trillion by 2021.
- According to Pew Research Center, the global Muslim population is expected to rise to 2.2 billion by 2030, making up 26.4% of the total world population.
- Anecdotally, there has been a proliferation of Islamic product advertising, even in the Western countries. For example, we see a lot of Olympic female athletes asserting their rights to wear hijab as well a growing number of Muslim representations in other media such as movies and TV shows.

2. Offline Presence, Online Convenience

- A report by PricewaterhouseCoopers said physical stores are still relevant in the current economy, especially with regards to groceries, where 70% of the purchases are still done in-store. Conversely, online commerce is the preferred choice by many to purchase books, music, movies, video games and toys.
- Seven-Eleven Japan Co., Ltd., operates, franchises, and licenses some 64,319 stores in 18 countries as of January 2018. In May 2017, its market capitalisation was USD$37 billion and its total revenue grew from 5.84 trillion yen to 6.04 trillion yen.
- 99 Speedmart is a Malaysian-owned network of convenience stores with humble beginnings in 1987 and has since grown to become a 1,000 strong national network as at 12th August 2017.
- In 2017, an estimated 1.66 billion people worldwide purchased goods online and global e-retail sales in the United States amounted to USD$2.3 trillion (Source: Statista). Malaysia's e-commerce market is expected to reach USD$1.3 billion in 2018 with an annual growth rate of 17.9%, resulting in a market volume of USD$2.531 billion by 2022.

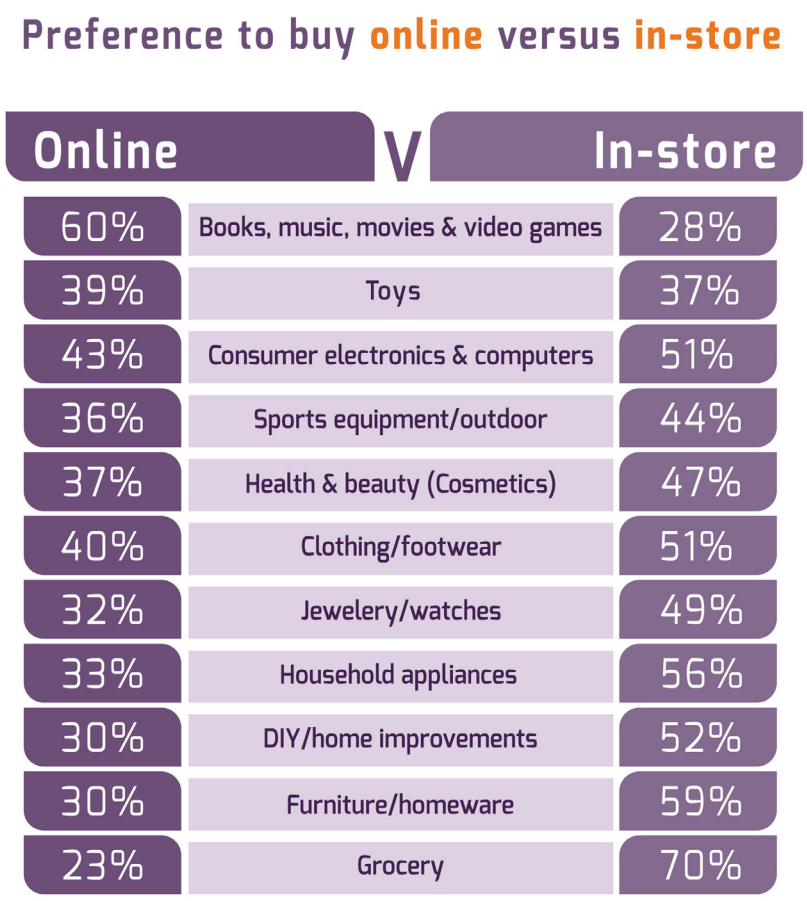
With all these hard facts and proof points, we intend to invest in the development and expansion of physical Halal Mini Marts across Malaysia based on an existing Elzar Mart model. It will be a platform that offers a range of goods and groceries at very competitive and affordable price to ease the financial burden of the poor, low and moderate-income earners. Simultaneously we intend to strengthen our position by operating an online platform that will focus first on urban areas.

This is significant for the Halal Market and offers a healthy competition to non-halal supermarket and mini-market operators. Malaysia's position as one of the biggest Halal hubs is an attractive selling point to investors, small to medium retailers and most importantly, conscientious consumers.

For BYT holders, they can utilize their tokens by purchasing goods at our online platform and/or at any of our physical stores. Mobile applications and our own payment gateway will be developed for customers' convenience and to guarantee prices remain competitive.

At any given time, BYT holders must follow the following terms and conditions in order to purchase goods at Halal Mart:

- The exchange rate that will prevail is the respective country's Central Bank's exchange rate with extra 10% as cost of service.
- There will be a maximum limit of transaction for each Halal Mart. This amount will be determined and announced at a later date from time to time.



PricewaterhouseCoopers Study of Relevancy of Physical Stores

THE PLAN FOR PHYSICAL STORE DEVELOPMENT AND EXPANSION

Depending on proceeds from the ICO, we are looking at an expansion of at least 100 to 1,000 physical stores of Halal Mart across Malaysia and SEA countries such as Brunei, Singapore and Indonesia within 3 years and that is through potential mergers with successful stores as well as inviting smaller vendors to join our platform.

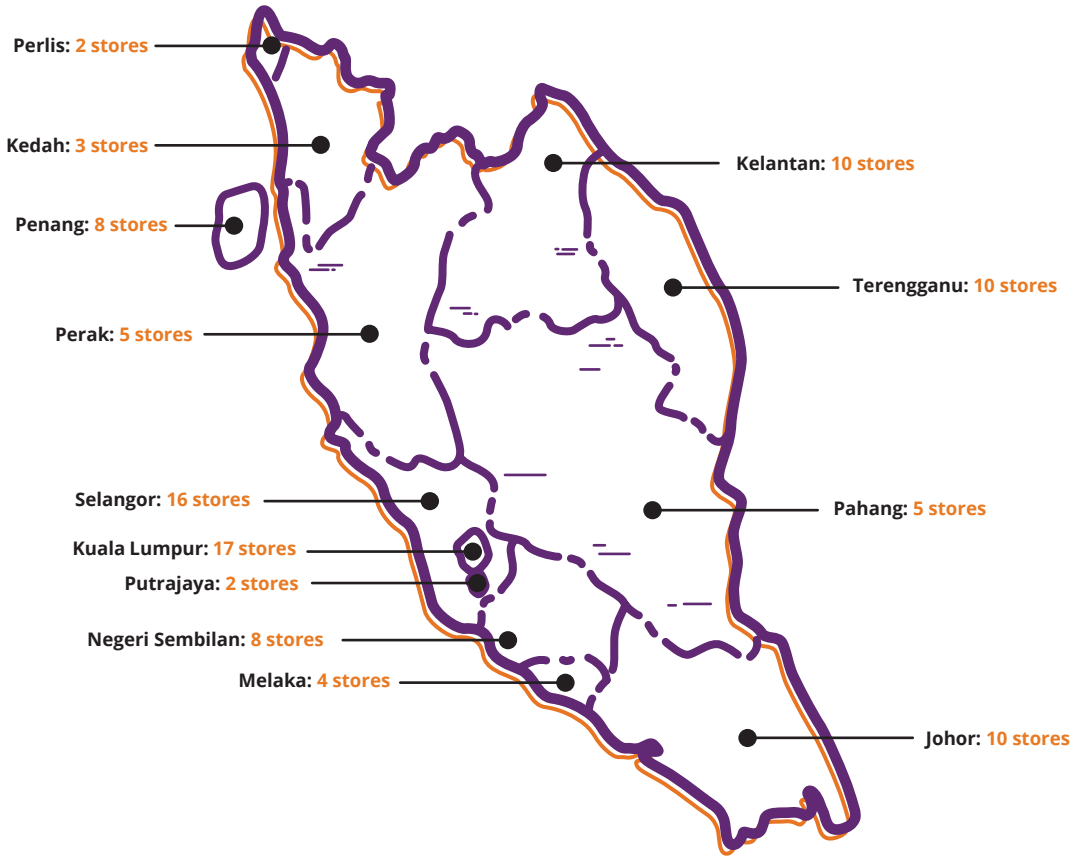
We will operate our own warehouses that function as distribution centres at three zones: East Coast, Klang Valley and Southern Coast.

Each mini mart will have at least 2,000-4,000 stock-keeping unit (SKU) in a store covering frozen food, sundries, canned food, household items, toys, stationery, fresh food, ready-to-eat food, dried food, fruits, certain medicines, health supplements, cosmetics, bleach and soap, shampoos, toiletries and some electronic products.

The size of each store will be around 1500–3000 sqft with at least five doors of chillers and three to six sets of 4-foot freezers.

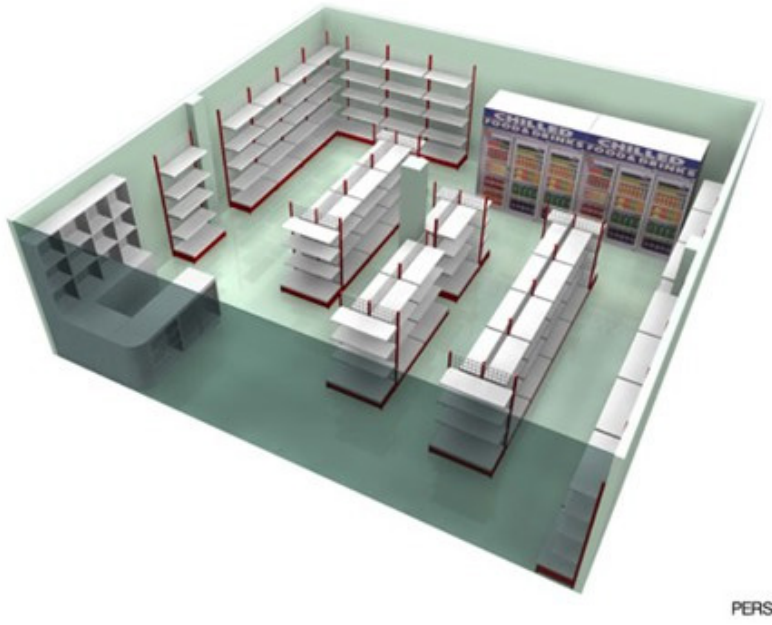
Additionally, we will be developing an effective and systematic transportation and warehouse infrastructure to ensure the sustainability of the project in years to come.

TARGETED EXPANSION AREAS (MALAYSIA) WOULD BE AS FOLLOWS:



ELZAR MART: AN EXCELLENT AND EFFECTIVE MODEL FOR THE DEVELOPMENT AND EXPANSION OF THE HALAL MINI MART

The Elzar Mart will become our base model to build an effective and efficient Halal Mini Mart chain. The Elzar Mart leverages on a very organized, systematic and efficient POS system in maintaining its inventories, stocks and monitoring sales report and performances which we can easily adopt for the chain of Halal Mini Marts thereby reducing the learning curve, costs while maximizing set-up and driving momentum of development and expansion.



Home | Administrator | Office | Store | Master Files | Reports | Front End | Miscellaneous

Sales Live

Date 2018-01-03 Load

Hourly Sales

Sales | Promotion | Count | Buying Power — Last updated: 03:06:17 PM

	9 AM	10 AM	11 AM	12 PM	1 PM	2 PM	3 PM	4 PM	5 PM	6 PM	7 PM	8 PM	9 PM	10 PM	Total
Untitled	327.00	722.60	709.35	568.10	569.70	709.15	953.40	983.15	694.90	757.05	1,311.80	504.15	497.15	-	9,307.50
Total	327.00	722.60	709.35	568.10	569.70	709.15	953.40	983.15	694.90	757.05	1,311.80	504.15	497.15	-	9,307.50
Accumulated Total	327.00	1,049.60	1,758.95	2,327.05	2,896.75	3,605.90	4,559.30	5,542.45	6,237.35	6,994.40	8,306.20	8,810.35	9,307.50	9,307.50	

Department Sales

Sales | Promotion | Count | Buying Power — Last updated: 03:06:17 PM

	ELZARMART		Items Total	Service Charges	Discount	Mix & Match Disc	Rounding	Over	Total
Untitled	9,207.78	100.0%	9,207.78	-	-	-	0.87	98.85	9,307.50
Total	9,207.78	100.0%	9,207.78	-	-	-	0.87	98.85	9,307.50
Accumulated Total	9,207.78	100.0%		9,207.78	9,207.78	9,207.78	9,208.65	9,307.50	

Member Sales

Sales | Promotion | Count | Buying Power — Last updated: 03:06:17 PM

	Member					Non Member					Total
	C	I	M	O	Sub Total	C	I	M	O	Sub Total	
Untitled	-	-	-	-	-	-	-	-	9,307.50	9,307.50	9,307.50

Sales live sample – Elzar Mart

Home | Administrator | Office | Store | Master Files | Reports | Front End | Miscellaneous

Daily Category Sales Report (POS + DO Sales)

SKU Type: -- All -- | Date From: 2018-01-03 | To: 2018-01-03 | Group Monthly

Report Type: Sales Qty | Sales Amount | GST Amount | Sales Amount Included GST | Gross Profit | GP (%) | Show Report | Export

Branch: GBK SKU Type: All Date: 2018-01-03 to 2018-01-03

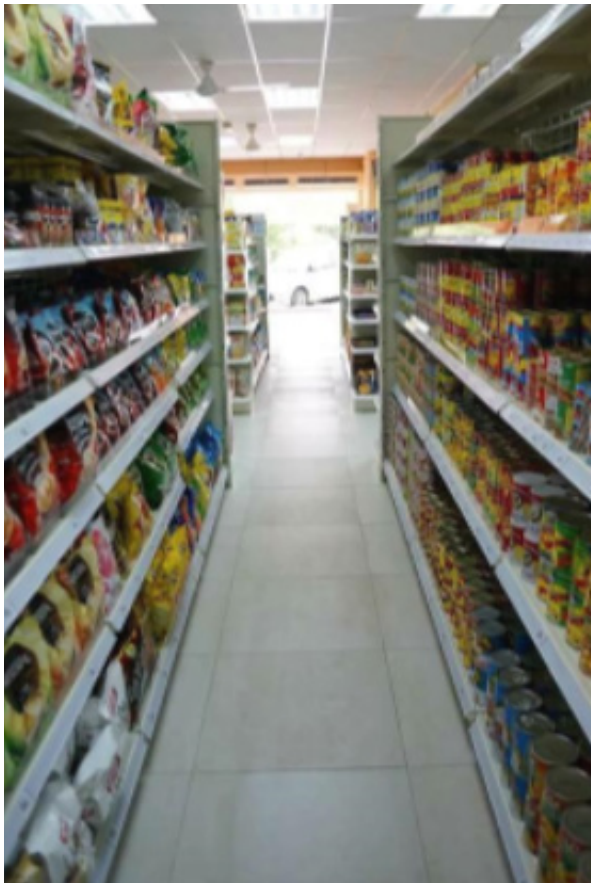
» ROOT / /

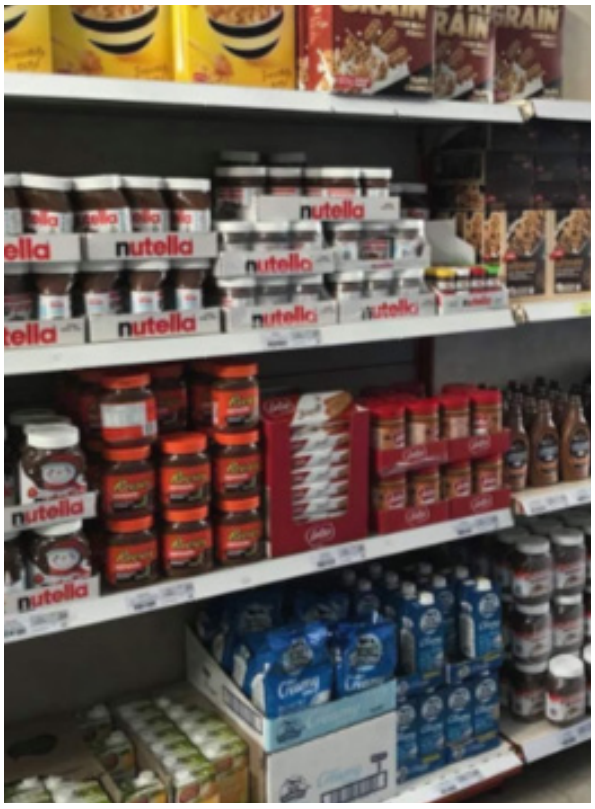
- Click on a sub-category for further detail. Click to display SKU in the category.
- Transaction count can only view at line/department.
- The total of Mix & Match and Credit & Cash Sales DO shows out only while in category "Line" position.
- The total of Mix & Match will not affected by SKU Type filter.
- In later counter revision, the Mix & Match and Receipt Total Discount will directly reduce the sales amount, thus the Mix & Match Discount Row will not be shown.

	01/2018 03	Total Qty	Amount	GST	Amt Inc GST	Tran. Count	Buying Power	Cost	GP	GP(%)	Contrib (%)
ELZARMART	1,816	1,816	8,916.03	291.75	9,207.78	402	22.18	6,538.28	2,377.75	26.67	100.00
⊞ SSB	847	847	3,810.05	62.56	3,872.61	303	12.57	2,313.17	1,496.88	39.29	42.73
⊞ SUNDRY	166	166	1,162.00	69.41	1,231.41	81	14.35	1,007.38	154.62	13.31	13.03
⊞ FIRST FLOOR	157	157	516.75	30.92	547.67	105	4.92	387.41	129.34	25.03	5.80
⊞ CANFOOD	446	446	1,769.86	88.73	1,858.59	219	8.08	1,482.20	287.66	16.25	19.85
⊞ CADANGAN BARU	14	14	86.38	1.65	88.03	13	6.64	66.35	20.03	23.19	0.97
⊞ STATIONARY	49	49	127.78	7.62	135.40	20	6.39	96.47	31.31	24.50	1.43
⊞ FROZEN FOOD	137	137	1,443.21	30.86	1,474.07	70	20.62	1,185.30	257.91	17.87	16.19
Total	1,816	1,816	8,916.03	291.75	9,207.78	-	-	6,538.28	2,377.75	26.67%	
Rounding		-	0.87	-	0.87	-	-	-	0.87	-	
Over		-	98.85	-	98.85	-	-	-	98.85	-	
Grand Total	1,816	1,816	9,015.75	291.75	9307.50	-	-	6,538.28	2,477.47	27.48%	

Daily Category Sales Report is automatically generated at the end of the day

ELZAR MART IMAGES




nutella

5.3 Commercialisation of the Basella alba Leaf Extract as a Health Supplement

Goodness from Mother Nature that goes straight to the heart

The third and final exciting project is the commercialisation and production of a new compound for health care. Based on strong chemical and lab research, the Basella alba leaf extract is suggested for the treatment of hypercholesterolemia.

Hypercholesterolemia is the presence of high levels of cholesterol in the blood. An increased level of cholesterol can raise the risks of cardiovascular diseases and stroke.

According to a study by the World Health Organization, hypercholesterolemia is estimated to cause 2.6 million deaths annually and 29.7 million disability-adjusted life years (DALYs) in the global population. In Malaysia, coronary heart disease and stroke are two of the top causes of death. In a report published by WHO in May 2014, deaths caused by coronary heart disease reached 29,363 deaths and stroke deaths were 15,497.

Currently, statins are the only drug administered to patients as a prescribed medicine to treat cardiovascular diseases in the early stages for those with an elevated risk of cardiovascular disease. However, according to a study on the side effects of statin, though they are generally well tolerated, it can cause potentially severe side effects such as myopathy or rhabdomyolysis and polyneuropathy. Long-term consumption of statins causes severe adverse effects such as muscle and liver damage, rhabdomyolysis and acute renal failure. Additionally, a 2010 research review found that statins did not prevent mortality among people who were at risk of developing heart disease, only those who already have a history of heart diseases or heart attacks.

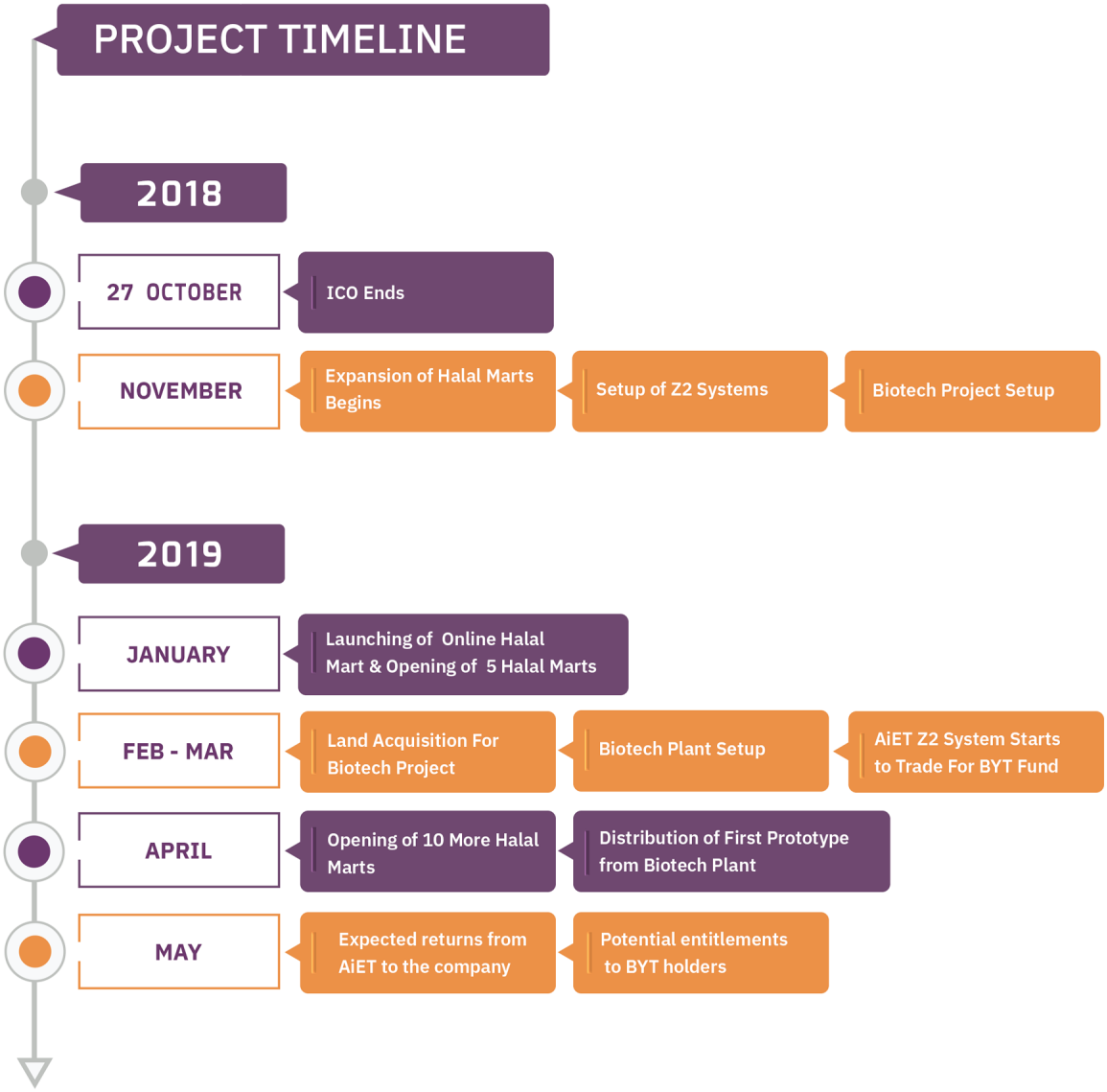
Due to these side effects, attention is now directed towards alternative medicines of plant origin.

The present study provides preliminary data that suggested the Basella alba leaf extract is capable of lowering bad cholesterol levels. In addition, the compounds of the leaf extract have been reported to possess beneficial effects in treating hypercholesterolemia and its related diseases. Studies in vivo models could give further insights into the effects and roles of B. alba as an alternative therapeutic agent in the prevention and management of hypercholesterolemia.

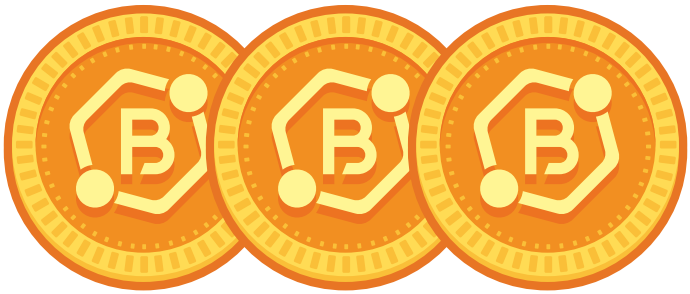
We believe that the development of a health supplement using the Basella alba leaf extract has the market potential to become a natural alternative to statins, not only in the domestic Malaysian market but also globally. In the future, we plan to establish lab facilities in order to develop the Basella alba compound as a drug that can be prescribed in medical facilities.

5.4 Other Projects

More good and viable projects will be added up later as and when they can be confirmed as feasible and profitable. All of these projects must be able to generate income and more profits and hence, will be used to stabilize and bring growth and momentum to BYT's value.



6.0 Token Crowdsale



SYMBOL:
BYT

TOTAL BYT TOKEN SUPPLY (100 %):
200,000,000 BYT

TOTAL BYT TOKEN SUPPLY FOR SALE (89 %):
178,000,000 BYT

PUBLIC CROWDSALE DATE:
27th JUNE - 27th OCTOBER 2018

SOFT CAP:
ETH in equivalent of USD 10,000,000

MEDIUM CAP:
ETH in equivalent of USD 25,000,000

HARD CAP:
ETH in equivalent of USD 35,000,000

	Stage 1 (Pre-ICO)	Stage 2 (Pre-ICO)	Stage 3 (ICO)
Date	08 -20 May 2018	21 May - 26 June 2018	27 June - 27 October 2018
Token Swap Rate (1 BYT)	USD 0.65	USD 0.70	USD 0.80
Minimum Token Swap	2000 BYT (1300 USD)	2000 BYT (1400 USD)	50 BYT (40 USD)

7.0 Road Map

Jan 2018 – April 2018

- **Conceptualization**
- **Formation of the Founders' team and Advisors**
- Incorporation of the relevant company
- MOU agreement with relevant parties
- Shortlisting purchasers
- Blockchain, token creation and the relevant ecosystem preparation started
- Development of website and exchange

May 2018 – July 2018

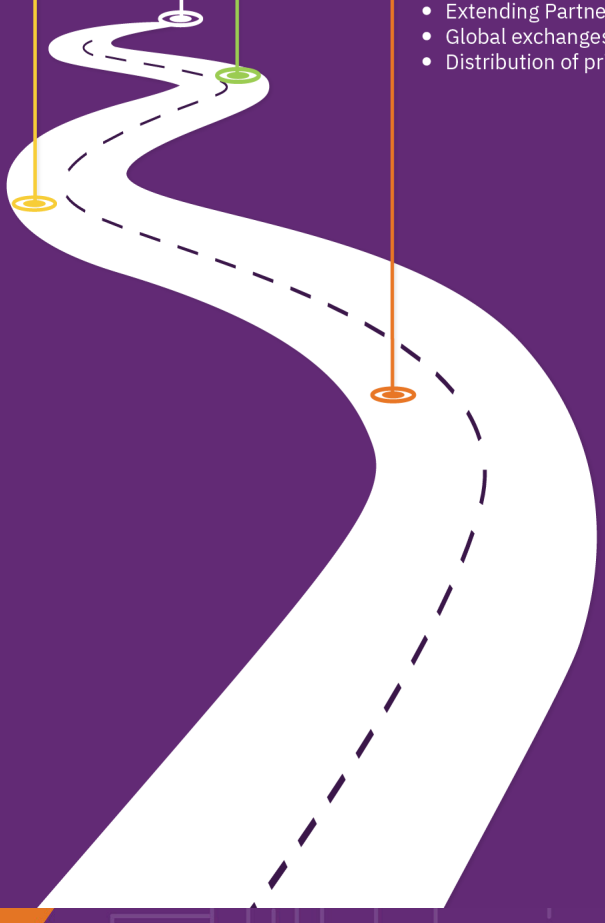
- **Pre-ICO fund raising**
- Beta version of the platform released
- KYC module integration
- Demo version of Ai-Equity Trader released
- Crypto intelligent portal is ready to be released
- Front end and back –end development tested and perfected
- **Public ICO started – 27th JUNE 2018 - 27th OCTOBER 2018**
- API testing with cloud provider
- Liquidity aggregator setup
  Data-utilise system tracking testing

November 2018 – March 2019

- Expansion of the team and human capital
- Testing of token redemption with cloud provider
- Exchange listing of BYT
- Road show and extensive marketing
- Improvisation of Ai-Equity Trader started

April 2019 – August 2019

- Risk Management and reporting system integration
- Platform improvement and mobile apps
- External Integrity audit
- Extending Partnerships for 2nd Year projects
- Global exchanges integration to the Ai-Equity Trader Z2 system
- Distribution of privileges and entitlements to the Token Holders

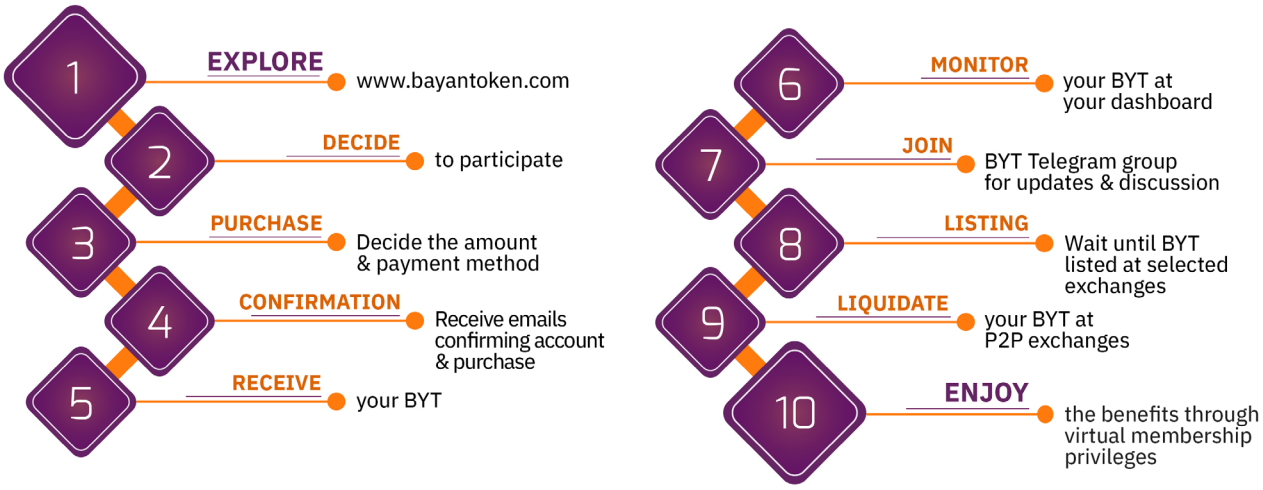


8.0 Take A Step Towards Good for Goodness

In a sea of cryptocurrencies, BYT intends to stand out with its clarity in vision and its road to growth and sustainability. This, as can be thoroughly explained and illustrated, is our single-minded devotion and commitment to bring real value, real growth and real impact to our BYT holders and society alike. In layman terms: we want to participate in **Good to bring Goodness.**

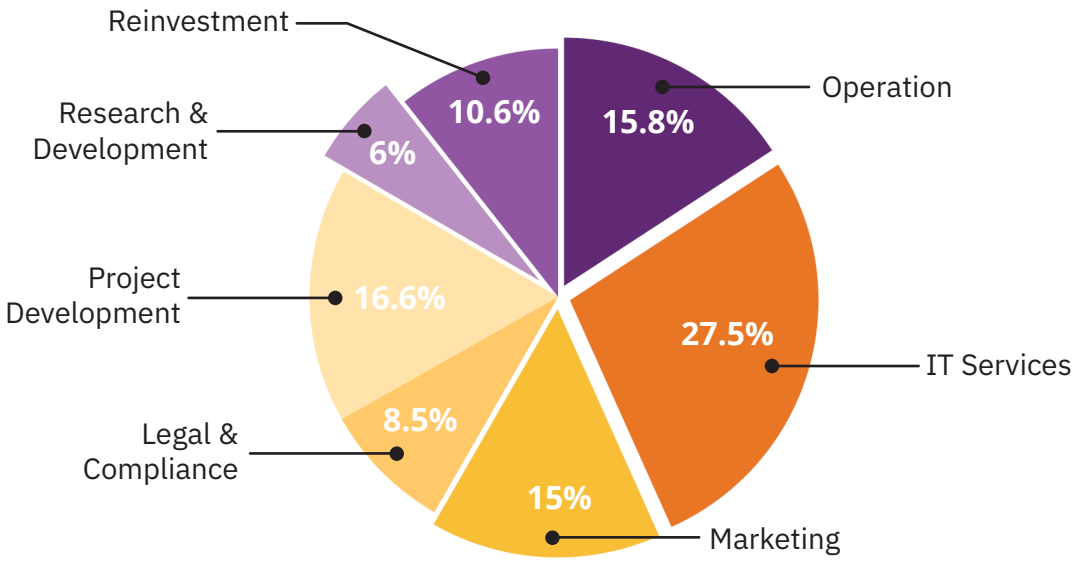
Our Shariah-Compliance nature ensures we are guided strongly by all the good principles of the Islamic faith whilst leveraging the opportunity to tap onto the power of the Halal economy. Amplified by real and existing projects that are all feasible in execution with potential for high growth, we believe that BYT holders will get the goodness they deserve. We invite you to take this opportunity to be part of an exciting ICO that holds tremendous prospect for all future Token Holders.

To be part of this exciting opportunity, all you have to do is follow the detailed steps below and start the journey of goodness with us:



Steps to purchase BYT and enjoy its benefits

9.0 Fund Distribution



THE AMOUNT COLLECTED DURING THE PRE-SALE AND ICO WILL BE DISTRIBUTED AS BELOW:

IT Services 27.5%
- Acquisition of IT facilities.

Project Developments 16.6%
- Developments of projects listed in whitepaper.
- Partnerships with local businesses and enterprises and government.
- Expansion of business through acquisitions.

Operations and Expenses 15.8%
- Founders compensation, management staff, technical operation, facilities maintenance etc.

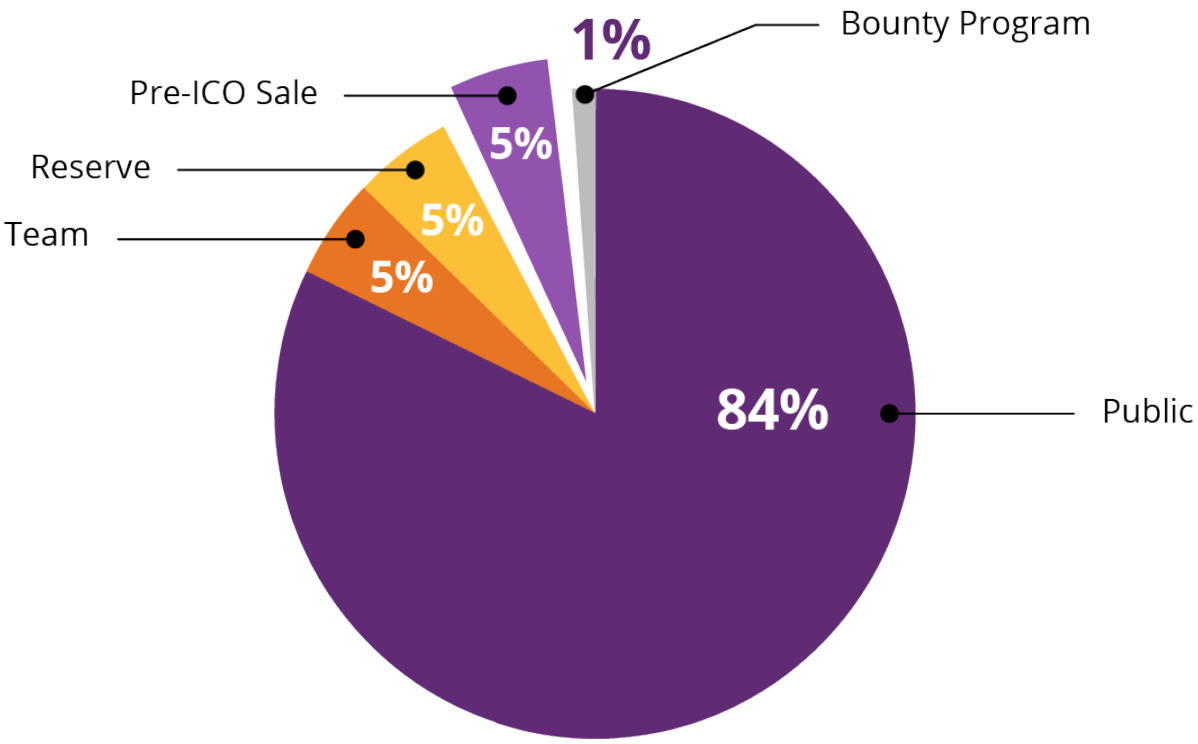
Marketing and Promotion 15%
- Marketing, advertisement, conferences in order to ensure continuous acknowledgment of BYT from the public.

Reinvestment 10.6%
- Reinvestments of profit into current and new projects to sustain the business model

Legal, Compliance and Audit 8.5%
- Business side/capital law compliance, local law.

Research and Development 6%
- Research on blockchain technology that includes enhancing system and applications such as e-wallet, payment gateway and exchange within BYT ecosystem.

10.0 Token Allocation



11.0 ICO Period

PRE-ICO SALE	: 8th May 2018
ICO	: 27th June – 27th October 2018
START OF TRADING	: Early of February 2018

12.0 LEGAL & DISCLAIMER

A) LEGAL

PLEASE READ THIS SECTION AND THE SECTIONS AT THE END OF THIS WHITE PAPER ENTITLED "DISCLAIMER OF LIABILITY", "NO REPRESENTATIONS AND WARRANTIES", "REPRESENTATIONS AND WARRANTIES BY YOU", "CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS", "MARKET AND INDUSTRY INFORMATION AND NO CONSENT OF OTHER PERSONS", "NO ADVICE", "NO FURTHER INFORMATION OR UPDATE", "RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION", "NO OFFER OF SECURITIES OR REGISTRATION" AND "RISKS AND UNCERTAINTIES" CAREFULLY.

You should consult with your legal, financial, tax and other professional advisors(s) before taking any action in connection with this White Paper. The tokens described in this White Paper are not intended to constitute securities in any jurisdiction.

This White Paper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. This white paper contains information on the BYT Issuing Company, the Byt network and planned environment and on the BYT and is intended for general informational purposes only. This White Paper does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer by BYT Issuing Company, an exempted company registered under the laws of the Singapore or its nominated group or associated company (the "Company") to purchase any tokens ("BYT") nor shall it or any part of it, nor the fact of its presentation, form the basis of, or be relied upon in connection with, any contract or investment decision.

The Company will deploy the proceeds of the sale of the BYTs to fund the projects, businesses and operations, as outlined in this White Paper. Any agreement between the Company and you as a purchaser, and in relation to any sale and purchase, of BYTs is to be governed by only a separate document provided by the Company (the "T&C"). The T&C will set out the terms and conditions of such agreement. In the event of any inconsistencies between the T&Cs and this White Paper, the T&Cs shall prevail. This White Paper has been prepared in the English language version and the original language shall prevail.

No regulatory authority has examined or approved of any of the information set out in this White Paper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this White Paper does not imply that the applicable laws, regulatory requirements or rules have been complied with.

There are risks and uncertainties associated with the Company and its business and operations, the BYTs, the BYT sale and the underlying assets, as described below. This White Paper, any part thereof and any copy thereof must not be taken or transmitted to any country where distribution or dissemination of this White Paper is prohibited or restricted. No part of this White Paper is to be reproduced, distributed or disseminated without including this section and the following sections entitled "Disclaimer of Liability", "No Representations and Warranties", "Representations and Warranties By You", "Cautionary Note On Forward-Looking Statements", "Market and Industry Information and No Consent of Other Persons", "Terms Used", "No Advice", "No Further Information or Update", "Restrictions On Distribution and Dissemination", "No Offer of Securities Or Registration" and "Risks and Uncertainties."

Legal Jurisdiction of issuing BYT

The issuing company is incorporated in Singapore. Singapore has emerged as the third largest ICO market after the US and Switzerland; three countries perceived to be "ICO-friendly". Since mid-2017, Monetary Authority of Singapore (MAS) has issued guidance on the issuance of digital tokens in Singapore to safeguard investors and prevent money laundering and related fraud.

Two announcements from the MAS made at the end of 2017 defined the challenges cryptocurrencies posed. One of them, MAS announced a series of guidelines designed to regulate the currency, specifically Initial Coin Offerings (ICOs), laying the groundwork for further advancement in this area.

Referring to A GUIDE TO DIGITAL TOKEN OFFERINGS issued by the Monetary Authority Singapore (http://www.mas.gov.sg/ page 8):

"Case Study 1

Company A plans to set up a platform to enable sharing and rental of computing power amongst the users of the platform. Company A intends to offer digital tokens ("Token A") in Singapore to raise funds to develop the platform. Token A will give token holders access rights to use Company A's platform. The token can be used to pay for renting computing power provided by other platform users. Token A will not have any other rights or functions attached to it. Company A intends to offer Token A to any person globally, including in Singapore.

Application of securities laws administered by MAS in respect of an offer of Token A

- *A holder of Token A will only have rights to access and use Company A's platform, and the right to use Token A to pay for rental of computing power provided by other users. Token A will not provide its holder any other rights or functions attached to it. Hence, Token A will not constitute securities under the SFA.*
- *Company A's offer of Token A will not be subject to any requirement under the SFA or the FAA "*

After careful consultation with experts, we believe that BYT complies with the above case study and hence, does not constitute a security under the SFA and also will not be subject to any requirements under FAA.

B) DISCLAIMER

1. Prospective ICO Participants should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile, and place of business with respect to the acquisition, holding or disposal of the Tokens, and any foreign exchange restrictions that may be relevant thereto. The distribution of this White Paper and the offer and sale of the Tokens in certain jurisdictions may be restricted by law. This White Paper does not constitute an offer to sell or the solicitation of an offer to buy to any person for whom it is unlawful to make such offer or solicitation.

2. BYT Issuing Company is not providing you legal, business, financial or tax advice about any matter. You may not legally be able to participate in this private, unregistered offering. You should consult with your own attorney, accountant and other advisors about those matters (including determining whether you may legally participate in this ICO). You should contact us with any questions about this ICO or the Tokens.

3. It is the responsibility of any persons wishing to acquire the Tokens to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective ICO Participants should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of the Tokens, and any restrictions that may be relevant thereto.

4. This White Paper constitutes an offer of Tokens only in those jurisdictions and to those persons where and to whom they lawfully may be offered for sale. This White Paper does not constitute an offer to subscribe for securities except to the extent permitted by the laws of each applicable jurisdiction.

5. Nothing in this White Paper is intended to create a contract for investment into the BYT Issuing Company, and each potential ICO Participant acknowledges that BYT Issuing Company will rely on this assertion of an ICO Participant's statements with respect to compliance with the laws of the jurisdiction in which the ICO Participant is legally domiciled.

6. Certain statements contained in this white paper contain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results or situations to be different from the statements described herein and should therefore not unduly be relied upon. The forward-looking statements are made at the date of this white paper and BYT Issuing Company is not responsible to revise this white paper in order to take into account events after such date.

7. This white paper contains information obtained from third parties. The BYT Issuing Company has not independently verified the accuracy or completeness of such information and the BYT Issuing Company does not represent or warrant any assurance as to the accuracy or completeness of such information. BYT Issuing Company reserves the right to update and change this white paper and the positions and plans outlined in this white paper at any time without further notice.

C) NO SOLICITATION FOR INVESTMENTS

The BYTs to be issued by BYT Issuing Company are not intended to constitute securities and/or collective investment units in any jurisdiction. The sale of BYT shall be governed exclusively by the terms and conditions of the BYT sale defined in a separate document and any information in relation to the BYT in this white paper is merely of descriptive nature. There are key risks and restrictions relating to BYTs and the BYT Issuing Company network. In general BYTs are utility tokens and do not confer directly or indirectly any rights or claims against BYT Issuing Company or any third party. By accessing this white paper, you acknowledge, understand and agree that: -

- While BYTs may be traded on exchanges and through brokers, note that BYTs may only be used in the BYT Issuing Company network.

- BYTs may have certain value due to the internet data that it contains, but it is possible to lose the data and any investment in BYTs may also be entirely lost.

- There is no guarantee or representation of value or liquidity for the BYTs and the value of BYTs may be significantly influenced by digital currency market trends unrelated to BYTs or the BYT Issuing Company.

- BYT Issuing Company and any of its affiliates have no obligations or are liable for:

    1. the transferability of the BYTs,
    2. the liquidity of BYTs, and/or
    3. the availability of any market for BYTs through any third parties.

- Due to regulatory uncertainties or restrictions, selling restrictions apply to any resident or citizen of countries where the acquisition of utility tokens or cryptocurrencies is prohibited or restricted.

13.0 Risk And Mitigation Process

LEGAL ISSUES AND GOVERNMENT INTERVENTION

To address this issue and risk, we have done our best efforts to ensure that BYT does not constitute a share for it does not confer ownership interest in any corporation nor a debenture or a unit of collective investment scheme. Hence according to 'A Guide to Digital Token Offering' issued by the Monetary Authority of Singapore (MAS), BYT as we understood will not constitute securities under Securities and Futures Act (SFA) and will not be subject to any requirement under the SFA or the FAA, this is based on the characteristic of BYT which is close to case study number 1 (page 8 in A Guide to Digital Token Offering of Singapore).

FAILURE TO REACH MINIMUM CAP DURING ICO

This would be lead to inability to run the projects efficiently. However, should this happen we will give priority to the most profitable and lower cost projects with best possible return and that project should be the Artificial Intelligence Equity Trader and the Halal Mart.

BIO TECH PROJECT UNABLE TO COMPLETE DUE TO LACK OF FUND

We are aware that this project requires a lot of funds as it needs a piece of land about 10 – 20 acres to grow Basella Alba leaves. It also requires a plant to process the leaves and another set up cost. As such, to mitigate the risk, we can also grow the crops in a smaller size of land and may also be only rented from certain land owners. Furthermore, we may as well be asking the third-party factory to produce this supplement by using their facility but with close observation and monitoring from our team. This, we believe, can lower the cost of failure (if occurring). We will be doing this at the start of the project until the product already clocks a success, only then the bigger scale of production will be sought.

PROTECTION OF OUR NETWORK AND WALLET OF BYT HOLDERS FROM EXTERNAL AND INTERNAL HACKERS

In order to mitigate this risk, we will hire a group of white hackers to run a security test on our system. Additionally, we have also appointed an expert advisor who has vigorous experience in cybersecurity to continuously observe and advise on security matters for at least one year.

FUND MANAGEMENT RESTRICTION AND THE AiET MAY BE UNFIT FOR BIG SCALE

Our experts and researchers have tried the system for many years using a small and medium amount of money up to USD 10 mil. The result shows that there is no real concern as the bigger the fund, the more counters will be invested and there will be no confined engagement to a stock during trading. Hence, we believe that the big scale of money will not lead to a negative result but surely will increase the accumulated profit.

AiET MAY NEED TO BE ADJUSTED FROM TIME TO TIME TO AVOID HICCUPS DUE TO THE UNCERTAINTY OF MARKET'S PATTERN

Our expert will work closely with the technology and consistently monitor for any hiccups that may happen. This is not alien to those experts as they are already used to such hiccups during 10 years of testing. Hence, we believe that we are set to do manual adjustment if needed.

LIQUIDITY & OWNERSHIP RIGHT ISSUE

Even if digital tokens are tradable in a secondary market, in practice, there may not be enough active buyers and sellers, or the bid-ask spreads may be too wide. You may not be able to exit your token investments easily. In the worst-case scenario where no secondary market exists, you may not be able to liquidate your token holdings at all.

The valuation of digital tokens is usually not transparent and highly speculative. Where digital tokens do not hold any ownership rights to the seller's assets, some digital tokens would not be backed by any tangible asset. Such tokens would be merely speculative investments and their traded price can fluctuate greatly within a short period of time. There is a high risk that you could lose your entire investment amount. In the worst-case scenario, the digital tokens could be rendered worthless.

As for BYT Tokens, we already mitigated this risk by ensuring that each token at least contains a tangible asset that could be redeemed and furthermore, utilisable at several registered stores -online and offline- which will be ready with its payment system in the near future. Hence there would be a smaller risk to the Token Holders even if they are unable to liquidate the BYT to fiat, since they will still be able to utilise it at the registered shops or claiming the space of the cloud server for their personal usage.

CREDIBILITY AND IDEATION STAGE ISSUE

The seller of digital tokens may not have a proven track record, making it hard for you to establish its credibility. As with all start-ups, the failure rate tends to be high. In our case, our team believe that this risk of the project has been mitigated since the majority of the underlying projects are our existing businesses. We also use tested technologies, which is managed by experienced individuals and team, having been verified on a smaller scale. We are now targeting to expand our footing and share the fruits of labour to a larger crowd. It is no longer at ideation stage or 'planning from scratch' by inexperienced people.

14.0 Team and Advisors

Our list of team members and esteemed advisors can be found at our website www.bayantoken.com.

ELZAR SHARIAH
SOLUTIONS & ADVISORY

بسم الله الرحمن الرحيم

Shariah Pronouncement
Digital Asset Bayan Token Cryptocurrency

In the capacity of an appointed Shariah Advisor of Bayan Token (**BYT**), Elzar Shariah Solution Sdn Bhd hereby certifies that we have reviewed the structure of BYT, which is based on Utility Crypto Token created by using the ERC20 Ethereum platform and blockchain technology. We are also certifying that the token has satisfied the following criterion: -

SUBJECT MATTER:

The requirement of selling an asset with recognizable real value is one of the condition in Islam to ensure justice is uphold in each of commercial transaction. This emphasis has been coming from many evidences, among others:-
Allah subhanahu wa ta'ala said:

"يَا أَيُّهَا الَّذِينَ آمَنُوا لا تَأْكُلُوا أَمْوَالَكُم بَيْنَكُم بِالْبَاطِلِ إِلا أَن تَكُونَ تِجَارَةً عَن تَرَاضٍ مِّنكُم"

Meaning : O you who have attained to faith! Do not devour one another's possessions wrongfully - not even by way of trade based on mutual agreement (an-Nisa : 29)

The prophet said :

لا تبع ما ليس عندك

Meaning : Do not sell something which is not yet own by your good self.

In one hadith :-

في رواية أن رسول الله صلى الله عليه وسلم مر على صبرة طعام، فأدخل يده فيها، فنالت أصابعه بللا، فقال: ما هذا ياصاحب الطعام؟ "قال أصابته السماء يارسول الله" قال: "أفلا جعلته فوق الطعام حتى يراه الناس، من غشنا فليس منا"

Meaning : The Messenger of Allah (Peace be upon him) happened to pass by a heap of corn. He thrust his hand in that (heap) and his fingers felt wetness. He said to the owner of that heap of corn, "What is this?" He replied: "O Messenger of Allah! These have been drenched by rainfall." He remarked, "Why did you not place this (the drenched part of the heap) over the corn so that people might see it? He who deceives is not of us." (Recorded by Muslim)

All these evidences require an asset to be transparent, has value for its being exchanged with purchaser's valuable money, as such each Bayan token has been certified and guaranteed to have real values and hence, fulfils the requirement of the valid subject matter in Islamic transaction.

BYT is Mal Mutaqawwam – It is really considered as a recognised wealth that has a real commercial value since each token is represented by a combination of multiple usufructs and benefits as follows:

- It contains 16 hours of benefits of a private cloud server.
- Recognisable value by crypto believers and hence worthy to be traded on the Cryptocurrency Secondary Market. We realised that some segment of crypto believers consider a cryptocurrency to have its own value due to the technology superiority itself, to us, though this may not be acceptable to some, however, it may still be considered as secondary supporting justification on the existing value.
- It will be carrying the real value when the token is targeted to be usable at several registered shops. This will make the token to have the value of the goods available in the stores.

PARTIES:

a] The BYT does not have an anonymous owner. A responsible team has publicised their identity and hence alleviating an uncertainty level in the whole structure.

b] The token issuer has made it clear that all customers need to be whitelisted through a Know Your Customer (KYC) process which is a significant move to circumvent money laundering and terrorism financing activities and clients.

CONTRACT RELATIONSHIP:

The contract between the Token Holder and the Issuing Company is as follows: -

1. **During Pre ICO-stage** (where the token and its benefits are still under construction)
   The contract: It is an al-Ijarah al-Mawsufah fi al-Zimmah or also known as Salam fi al-Manafi' or Advance Lease contract; henceforth BYT holders are considered to be paying an advance rental for the prescribed benefits (refer the 'subject matter') from the private cloud server.
2. **During the ICO and after ICO** (where the token is ready together with its benefits already tied up via smart contract)
   The contract: A normal Ijarah between the issuing company and the BYT buyer. As and when the token holders want to utilize the benefits, they can redeem via smart contract and the system will automatically execute API. They then can immediately enjoy the space for 16 hours per BYT.

- The time of 16 hours per BYT will commence during the redemption by the token holders and not at the time of token purchase.
- This token is not based on a partnership contract.
- This is not based on any investment contract

ADDITIONAL FEATURES:

a] The BYT Holder Virtual Membership Card with future entitlements such as discounted price for goods and services. We believe this is permissible and not constitute a prohibited type of discount card as the membership is receive upon purchasing the BYT Token at its original price, furthermore, the virtual membership card is represented by the BYT token itself. The prohibited type of Discount Card is when the subscription of the card requires subscriber to pay an exclusive or additional price to own the card, this is irrelevant in the case of BYT. b] There is also no problem for the uncertain future entitlements as those entitlements are considered as 'hibah'or gift from the issuing company to token holders. It is known that gharar in gift is considered as tolerated minor gharar.

LEGAL

We have understood that the BYT does not constitute a share for it does not confer ownership interest in any corporation nor a debenture or a unit of collective investment scheme. Hence according to 'A Guide to Digital Token Offering' issued by the Monetary Authority of Singapore (MAS), BYT as we understood will not constitute securities under the Securities and Futures Act (SFA) and will not be subject to any requirement under the SFA or the FAA. This is based on the characteristic of BYT which is close to case study number 1 (page 8 in A Guide to Digital Token Offering of Singapore).

TRADING

Shariah Compliant Trading Item – It is evidenced that the token is backed by specific usufructs which is intangible in nature, as such the traded BYT is not a debt (cash) whenever trade occurs. Each time, the usufructs of the BYT are emptied due to the usage or time allowance has expired, the BYT will perish from the system and no longer available for trading. This practice is permissible and complying with the valid Ijarah parameters.

We are also of the view that when traded, the relationship between seller and buyer is that the BYT holders sub-leasing the usufruct which embodied in the BYT to a third party, in which also permissible. Wallahu'alam.

RISK

a] We believe that the risk and volatile trading behaviour of the cryptocurrencies at the trading platform is based on demand and supply and for BYT, it is clearly optional to the token holder whether or not to participate. Hence it is beyond the responsibility of the issuer, apart from it does not affect the permissibility of the issuance of the token since the level of risk has been clearly spelt out in its white paper.

b] Additionally, the token issuer has put huge efforts to discourage unnecessary trading by shaping the token to have real benefits and utilisable to purchase real goods.

c] Trading such a neutral digital asset is comparable the normal trading shares which already being made permissible by majority of the Shariah scholars and conferences.
d] We also believe that the risk of the project has been mitigated due to the fact that the majority of the underlying projects are existing businesses and tested technologies, managed and operated by experienced individuals. The projects have been established in a smaller scale previously before targeting to expand. It is no longer at ideation stage or planning from scratch by inexperienced people.

PROJECTS

We have also scrutinized the projects in which underlies the token and satisfied that all of the projects are Shariah Compliant and will continuously be observed to follow the rules of Shariah by our team. Insha Allah. As for the AiET Z2 system, all of the stocks traded will be using the FTSE Shariah benchmark where the information will be provided by ideal ratings company. Additionally, the benefits of the servers also limited to Shariah Compliant usage and filtered automatically by a programed system.

Based on the above justifications, and to the best of our knowledge, in our opinion, it is permissible for customers to either purchase the BYT, trade it at the secondary market or use it at the registered stores. Wallahu'alam, Allah knows best.

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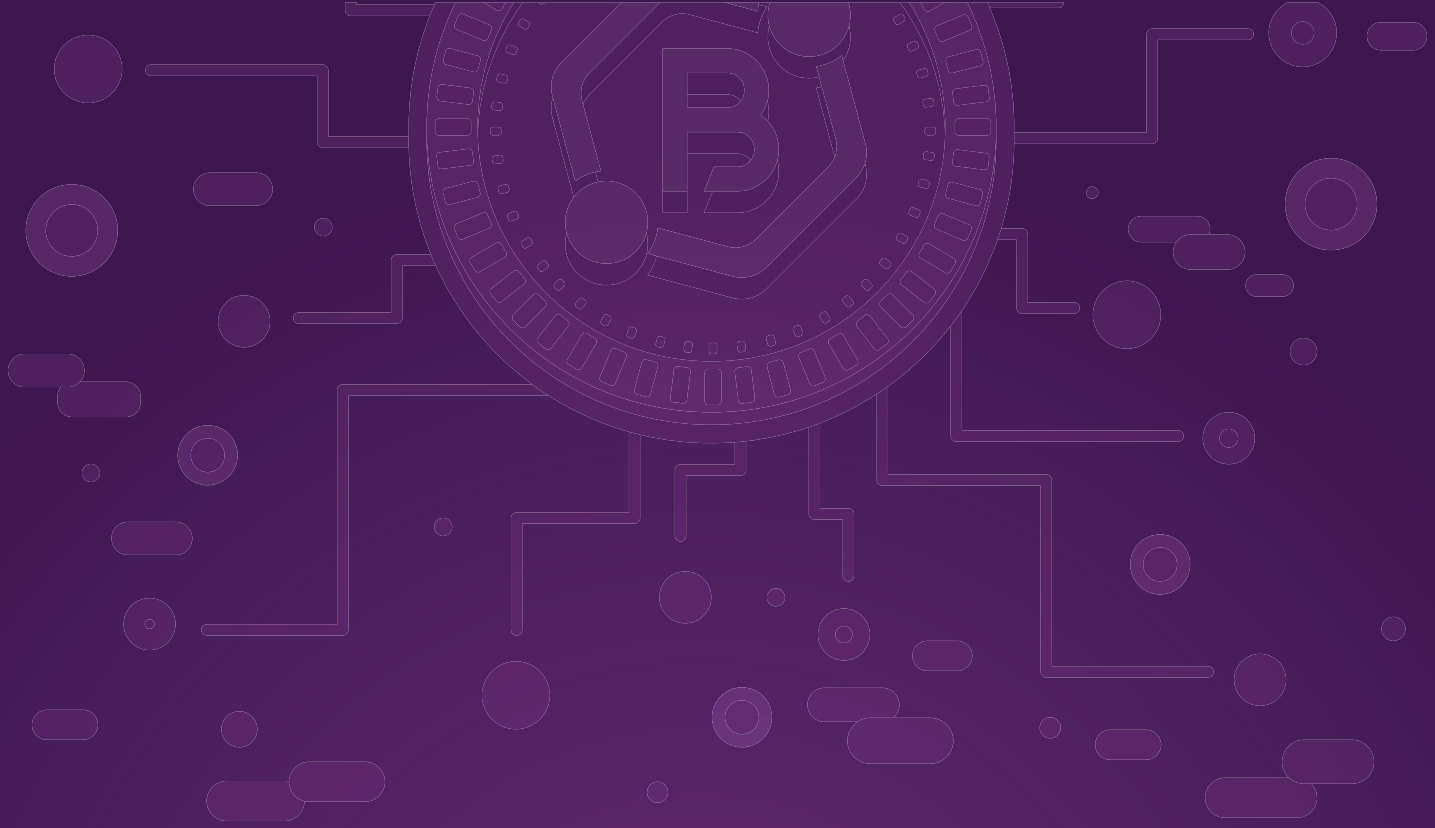
Date: 17th April 2018



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