



# Mabrook

## The 1<sup>st</sup> Shariah Compliant Crowdfunding Platform

Our Chairman of Shariah, Mufti Ismail Ebrahim Desai, proposed the name Mabrook, as it strongly relates to the platform's vision and objective. The name "Mabrook" is derived from the Arabic word "Barakah", which is used to express a desire for increased financial blessings, protection against financial loss or difficulties, and a promise for future ongoing rewards.

# Contents

Market Analytics & Opportunity	5
Investor Analytics	5
Muslim Investor/Entrepreneur	6
Crowdfunding Analytics	7
Market Positioning & Competitor Analysis	8
Value Proposition	10
Mabrook – The Shariah Compliant Tokenization Platform	12
Target Audience	17
Problem Statement	17
Problems faced by Muslim Investors/Entrepreneurs	17
High risk & low Liquidity market	19
Transaction & Processing Overheads	19
Scams & Frauds	19
Payment/Currency limitations	19
High or fixed investment sum	19
Political Factors	19
Problems faced by traditional crowdfunding platforms	19
Solution	20
Our Vision	20
Objective	21
Solution Highlights	22
Due Diligence	22
Diversity	23
Innovative & Futuristic	24



Trust & Credibility	25
Data & System Security	26
Compliance with Canadian Regulatory Landscape	26
Mabrook As Mudarib	27
Business Model	28
Escrow Model	28
PLS (Profit & Loss Sharing) based crowd funding	28
Shariah Compliant Staking	29
Shariah Compliance Process	29
Shariah Compliance of Crypto Currency	30
Registering As Startup/Entrepreneur On Mabrook	34
Registering As Investors	36
Platform Commission & Fee	37
Benefits For Investors	38
Application Architecture	39
Mabrook Token	40
How Tokens Help Investors & Startups	40
Easy Liquidity	40
Transparency	40
Data Security	40
Fractional Ownership of token	40
Time & Cost benefits	40

Architecture	41
Mabrook Community	45
Messaging / Interactive Dashboard	45
Rewards & Bonuses	46
Partnerships and Co-Funding	46
Women empowerment	47
Green and Environment friendly Startups	48
Businesses Owned By Specially abled people	48
Financial & Technical Consultations Teams	49
Mabrook credit & debit card (loyalty card)	50
Zakat & Sadqa	51
Sponsors & Promotion	52
Multi-layer affiliate program ( for investors and startups)	52
Interactive Metaverse	53
Due Diligence & KYC Parameters	54
Shariah Approved Certificate	54
SWOT Analysis	56
Roadmap For Mabrook	57



# MARKET ANALYTICS & OPPORTUNITY

The size and share of the global crowdfunding market was 13.5 (USD billion) in 2021, and by 2028, it is expected to reach about 28.2 (USD billion), with a CAGR of 11.8% during the projection period of 2022–2028. With a predicted 4.8% annual growth rate, North America is predicted to grow the fastest. In the United States, start-ups account for more than 17.5% of the total population, while in Canada, start-ups account for 18.4% of the total population. As a result, crowdfunding will have a huge opportunity in North America.<sup>1</sup>

## INVESTOR ANALYTICS

Self-directed investors have increased dramatically since the epidemic, with 2.3 million new accounts being opened in Canada alone in 2020. According to a survey by Ontario Securities Commission in 2021<sup>2</sup>:



44% self-directed investors prefer this way because they enjoy it.



34% believe that professional consultancy is expensive.



74% investors say they make 50 or less trade transactions annually. This indicates that this minority of self-directed small-scale investors drive a significant rise in retail trading.



11% of the retail self-directed investors are tolerant to risk and are most likely to invest in venture and crypto-currency.



The most active self-directed investors are young male, in the age bracket of 18–34 years.



The study found that these investors' perceptions of the business are the main motivating factor. While 13% use social media as their source of information and updates, 25% believe that ESG factors are the most critical when they choose a business to invest in. That implies that this new breed of investor is looking for a socially responsible business.

## ESG FACTORS



**Factors:**  
Diversity  
Health and safety  
Human Rights  
Indigenous Nations  
Engagement  
Community Outreach



**Factors:**  
GHG Intensity  
Reclamation  
Power Generation  
Carbon Offsets  
Land Usage



**Factors:**  
Executive Compensation  
Structural Complexity  
Board Independence  
Board Compensation  
Bondholder Rights

## MUSLIM INVESTOR/ENTREPRENEUR

Muslim investors consider the nature of the firm and demand that it adheres to Shariah/Islamic laws in addition to ESG concerns. However, Muslim investors in Canada have very limited possibilities for Riba/interest-free investments because there is a lack of lucrative Shariah-compliant finance and financing options. The fact that there are currently over 1.3 million Muslims in Canada, and that number is expected to double over the next ten years, making Islam the fastest growing and most prevalent non-Catholic religion in the country, suggests that the funding and investment markets that adhere to Shariah should be explored.

# CROWDFUNDING ANALYTICS

According to Fundera by NerdWallet, \$17.2 billion is generated yearly through crowdfunding in North America.

Funds raised through crowdfunding grew 33.7% last year, with the North American crowdfunding market projected to grow to \$300 billion by 2030 (roughly 18% of the entire world market).

In North America, the funds raised through crowdfunding increased by 33.7% and it is projected that it will grow up to \$300 million that's 18% more than the global rise by 2030.

With new regulations in place more businesses are looking forward to raise funds through crowdfunding both locally and internationally, it is projected that the global market will reach \$200 million by 2050. That implies to the rapid acceptance and growth in the crowdfunding sector.

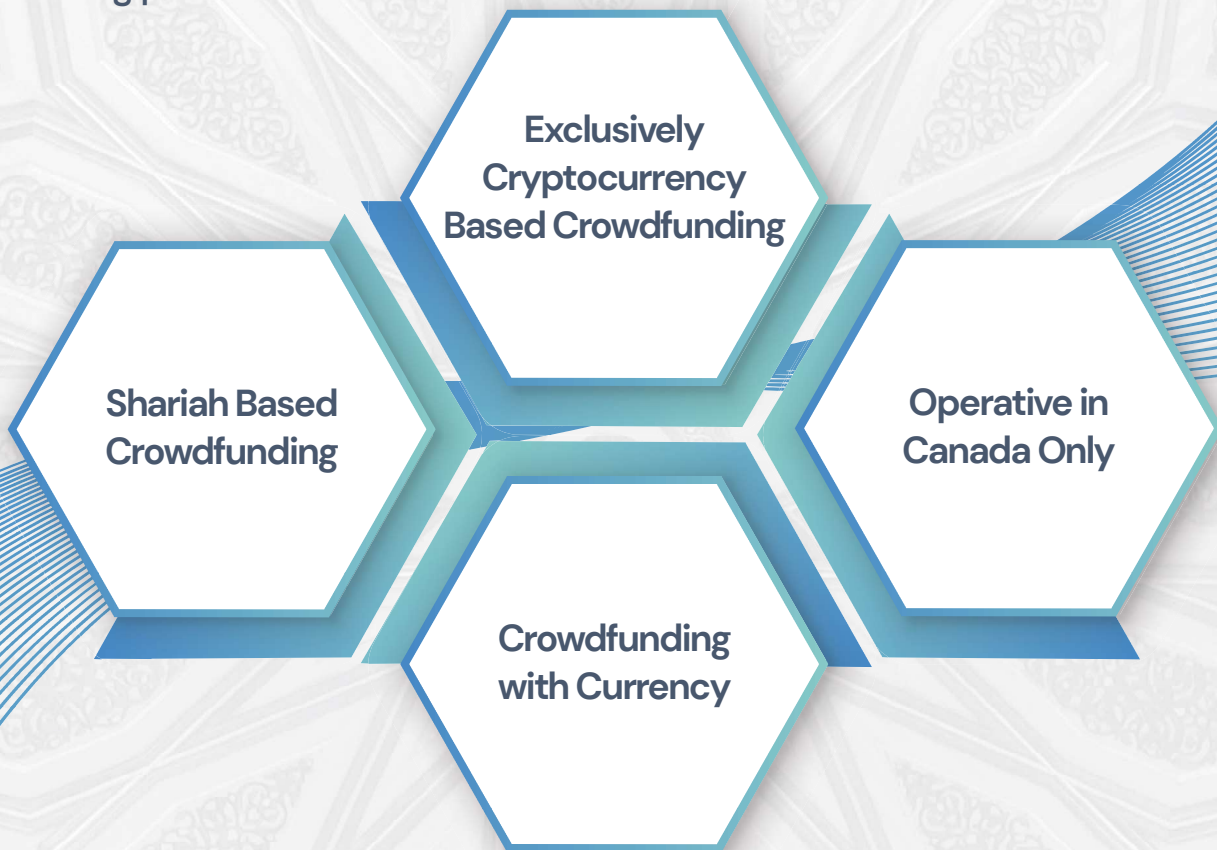
Business Funds raised through crowdfunding platforms grew 33.7% last year while the success rates for these campaigns is 22.4%. It is projected that the crowdfunding market especially for small to medium scale businesses will grow up to \$300 billion by 2030, and according to Business Wire, this growth is supposed to bring in an incremental \$89.72 billion by 2022.



# MARKET POSITIONING & COMPETITOR ANALYSIS

Mabrook is the world's first Shariah compliant blockchain based tokenization platform. Although we have no rivals in the market, the comparison of some other well-known platforms is provided below:

The following data demonstrates the glaring lack of a Canadian Shariah-based crowdfunding platform.



Ethis

Qardus

Frontfundr

Indigogo

Equivesto

NexusCrowd

Kickstarter

TecraSpace

Seedon



- The currently available Shariah compliant platforms, such as Ethis and Qardus, are not blockchain based or do not allow for cryptocurrency. Additionally, these platforms are not accessible in Canada.
- Due to the use of intermediary agencies and payment gateways by all crowdfunding sites, such as Addy, Frontfundr, Equivesto, Kickstarter, Indigogo, NexusCrowd, and several more well-known platforms in Canada, the transaction overhead ranges from 5% to 10%.
- These platforms have a centralized process that lacks efficiency and transparency.
- Platforms such as Addy and NexusCrowd solely operate in the Real Estate sector. While Addy allows for low investment amounts, the minimum amount of investment in NexusCrowd is fixed and high.
- Platforms like Frontfundr and Indigogo operate on the all-or-nothing funding investment model to raise money for Canadian projects only.

Most of the local platforms only allow startups with a headquarters in Canada. All of the platforms have regulations relating to the nationality of the investor and startup as well as the currency options permissible on the platform.

These market characteristics clearly highlight the voids that Mabrook can fill owing to its uniqueness, being a pioneer in the business model, and superior technological infrastructure. Mabrook makes a distinction on several levels with its decentralized platform, transparency, reliability with Shariah compliance and low investment amounts to encourage everyone looking for authentic and ethical investment options. Mabrook is not limited to a single community or sector, but rather, provides a platform that pre-validates every business before allowing it to raise funds so that the investor is sure of where their hard-earned money is utilized.

# VALUE PROPOSITION

Mabrook is the first blockchain-based tokenization platform in the world that complies with the Islamic Shariah. Mabrook's philosophy is based on the following 3 essential components:



- To ensure that the platform adheres to the Shariah, all smart contracts will adhere to a strict Shariah governance framework and standards for Islamic financial products and services as per internationally recognized Islamic Finance Service Industry (IFSI) standards such as AAOIFI and IFSB.
- Mabrook is a Web 3.0 based online marketplace connecting Shariah-compliant capital raisers within the retail (general public investors) markets. Every project and business venture are taken through a strict screening process before its campaign is initiated. Their validation certificates would be viewable by the investors, giving them more control.
- Entrepreneurs will be able to raise funds within their communities to grow their businesses without worrying about interest or non-Shariah-compliant funding mechanisms. Mabrook enables all types of growth-focused businesses to raise capital and a community in the process if they fulfill the criteria of Islamic regulations.



- 
- Investors can support small-to-medium scale businesses in their community if they comply to Shariah standards.
  - Mabrook is strictly based upon the principles of Islamic financial law that rejects:
    - Interest-based funding
    - Unethical businesses, including or relating to porn, alcohol, gambling and speculation
    - Gharar or speculation
  - With a dynamic community and metaverse, Mabrook aims to develop memorable and engrossing fundraising experiences for all parties involved.
  - The platform is based on blockchain technology that has proven to be highly safe, transparent and efficient for crowdfunding.



# MABROOK – THE SHARIAH COMPLIANT TOKENIZATION PLATFORM

Mabrook is a first-of-its-kind crowdfunding platform founded on the blockchain technology. It enables Shariah-compliant investments from Muslim investors through cryptocurrency. Tokenization provides the conversion of actual assets to be fractioned into smaller value digital tokens, where each token represents a fraction of ownership. Tokenization has proven and continues to be the most popular form of investments as the global tokenization market is forecasted to grow from \$2.3 billion in 2021 to \$5.6 billion by 2026, at a Compound Annual Growth Rate (CAGR) of 19.0% during the forecast period.<sup>4</sup>

A token is fully consistent with Shariah investing laws because it is a fungible, negotiable financial instrument based on a real-world asset, such as a corporation or property, and has a predetermined monetary value.

All Mabrook projects will be tokenized, enabling high-value financial and real economy assets to be fractionalized and traded on a peer-to-peer basis, lowering their cost for regular investors.

Mabrook's architecture is based on Decentralized Finance (DeFi) and decentralized ledger (blockchain), the transactions (trading, funding and escrow etc.) will be managed by Shariah-compliant smart contracts without the need of intermediaries.

Together, Mabrook's technical architecture and business process will strengthen the financial services' effectiveness, accessibility, and affordability, boost market liquidity, and promote economic inclusion.

# KEY FEATURES AND BENEFITS

## **Conformity with Shariah Principles:**

Mabrook is engineered to follow the principles of Islamic finance and relevant regulations, providing a secure and dependable investment atmosphere for Muslim investors.

## **Decentralized Infrastructure:**

The platform is built on the decentralized infrastructure of the Polygon blockchain network, which offers a robust and scalable solution for the issuance and trading of security tokens.

## **Tokenization Engine:**

Mabrook's tokenization engine, driven by smart contracts, facilitates the conversion of ownership in halal businesses into tradable digital tokens. This process enables fractional ownership of the underlying assets and eases the tradability of the assets.

## **Transparent and Immutable Records:**

The smart contract architecture ensures that the ownership and transaction records are transparent, unalterable, and tamper-proof, providing a high degree of security and trust to the investors.

## **Access to DeFi Protocols:**

Mabrook integrates with various decentralized finance protocols and liquidity pools, providing investors with a broad spectrum of investment opportunities and liquidity options.



# MARKET ANALYSIS

The crowdfunding industry has experienced significant growth in recent years, with platforms such as Kickstarter and Indiegogo leading the way. However, traditional crowdfunding platforms have faced several challenges, including high fees, limited accessibility, and a lack of compliance with Islamic finance principles.

Despite these challenges, the demand for crowdfunding solutions continues to grow, particularly among the Muslim community, that is seeking a platform in line with its religious beliefs and practices. This presents a significant opportunity for a crowdfunding platform that is specifically designed for the Muslim community and addresses the challenges faced by traditional platforms.

To understand the current market landscape and the potential demand for a Muslim-focused crowdfunding platform, it is important to consider the following factors:

**Muslim Demographics:** The global Muslim population is estimated to be over 1.8 billion people, with a large portion located in Asia and the Middle East. This presents a large potential market for a crowdfunding platform that caters to the needs of the Muslim community.

**Increased Awareness of Islamic Finance:** There has been a growing interest in Islamic finance principles and practices, with many Muslims seeking financial solutions that are in line with their religious beliefs. This has created a demand for crowdfunding platforms that comply with these principles, such as the ban on interest based (Riba) transactions.

**Growing Trend of Digital Finance:** With the increasing popularity of digital finance and online transactions, more and more people are turning to online platforms for their financial needs. This presents a significant opportunity for a crowdfunding platform that provides a convenient and accessible solution for the Muslim community.

**Lack of Alternatives:** Despite the growing demand for Islamic finance solutions, there is a lack of alternatives for Muslim-focused crowdfunding platforms. This presents a significant opportunity for a platform that is specifically designed to meet the needs of the Muslim community.



# COMPETITIVE ADVANTAGES

Mabrook is a tokenization platform, and as such, it operates in a highly competitive market. To stand out from its competitors, it is important to identify and articulate the key competitive advantages of the platform. Here are some potential competitive advantages for Mabrook:

**Access to A Wider Range of Assets:** Mabrook offers investors the ability to invest in a wider range of assets, including real estate, fine art, and other alternative assets. This provides investors with more options for diversifying their portfolios and accessing new investment opportunities.

**Lower Barriers to Entry:** Mabrook provides a more accessible and user-friendly platform for investing in tokenized assets. This reduces the barriers to entry for investors, making it easier for them to participate in the tokenization market.

**Reduced Cost of Capital:** By using Mabrook, entrepreneurs and small business owners can raise funds more quickly and efficiently, and at a lower cost. This makes it easier for them to grow their businesses and achieve their goals.

**Increased Security:** Mabrook utilizes cutting-edge technology and security measures to protect the assets and investments of its users. This helps increase the level of trust in the platform and ensure that investments are secure.

**Customer Support:** Mabrook offers excellent customer support to its users, providing them with the information and guidance they need to make informed investment decisions. This helps build trust and loyalty among its users and sets Mabrook apart from its competitors.

By highlighting these competitive advantages, Mabrook can differentiate itself from its competitors, attract new users, and establish itself as a leading player in the tokenization market.

# MARKET AND OUTREACH STRATEGY

At Mabrook, we recognize the specific needs and interests of the Muslim community and are committed to reaching and serving this group through a strategic market and outreach plan. Our goal is to establish ourselves as a leader in the tokenization market while providing solutions that align with Islamic values and principles.

**Target Audience:** Our target audience includes Muslim investors, entrepreneurs, and small business owners who seek a convenient, accessible, and Sharia-compliant platform for investing in or raising funds through tokenized assets. Understanding the needs and values of this community is crucial for providing solutions that meet their requirements.

**Content Marketing:** To educate and engage our target audience, we will employ a comprehensive content marketing strategy that aligns with Islamic principles. This will include the creation of educational resources such as blog posts, infographics, and videos that clarify the benefits of tokenization and explain how Mabrook's platform operates in accordance with these values. Our content will aim to help Muslim investors and entrepreneurs comprehend the potential of tokenization and how they can participate in the market while upholding their beliefs.

**Social Media:** Social media provides a powerful opportunity to reach and interact with our target audience. We will utilise platforms like Twitter, LinkedIn, and Facebook to share our content, communicate with our audience, and increase brand awareness. By leveraging social media, we aim to establish a strong online presence and become a respected voice in the Muslim tokenization community.

**Partnerships and Collaborations:** Mabrook will also seek out partnerships and collaborations with organisations and individuals who share our values and goals. Through working with like-minded partners, we aim to broaden our reach, reinforce our brand, and create new opportunities for growth and success.



# TARGET AUDIENCE

Mabrook's major stakeholders are entrepreneurs and investors seeking to raise finance or invest in a halal manner.

**Halal Funding:** Any Shariah-compliant firm seeking Riba and interest-free loans for expanding their business and enterprise.

**Application of Disruptive Technologies:** Islamic FinTech assisting other businesses to make use of disruptive technologies.

**Community Support:** The most critical aspect of Mabrook is to enable the Muslim community to encourage and invest in small businesses that play a significant role in upholding Islam in society, like halal food, the meat business, modest clothing business, Islamic schools or shelters, clinics for lady gynecologists or specific clinics for women who do not want to consult a male doctor.

**Self-directed Investor:** Muslim investors or any self-directed investor who chooses a business based on ESG factors and wants to invest in a business that's not in any way discouraged by the Shariah.

## PROBLEM STATEMENT

### PROBLEMS FACED BY MUSLIM INVESTORS/ENTREPRENEURS

Mabrook's concept and vision are based on the challenges faced by Muslims in Canada who are eager to save money, invest it, and raise cash for their own ventures or those of other local enterprises.

The following are some hurdles with the current Canadian crowdfunding market:

- Only 2 of the top 5 largest stocks in Canada are Shariah compatible, and they offer stock options that are 36% Shariah-compliant.
- Most Muslim investors are limited to trade in the sectors of Mining (53.01%), Healthcare (47.54%), Technology (61.4%), Transportation (41%) and Real Estate (11.11%) with Shariah-compliant companies.
- The limited halal investment options in Canada is offered by the Wealth Simple Halal Portfolio, Global Oman Fund, Halal ETF, SPUS ETF – S&P 500 ETF that includes only Shariah-compliant stocks & Zoya App for Stocks Screening. However, none of them offer options for small and medium scale businesses to raise halal capitals or investors to support community projects<sup>5</sup>.
- Businesses are unable to get cheap and Shariah-compliant funding. Private loans are mostly expensive and come with critical terms that do not suit a small-scale community business.
- Retail investors do not have Shariah-compliant alternatives in Canada. Small to medium scale investors who want to fund or save have very limited opportunities, and most importantly they are unaware of their available options.
- The Muslim community in Canada is scattered, and there is no single location where they can discuss their problems and get guidance on how to fix them. A qualified worker who wants to launch a small business may find it challenging to find a co-founder, investor, or consultant who can comprehend both their business demands and their Shariah standards. For example, a licensed ultrasound technician cannot afford to set up a small place to perform checkups of women in their community, or a licensed and highly skilled butcher working in a small shop cannot scale his business easily, or a halal bakery owner cannot set up their business on a main commercial/residential/mall.
- There is no Shariah-compliant staking available today in the industry, where people who have no interest in investing into projects can invest in a fixed deposit account for a short term that brings a recurring income on their savings in 30/60/90 days.



# PROBLEMS FACED BY TRADITIONAL CROWDFUNDING PLATFORMS

For the longest period, it was believed that angel investments and venture capitals were for the wealthy, corporate and accredited investors only.

## Payment/Currency Limitations

Payments from the investors through bank transfer, credit/debit cards or through payment gateway services have restrictions like amount & location etc.

## High Risk & Low Liquidity Market

The Canadian securities regulations restricts retail/small-scale investors in funding in private markets due to the high risk, uncertainty of returns and lack of liquidity.

## High or Fixed Investment Sum

According to Kickstarter, most campaigns fail due to high amount of minimum investment requirement.

## Transaction & Processing Overheads

Most platforms involve several intermediators and thus overhead charges are high.

## Political Factors

Global political conditions always effect the money market fluctuating currency rates.

## Scams & Frauds

Several cases of Ponzi schemes, fraudulent entrepreneur and unachievable business goals emphasize the need of thorough due diligence of businesses.



# SOLUTION

We offer Mabrook as the remedy for all these issues. Mabrook aims to protect the best interest of the investors by offering them a transparent, authenticated and safe environment that ensures fair investments while supporting businesses that are socially responsible and contribute to the community ethically.

# OUR VISION

To create an accessible, inclusive, and modern Shariah-compliant capital market empowering the greater investor community and ethnic groups, promising Shariah-certified companies to drive innovation and community-backed economic growth using easy UX and high data security.

The aim of this platform is to facilitate small to medium-scale Shariah-compliant businesses in Canada with an opportunity to:



Reach a wider  
investor pool and  
raise their equity



The retail investors  
can safely invest  
with as low as  
CAD \$100

Once the platform is rolled out in Canada, using the partner network, we will scale and cascade it across other markets in America, and beyond (In'sha'Allah SWT).



# OBJECTIVE

The core objective of Mabrook is to provide an easy-to-use platform for the less experienced investors and businesses. Investors on our platform will have complete access to a list of businesses or project campaigns with all the relevant details necessary for them to make an informed and hassle-free decision for their investment. Since there is no limit to the amount invested, they can start with as little as \$100 and take small steps.

The businesses can raise from \$25000 to \$1500,000 to grow their capital and fulfill their business dream. The platform will provide all the necessary tools for the business to strategize and create powerful campaigns that deliver their message across the investors.

We understand the limits of small and medium-sized investors and entrepreneurs, therefore, our team and straightforward methods will be aimed at helping them manage their accounts without much effort.

Along with the provision of easy funding and financing options, our platform specifically is built to offer guaranteed Shariah compliance of all the campaigns on the platform. Ensuring that the Muslim community of Canada can peacefully engage in investing and raising capital for their business.

# SOLUTION HIGHLIGHTS

The features of Mabrook are based on our core philosophy of Shariah-compliance, Trust and Technical Excellence along with providing the user with an innovative solution to their investment and funding requirements. The following are salient features that will put Mabrook in the spotlight.

## DUE DILIGENCE

To maintain the authenticity of every business in raising funds on Mabrook, our team of experts will screen all businesses to ensure that;

- The business strategy, target and industry are Shariah-compliant and in no way related to any activity that stands against Islamic regulations.
- That the financial stream (if any other), entrepreneur and/or any other investors/ board members are not in any way associated with a non-shariah compliant industry.

Hence, every investor on Mabrook will be able to make decisions with a peace of mind and will have complete access to Shariah reviews and approval documents including the business' Shariah compliance certificate that can also be downloaded. The process of this validation is discussed in detail in a section ahead titled Due Diligence.



# DIVERSITY

Making Mabrook's framework Shariah-compliant does not limit it to a specific type of stakeholder or community; rather, its compliance and crucial validation ensure that entrepreneurs are not involved in any type of money laundering, have realistic goals, and are beneficial to people. Shariah compliance, however, restricts some businesses that are prohibited in Islam and/or against the basic ideology. Additionally, Mabrook aims to support and encourage businesses owned by women, minorities and disabled individuals through subsidies, discounted fees and in some cases, cofounding options.

# INNOVATIVE & FUTURISTIC

Mabrook is a Web 3.0 platform built upon the blockchain technology to ensure trust, transparency, and traceability. Mabrook promises to provide complete tracking of the invested fund and business activities.



# TRUST & CREDIBILITY

Mabrook has a top-notch team of experts well-versed and qualified in the Shariah. The team is led by our chief advisor Mufti Ismail Ebrahim Desai, an internationally reputed Shariah advisor and investment banker who currently serves as a special advisor to various Islamic financial institutions, Islamic Banks, investment entities, and educational institutes around the world. Mufti Ismail has developed various Shariah auditing, governance and risk management standards for Islamic financial institutions and has issued several expert legal opinions (fatwas) with a special focus on Islamic finance and economics. He has attended and delivered papers at international conferences and has created the first ever Shariah-compliant model for leveraged/structured finance and currency trading.

To be eligible as an Islamic crowdfunding platform, it is mandatory that all operations and procedures of this platform must be Shariah-compliant. All transactions and activities must not involve prohibited elements such as Gharar (uncertainty) and Riba (interest).

Mabrook, in order to be a responsible Shariah-compliant firm, will donate 5% of its profits to legitimate charitable groups in order to establish a culture of giving back to the community. Furthermore, Mabrook will comply with all Zakat conditions on a business and will post all information openly in accordance with Shariah rules.

Additionally, to ensure the authenticity and reputation of our platform, an annual Shariah-compliance review and audit will be done of Mabrook.



# DATA & SYSTEM SECURITY

We never resell personal data provided by our community on Mabrook. Mabrook understands the importance of intellectual data, and will therefore, also protect patents, trademarks, and sensitive information related to a business or individual, by implementing the best possible cyber and information security.

The banking data of our community is never kept on Mabrook. Our Blockchain-based architecture prevents fraud and security breach attacks by creating data blocks end-to-end encryption with powerful techniques, anonymizing users and storing information across a decentralized network of computers rather than centralized servers to make it impossible for hackers to enter the system.

Mabrook is going to comply General Data Protection Regulations (GDPR), PII and SoC II compliance as we progress further. The processing of personal data as well as the rights offered to users are detailed in the privacy policy. The application architecture section describes the security protocols in detail.

Distributed Ledger

Persistent, Immutable

Decentralized Network

Anonymity

Consensus-based Blocks

End-to-End Encryption Across Network

# COMPLIANCE WITH CANADIAN REGULATORY LANDSCAPE

In recent years, Canada has seen an increase in the number of small and medium-sized businesses. The major reason innovative and futuristic firms fail is a lack of finances. Authorities have regulated crowdfunding to assist Canadian businesses in overcoming this barrier. Every province, like Canada, has its own securities commission, but new rules will apply nationwide.

***Start-up Crowdfunding Rule***, National Instrument 45-110 introduces a single, uniform set of rules that replaces and enhances the requirements currently in effect in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan. The aim is to standardize and regulate the process of crowdfunding nationwide by setting minimum and maximum amounts of investment and funding raised. These rules open new possibilities for new small to medium scale businesses for financing their capital through crowdfunding. These regulations prove that the government recognizes the potential of crowdfunding to unlock previously untapped capital. It's also an encouraging move towards democratizing the private markets. These regulations include:

For businesses, 45-110 increases the limit from \$500,000 per calendar year to \$1.5 million over 12 months. That's an extra \$1 million that can go towards the business.

Removing the limit of two, 90-day campaign periods, businesses have more flexibility in planning and running crowdfunding raises.

For retail investors, the offering limit has been increased from \$1500 to \$2500 with a higher limit of \$10,000, this would facilitate the investors to further support the business they favour, additionally the businesses will have better chances to raise their capital.

For accredited investors, no investment limit is set.



Prospectus is a legal document issued when a public company issues security on stock in Canada. Removing barriers preventing federal and provincial co-operatives or associations from using the business crowdfunding prospectus exemption. Exemption of prospectus opens a doorway to raising capital.

Requiring funding portals relying on the registration exemption to certify on a semi-annual basis that they have sufficient financial resources to continue operations for the following six months.

Requiring issuers to have operations other than the acquisition of an unspecified business before using the crowdfunding prospectus exemption.

## MABROOK AS MUDARIB

In Islamic finance, a Mudarib is a working partner that manages collection, distribution and ensures safety of the funds. Mabrook would ensure that the payments collected against a campaign is utilized properly.

### Project Manager

Mabrook would work as a project manager/Mudarib to ensure that the venture/project is Shariah-compliant through the due diligence..

### Payment Management

Mabrook would release the payments to the venture/project in trenches according to the business plan and the cash flow requirements to ensure the proper utilization of the funds and to reduce any risks.

### Failed Fundraise Protection

Mabrook will offer an “all or nothing” funding, in case a funding campaign fails, the investments collected are returned to the investors in their virtual wallet that can be used for some other project.

# BUSINESS MODEL

Shariah-compliance is at the heart of Mabrook's business model. Our business approach incorporates best practices, methodology, and technology to provide a safe, secure, and efficient crowdfunding platform that supports the digital economy and adheres to Shariah law.

Blockchain and tokenization both align with Shariah regulations and smart contracts ensure that these are implemented across the solution. The following are the main features of our business model:

## ESCROW MODEL

Smart contracts on the blockchain will ensure that the business/venture can only utilize the fund in the predefined stages and not at once to prevent fraud. Thus, the smart contracts will control when to release the payment to the business/venture protecting the investor's money.

## PLS (PROFIT & LOSS SHARING) BASED CROWDFUNDING

Shariah-compliant crowdfunding relies on the fact that profit and loss is shared. This refers to the fact that the investors not just lend money to the business but share their profit loss of the venture. The profit is shared in the form of perks and rewards from the business.

The Shariah-compliant businesses will offer tokens as a fractional ownership to their business to the investors. The investors can buy these tokens with fiat currency or cryptocurrency.



# SHARIAH-COMPLIANT STAKING

In addition to investing in the firms listed, Mabrook will provide consumers with the option of staking, where they can acquire tokens and, like opening a fixed deposit in a bank, invest for a short time and receive halal earnings.

Staking rewards are an incentive that blockchains provide to participants. Each blockchain has a set number of crypto rewards for validating a block of transactions. When you stake crypto and you are chosen to validate transactions, you receive those crypto rewards.

Mabrook will offer prepaid cards to the staking customers that will help them collect loyalty/reward points and then retrieve those points with discounts on our affiliate services.

## SHARIAH-COMPLIANCE PROCESS

The concept of crowdfunding is very close to the basic concept for Islamic financing. Islamic banking and financial services are based on the principle of trust and rejects speculations and ambiguity. Shariah-compliant crowdfunding relies on the following facts;

- ◆ Wealth should be generated through legitimate asset-based investment
- ◆ Investment should benefit socially and ethically
- ◆ Risks should be shared
- ◆ No harmful or unlawful activities are involved such as drugs, porn, alcohol etc.
- ◆ While Shariah-compliance gives Muslim or otherwise conservative investor peace of mind it also ensures anti-money laundering and anti-terrorism financing
- ◆ A business should be trustworthy to secure the investor.
- ◆ Not only the business product/service should be in accordance with the Shariah, but the means through which the capital is funded must be aligned as well.

To certify any business as Shariah-compliant, that aims to collect funds through Mabrook, our expert consultation team will verify the startups by assessing the following:

- **Business Proposal:** Detailing the offering, implementation plan, team and timelines.
- **Financial Books:** The situation of accounts and books of the business to verify the current financing.
- **Team Profile:** To validate the credit history and financial standings, their past or current affiliations with any other business(es) to validate that they would be able to sustain the venture.

Only if our team is entirely pleased will they acquire a validation certificate and be authorized to build campaigns on the site.

## SHARIAH-COMPLIANCE OF CRYPTO CURRENCY AND THE IMPACT ON ISLAMIC FINANCE

Mabrook's entire ecosystem will only include Shariah-compliant activities that will be screened by the Shariah board on an ongoing basis for upholding Shariah compliance. The Mabrook ecosystem will encompass the concept of Barakah in Shariah for continuity of business, economic growth, progression and protection from business risk. The philosophy of Barakah will underpin every aspect of the Mabrook ecosystem.

Mabrook Token is an asset-backed token, it is a digital representation of an underlying asset backed by a Shariah governance protocol attributed into the blockchain of the Mabrook ecosystem. The value of such a token is pegged against the value of the Shariah compliant underlying asset.



# SHARIAH CONSIDERATION FOR MABROOK TOKEN

Mabrook Token represents 'Mal' which is a technical term describing something as a valid asset and property which can be traded. 'Mal' must be an asset that can be;

- Acquired
- Possessed/reserved whether in the form of corporeal (ayn) or usufruct (manfaah).
- Of some monetary value
- A provider of benefit which is permitted by (Shariah) law

Mabrook Token must represent an asset that is 'Mutaqawwim'. This technical term refers to an asset or item that has monetary value and can be traded legally under the Shariah law. A 'Mutaqawwim' represents an asset with commercial value and tradability.

Mabrook Token provides ownership of the underlying asset and is not simply a correlation in price to an underlying commodity. This is essential for Shariah compliance; otherwise, the token will be a derivative token. Every time the Mabrook Token is exchanged, it will correspond to the transfer of ownership of the underlying commodity. Mabrook Token, therefore, is a digital representation of the commodity and evidence of ownership.

# GENERAL SHARIAH SCREENING AND GOVERNANCE PROTOCOL

## DOCUMENTATION REQUIRED

Following documentation is required to evaluate a business on Mabrook's platform:

- 1 | Fact Sheet
- 2 | Prospectus
- 3 | Application Form
- 4 | Summary
- 5 | General Terms & Conditions

## SHARIAH SCREENING

### SHARIAH-COMPLIANT DIGITAL ASSETS SCREENING

There are certain criteria which must be fulfilled when investing in a digital asset in order for such an investment to be Shariah-compliant. There are essentially two stages involved in the Shariah screening process;

#### 1 | Industry Screening for Shariah Compliance

It is important that the holding entity including the subsidiary entity fulfills the industry screening. For example, a vehicle asset manufacturing entity may have a vehicle asset financing subsidiary which generates impermissible income via conventional and interest-bearing lending practices, therefore investing in the holding digital asset entity would be impermissible.

The following business activities are impermissible:

- 1.1 | Conventional banking and insurance
- 1.2 | Alcohol
- 1.3 | Pork and all non-halal food items
- 1.4 | Gambling



- 1.5 | Tobacco
- 1.6 | Adult entertainment and all other impermissible actions as decided by the Shariah Supervisory Board
- 1.7 | Conventional derivatives, swaps, staking and interest-based lending
- 1.8 | Weapons
- 1.9 | Interest-based staking or yield farming
- 1.10 | Zero utility value creation
- 1.11 | Harmful economic, fiscal, Shariah and monetary value creation including impermissible treasury management of funds
- 1.12 | Contractual ambiguity, fixed/guaranteed returns, duplicity of contracts and co-mingling of funds, and general prohibited Shariah contractual activities

## 2 | Financial Screen for Shariah Compliance

The Shariah Financial Screen monitors the impact of non-Shariah-compliant practices of a digital entity/asset and its potential impact on corporate performance. The digital entity must be compliant with the Shariah Financial Ratios as decided by the Shariah Supervisory Board.

- 2.1 | Conventional Debt/Total Market Capitalization – 33%
- 2.2 | (Cash +Interest Bearing Deposits)/Total Market Capitalization – 33%
- 2.3 | Total Interest/Revenue –1%

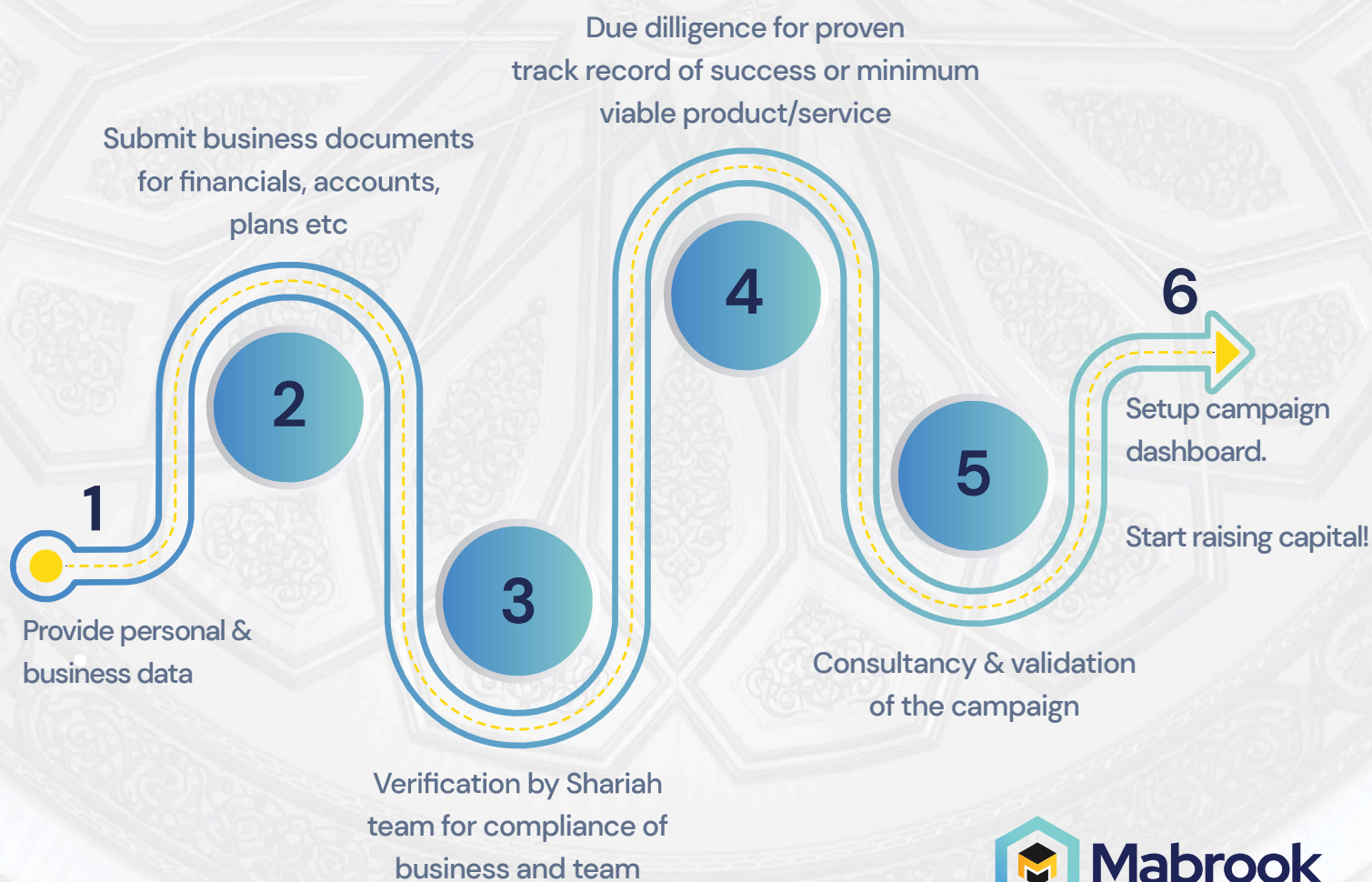
## PURIFICATION

In a Shariah-compliant fund, it is often inevitable that some of the income generated by the underlying companies will include non-halal income such as interest. Therefore, the income generated by a Shariah-compliant fund must be 'purified'. The Shariah Board plays an important role in determining the types of income that need to be purified. According to Islamic finance principles, the purified amounts should be donated to charity. There are various ways to purify 'tainted' income.

In the funds industry, one way to achieve purification is through the calculation of a Shariah-compliant net asset value (NAV) by fund administrators. At each valuation point, the proportion of non-Shariah-compliant income is determined, and this amount is disbursed to an Islamic charity that has been chosen by the investment manager and approved by the Shariah board.

## REGISTERING AS BUSINESS/ ENTREPRENEUR ON MABROOK

Mabrook has a detailed process of validating an entrepreneur before they can start a campaign to raise funds. The Shariah experts' team at Mabrook verify the business model as directed by Islamic regulations. Any business directly or indirectly involved in gambling, alcohol, drugs, pornography usury or interest are prohibited. A business that may be relating to any other sector but involves the above-mentioned characteristics are discouraged by the Shariah. Mabrook otherwise welcomes all segments of industries to provide diversity.





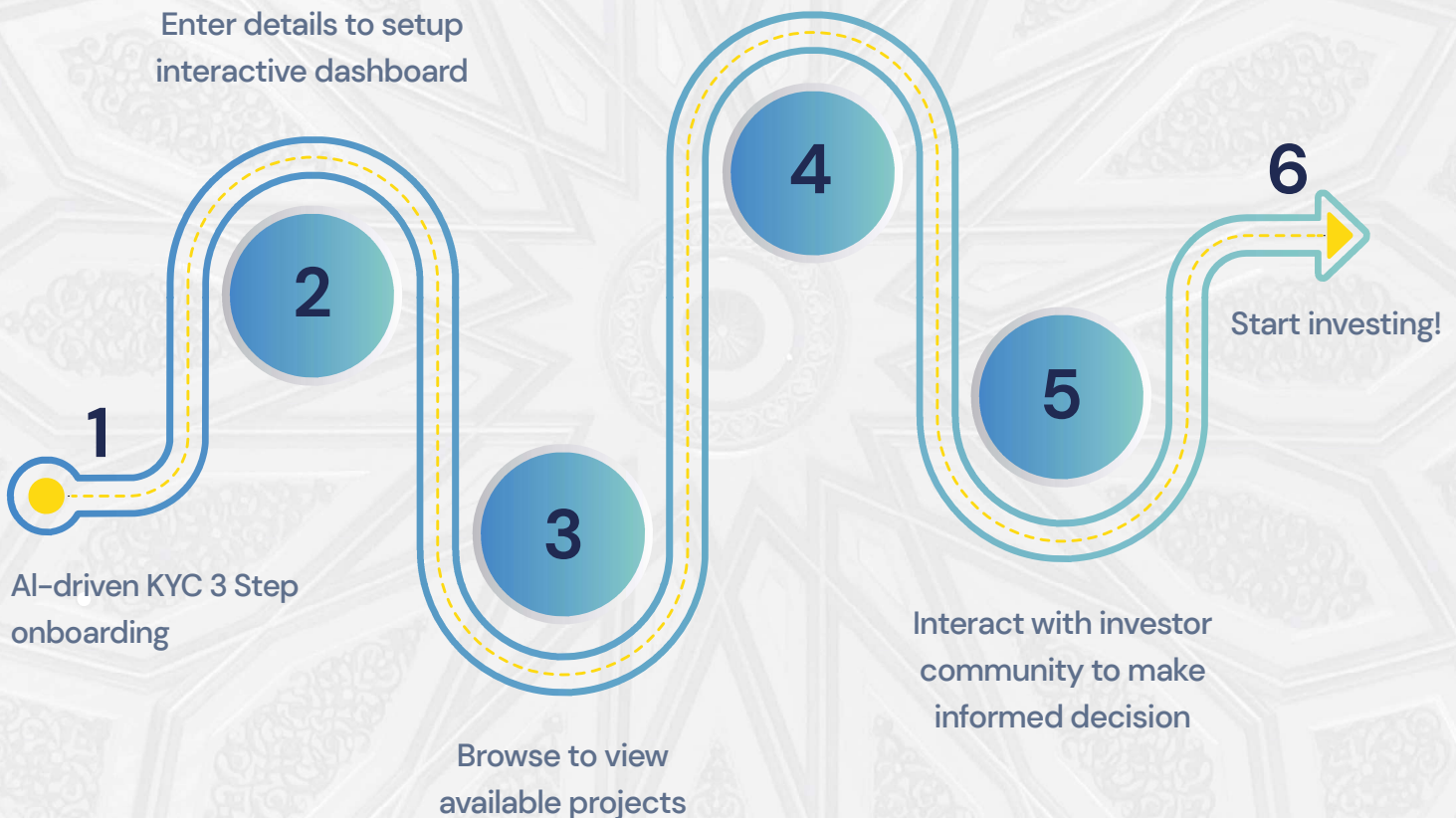
The Shariah-compliance team would also verify the entrepreneur's credit and financial standings to ensure that they can responsibly utilize the investment they receive. Once an entrepreneur receives a validation certificate then they can create campaigns and raise funds. Mabrook secures all intellectual data including but not limiting to patents trademarks, and sensitive information, whether business or personal, by implementing the best possible cyber and information security.

After creating a fundraising campaign, the business/venture can issue crypto tokens on the blockchain, giving an opportunity for the investors to buy these tokens via fiat currency; these ICOs will be for a limited time. The value and number of tokens released can be static or calculated based on the amount of funds raised.

- Entrepreneurs will list their business on the Mabrook platform.
- Business owners and the management team must pass the Mabrook's subject matter validation by our team of experts after the background and credit history verification.
- Mabrook's Shariah team will review business activities in detail and provide Shariah certification before the fundraising goes live on the Mabrook platform.

# REGISTERING AS INVESTORS

In contrast to businesses, investors can be registered more swiftly. Nonetheless, the platform will verify the investor to ensure mutual trust. The platform allows investors to browse firms, conduct research, access validated details, and conduct Shariah compliance reviews. The investor can go through the proposed business plan or roadmap provided by the business to identify and later scrutinize the milestones promised. These details will ensure that they make an informed decision before investing in a project. Registering as investors is easy and quick:



- Investors are the backers and supporters of the enlisted businesses.
- An investor will be able to browse business details and ask questions; once satisfied, they can use fiat currency or buy tokens to invest in the business of their choice and receive halal profits after the launch of the business.



# PLATFORM COMMISSION & FEE

The following is a tariff for the entrepreneur, there are no charges or fees for the investor.

Signup Fee	free
Listing Fee	\$500
Consultation Fee (Optional)	\$2500
Shariah Certification (If Required)	\$1500
Successful Campaign Fee	6% of Raised Fund (min \$40,000)
Islamic Finance Courses & Certification	10% of Discounted Course Fee
Token Exchange Fee	To Be Finalized
Sponsors/Loyalty/Affiliation Services	To Be Finalized

This would include supporting the business/venture for the preparation of required documents as most small to medium scale businesses lack the resources to maintain and manage accounts and financials. In addition to this, businesses need to devise a comprehensive pitch to sell their business idea on the platform. A pitch encourages and provides a case for any investor to invest in their business. Mabrook consultants will help them create these campaign related documents and presentations. The following are

## Business Consultation

Multifaceted business advice including counsel on financials, valuation, pitch deck, business plan, etc.

## Due Diligence

Assurance regarding a proven track record of success or minimum viable product/service.

## Campaign Management

Support in increasing the traction of campaigns and marketing tips on growing the community.

## Compliance Assessment

Review of shareholders agreements and other legal documents to ensure that rights of all parties are protected.

# BENEFITS FOR INVESTORS

Blockchain technology is aligned with Shariah-compliant funding processes and together they can be a game changer. While ICO has proven advantageous, the additional feature of Shariah compliance of our platform secures the rights of investors (as well as the entrepreneur).

The following are some of the benefits specifically for the investors:





# APPLICATION ARCHITECTURE

Tokens are the most important instrument of any blockchain-based platform. They keep track of transactions and facilitate the transfer of value. Mabrook is based on the tokenization of assets for investments and fundings. Mabrook will launch its token and coin for trading on the platform. The following are the technical details of the application.

## MABROOK

Asset tokenization is the process of digitizing assets into tokens that are tradeable and can be stored on the blockchain platform.

Mabrook will offer a platform for businesses to publish their tokens, the investors can buy them and help in raising funds for the businesses. These tokens can be traded as a whole or a fraction and can be transferred to other owners when purchased.

Mabrook's Token is a smart contract-based token, these create and provide tracks that shows the token's ownership. These tokens map the current owner's address, and for transferring or trading, the cryptographic proof of ownership is required.

# HOW TOKENS HELP INVESTORS & BUSINESSES





# ARCHITECTURE

In today's fast-paced digital world, crowdfunding platforms have become a popular method for people to raise funds for their projects, causes, and businesses. The rise of blockchain technology has further transformed the way people raise and manage funds, as it offers secure, transparent, and decentralized solutions.

## WHY THE POLYGON NETWORK?

### Scalability and Speed

One of the major challenges faced by traditional blockchain networks, such as Ethereum, is scalability. The Polygon Network provides a solution to this issue, with its ability to process up to 65,000 transactions per second. This means that our crowdfunding platform will be able to handle a large number of transactions and support a high volume of users without any lag.

### Security

Security is a major concern for any blockchain platform, and the Polygon Network has robust security measures in place to protect the funds and data of its users. With its decentralized architecture and consensus mechanisms, Polygon Network offers a secure environment for conducting transactions and raising funds.

### Low Transaction Fees

One of the biggest benefits of using the Polygon Network is its low transaction fees. This is particularly important for the Mabrook platform, as it will allow users to make small contributions without incurring high fees. This will help encourage more people to participate and contribute to the platform.

# Compliance with Islamic Finance Principles

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The Polygon Network is fully compliant with the principles of Islamic finance, which is a key consideration for the Mabrook platform, as it is specifically designed for the Muslim community. This includes a ban on interest-based (Riba) transactions, which is in line with the teachings of Islam.

## Community Support

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The Polygon Network has a large and growing community of developers, users, and supporters who are committed to advancing the platform and its ecosystem. This community support will be valuable to the crowdfunding platform, as it will help drive adoption and encourage more people to use the platform.

## CONCLUSION

The Polygon Network provides a robust and scalable infrastructure for creating a crowdfunding platform that is secure, fast, and compliant with Islamic finance principles. By choosing the Polygon Network, we are confident that the Mabrook platform will provide an innovative and effective solution for the Muslim community to raise funds for their projects, causes, and businesses.



# TECHNICAL OVERVIEW

Mabrook is a pioneering tokenization platform that harnesses the decentralized capabilities of blockchain technology to offer a secure and verifiable investment environment for Muslim investors. The platform is built on the Polygon Blockchain Network, a highly scalable and interoperable layer 2 solution for Ethereum, providing a robust and efficient infrastructure for the issuance and trading of security tokens.

Tokenization refers to the process of converting assets, such as stocks, real estate, or in this case, ownership in a business, into digital tokens that can be traded on a blockchain. This process allows for fractional ownership of the underlying asset, making it more accessible and easier to trade.

The tokenization engine of Mabrook leverages smart contracts, self-executing code that runs on the blockchain, to facilitate the issuance of tokens that embody ownership in halal businesses. The smart contracts are programmed to automatically enforce the terms and conditions of the investment, ensuring that the rules are followed and the transactions are transparent.

The tokenization process on Mabrook is fully compliant with Islamic finance principles and adheres to the relevant laws and regulations, providing a secure and trustworthy investment environment for Muslim investors. The ownership and transaction records are transparent, immutable, and tamper-proof, ensuring that the data cannot be altered and providing a high degree of security and trust to the investors.

The platform also integrates with various decentralized finance protocols and liquidity pools, offering investors a wide range of investment options and liquidity choices. This enables Mabrook to offer a highly flexible and efficient investment ecosystem that supports the needs of Muslim investors.

In summary, Mabrook is a technologically advanced and reliable tokenization platform for Muslim investors seeking halal investment opportunities. Its utilization of the Polygon blockchain network and smart contract-based tokenization engine provides a secure and efficient solution for investment and wealth management within the Islamic finance domain.

In addition to its cutting-edge tokenization capabilities, Mabrook is also designed to be offered as a white-label solution, allowing other organizations to leverage its technology and infrastructure to build their own tokenization platforms.

The white-label solution offered by Mabrook provides a complete suite of tools and services to support the launch and operation of a customized tokenization platform, including the issuance engine, trading platform, and back-end infrastructure. This allows organizations to quickly launch a tokenization platform that is tailored to their specific needs and requirements.

The white-label solution is built on the highly scalable and interoperable Polygon blockchain network, providing a robust and efficient infrastructure for the issuance and trading of security tokens. The platform also integrates with various decentralised finance protocols and liquidity pools, providing investors with a wide range of investment options and liquidity choices.

The white-label solution offers organizations a cost-effective and time-efficient way to launch a tailored tokenization platform, with the flexibility to grow and evolve as the market changes.



# MABROOK COMMUNITY

We understand the need of communication and interaction between the project managers, entrepreneurs and investors. Community-based platforms increase trust and credibility among the investors and entrepreneurs too. In addition to communication, Mabrook will encourage perks and bonuses for the investors to engage them and increase loyalty. Mabrook will provide tools for interaction through our messaging system. These tools will enable to create a strong community and a sense of transparency, ease of communication will help investors to trust the entrepreneurs/project managers more. Following are the features of our interactive platform:

## MESSAGING / INTERACTIVE DASHBOARD

- The Mabrook messaging system will facilitate the project leaders/managers and the investors/donors. Donors will be able to easily connect with any project manager to get more information regarding the project.
- The messaging system would be similar to social media messaging system to ensure ease of use.
- Investors/donors would be able to access campaign pages and comment.
- The project managers would be able to respond to these comments/queries on their campaign pages. this would increase understanding between the donors and managers.
- To enable the investors to acquire as much information regarding the business as needed, the project managers would be able to link their social media pages to their campaign pages.

# Rewards & Bonuses

We understand that investors are at risk when they support a business/venture idea. As a donor, the investor accepts the unforeseen risks associated with any new business. Additionally, since Shariah compliance funding is based on PLS so, Mabrook will offer and encourage businesses to offer rewards or bonuses to the investors.

The rewards could be anything from a discount or free service, money-back, special deals or loyalty points. The offer will be entirely of the entrepreneur's choice and would be mentioned with the project details. The rewards might also depend upon the amount invested.

- Enjoy coupons or discounts
- Earn more rewards by supporting those businesses with promotion and bringing new customers.
- The loyalty card points will also be redeemable while shopping with these businesses.

# Partnerships And Co-funding

As a part of inclusion and diversity objectives, we aim to offer partnerships or co-funding options to:

- Halal businesses that need more support after the capital to sustain the businesses.
- Women owned Shariah-compliant businesses that would need additional support to run a profitable business.
- Shariah-compliant businesses owned by minorities or specially-abled people that will need additional support.
- ESG or green initiatives early stage businesses.



# Women Empowerment

We believe that women today have the creativity and proactive capabilities to run small and home-based businesses efficiently. However, they lack the initiative to extend these businesses due to limited funding and support. According to the stats 98% Canadian businesses owned by women operate with only 20 or less employees, however the relative growth of these businesses has been comparable to the businesses owned by men.

At Mabrook, we will:

- Encourage women entrepreneurs to come on board and create campaigns to raise capital through promotions.
- In addition to this, Mabrook will also co-fund businesses that need more capital that they can raise through the funding alone or in some cases, if a business with a successful campaign needs more funding support.
- The platform might also provide subsidized rates of processing fee for these entrepreneurs.
- In order to facilitate the women entrepreneurs to sustain and run their business easily, our consultants would assist them in marketing, accounting, technology mentorship, as stats show that more women entrepreneurs resist growth of these businesses by limited access to consultants.

# Green And Environment Friendly Businesses

Global warming and environmental threats remain to be a huge issue. Being a responsible organization, Mabrook will support all organizations involved in green, clean environment and alternate fuel services. Most organizations are small scale and often non-profit. We aim to facilitate these ventures to:

- Raise funds through the portal
- Get subsidized rates on processing and consultation fee.
- Have access to Mabrook's consultant team for mentorship.
- Receive frequent funding for all upcoming projects, thus Mabrook will facilitate these ventures in all prospect projects.

## Businesses Owned By Specially Abled People

Specially abled people are an equal part of any society, according to statistics of 2021 22% of Canadians are specially abled but highly under-represented. Among them only 0.5% own businesses due to lack of accessibility and ease of opportunity. We understand that these individuals have a lot to offer and aim to facilitate and encourage them to start their own dream businesses. We shall provide:

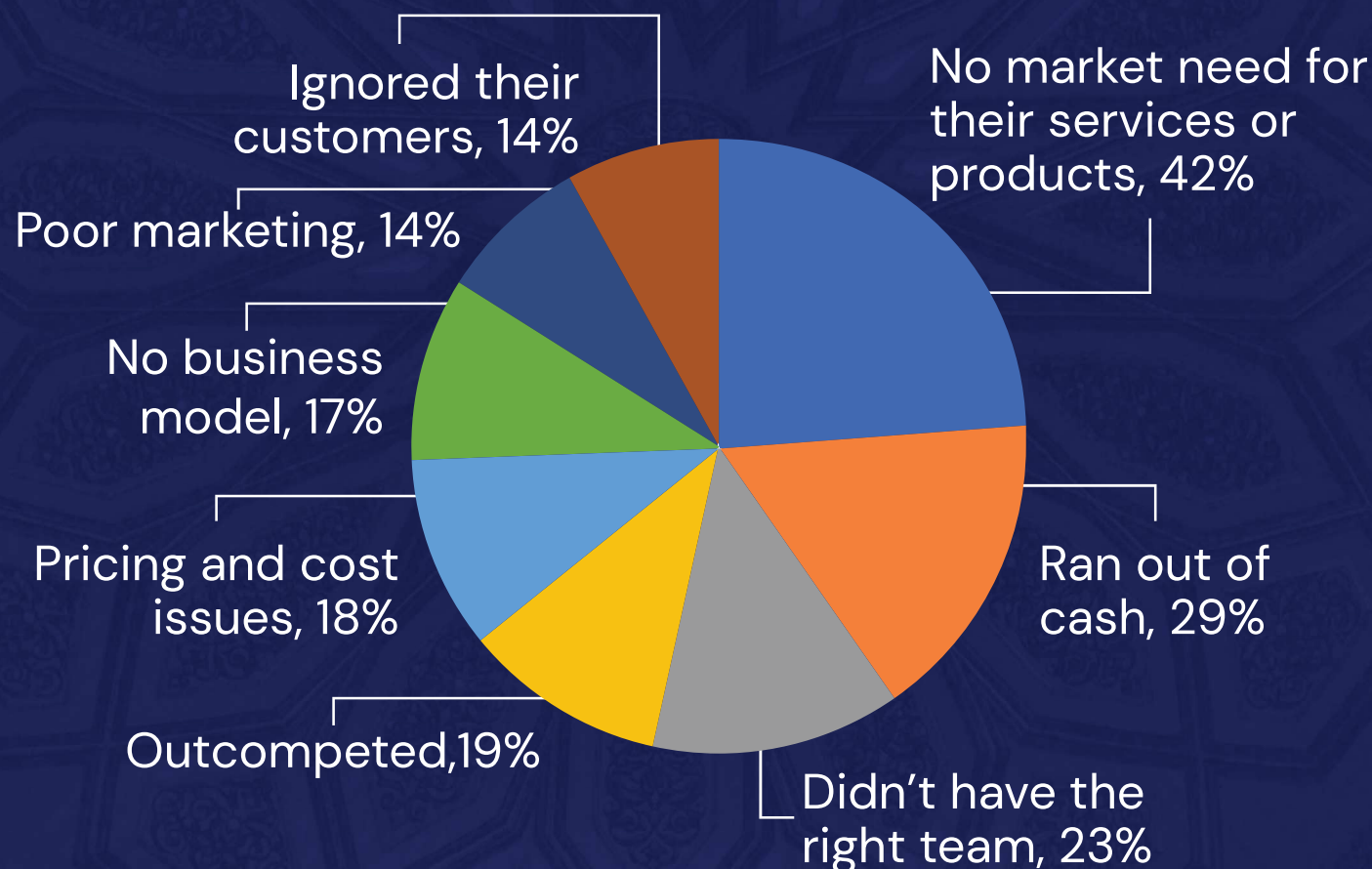
- Training, Mentorship and Consultation
- Subsidized fee for all services
- Co-funding their ventures
- Complete support in creating strong campaigns for funding
- Promotions and sponsorships for their businesses to create awareness



# FINANCIAL & TECHNICAL CONSULTATION TEAMS

A small or medium scale business with limited funds and several challenges mostly cannot afford to hire expert finance and technical teams and often face obstacles and loss due to inexperienced teams. SMEs are an integral part of the economy. Canada has experienced a boost in business/venture over the year, but most fail due to the following reasons:

## Why Startups Fail?



We identify these problems, and therefore to encourage businesses/ventures more, Mabrook will provide consultation to these businesses without the need to hire an expensive team. The consultation team will:

- Guide and help with accounting and financial advisory.
- Provide a dedicated experienced team of professionals to take care of the technological and online needs.
- Guide with future roadmap for the company based on market research.
- Help and provide consultation for marketing and promotion of their product/service to create awareness. Mabrook will also promote the businesses from their portal.
- Guidance in the yearly audit and closing to help these businesses sustain themselves.

## MABROOK CREDIT & DEBIT CARD (LOYALTY CARD)

Mabrook will be a community rather than only a crowdfunding platform. Being a member of this community promises to bring in more benefits and incentives. Mabrook will offer a loyalty card that will act like a prepaid card and facilitate the active investors and the business/venture:

- A | By offering loyalty points that could be redeemed with the businesses supported through funding, thus giving them more returns.
- B | By offering discounts and redeemable points on affiliate sites such as Netflix, Amazon etc. through Mabrook cards.
- C | By allowing to earn points on every investment or campaign and enjoy the discounts on the partner sites.
- D | By offering entrepreneurs who come up with more campaigns after one successful one discounts and reward points redeemable through a prepaid card.



# ZAKAT & SADQA

Mabrook, in order to be a responsible Shariah-compliant organization will contribute 5% of its earnings to authentic charity organizations to set a trend of giving back to the community. Additionally, Mabrook will comply with all Zakat conditions on a business and will publish information publicly, as per Shariah rulings. Mabrook will implement this from beginning, however more options involving other stakeholders will be added soon:

- Mabrook will support organizations collecting & donating Zakat and Sadqa to authentic causes.
- Since more businesses on the platform will be Muslim owned, the platform might start a charity fund for Zakat and Sadqa or nominate authentic organizations, where all stakeholders can participate and it could be spent for helping the less privileged communities.
- As a community, Mabrook will also initiate campaigns for collecting Zakat and Sadqa for charitable causes when needed.
- Mabrook founders have also setup a charity organization Noble Blessings Charitable Organization which is a registered non-profit in Canada.

# SPONSORS & PROMOTION

Mabrook will offer very flexible and economical sponsorship and promotion plans for all the successful businesses on the platform in order to:

- Showcase the success stories that will encourage more ventures in starting their funding campaigns.
- Create awareness about businesses so that their target market knows about them.
- Assisting businesses so that they do not need promotion or marketing teams.

## MULTI-LAYER AFFILIATE PROGRAM (FOR INVESTORS AND STARTUPS)

Mabrook will initiate a multi-level affiliate program, this will not be for businesses/venture only but will also encourage and reward the investors too.

- Mabrook affiliate program will encourage business ventures to bring in more entrepreneurs on board and in return earn rewards as tokens.
- Mabrook will also encourage investors to bring in other investors and win loyalty points as tokens.
- The affiliate program will encourage investors specially to invite women and specially abled people on board as investors so that they can also benefit from investing and the associated rewards.



# INTERACTIVE METAVERSE

Imagine taking a tour of the business you supported from across the globe or attending the technology discussion in another country without stepping out of your room. Mabrook is led by an innovative and diverse team that aims to develop not just a platform but creating a virtual 3D gamified environment where all the stakeholders of this platform can engage, communicate and do much more than just fund/invest.

- Extending the platform to facilitate successful businesses to create their online presence as a success story to encourage other entrepreneurs. They will be able to create their business centers or shops similar to their real shops/offices.
- The users of metaverse can take virtual tours of the businesses on the platform up for funding.
- Interact with other investors or businesses owners to discuss market dynamics. The interactive discussions forums will let them make better decisions on their investments.
- Arrange and attend lectures and panel discussions with experts around the globe in an interactive and fun environment.
- Digital economy, digital identities and use of tokens will offer a gamified experience of trading to the users.
- Mabrook metaverse would offer interactive campaigns that would let the businesses to create a more substantial campaign and offer.
- All users will be able to do the trading/funding through tokens.
- The interactive multiverse environment will also enable businesses to put their ads just like the billboards in the real world, thus giving promotion and visibility to halal businesses.

# DUE DILIGENCE & KYC PARAMETERS

Mabrook aims to validate and verify every business on the platform to ensure that the funds raised are for the right reasons. To fulfill these objectives our system and experts' team will evaluate businesses.

## SHARIAH APPROVED CERTIFICATE

The Shariah approved certificate for a business will indicate an approval seal from our Shariah experts. Once a business has this certificate it indicates that they can raise funds on the platform. Investors can view the certificate regarding the project and entrepreneur. However, to get this certificate, following are the checks performed:

### Verification

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The basic check to verify all the information provided regarding the entrepreneur, business and project.

### Due Diligence

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Due diligence includes background checks of the owner and members of the board of company. These checks include legal checks as well as credit history to ensure that no member of the company's board has been involved in any fraud or illegal activities.

### Contracts & Agreements

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It's critical to validate the financial contracts and agreement clause the business is offering regarding ICO and any rights offered. Our team also ensures that shareholder agreements are in place and align with our principles.

### Shariah Compliance

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Every business needs to be strictly scrutinized for their Shariah compliance. It is ensured through documents, history checks and if required direct interviews that the business, projects, investment channels, board of directors are in no way associated with any non Shariah-compliant activity.



# Compliance

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In addition, being Shariah-compliant the business should also comply with the standard required by Ontario securities commission (OSA) to protect investors in various ways, including:

- Verifying the identity.
- Ensuring that investors' funds are deposited and held in segregated accounts.
- Monitoring investment activity.
- A business is only allowed to campaign after the complete due diligence has been performed and certificate is published.

## Post Campaign Monitoring

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Every business has to make sure to fulfill any rewards, perks or updates it has promised in the fund-raising campaign. Mabrook will ensure the agreed rewards reach the investors as promised and published.

# SWOT ANALYSIS

- World's first Shariah-compliant blockchain tokenization platform
- Distributed and decentralized framework—transparency & security
- No dependency on intermediary organizations – no additional overheads
- Protection of stakeholders through ethical funding.

- Digital economy is still in experimental phase.
- Crypto currency market is volatile.
- Shariah doesn't approve certain types of businesses, thus not every one can participate.

- Unavailability of Shariah-compliant, interest free financing and investing options.
- Muslim community is growing.
- Several community specific businesses fail because debt and riba free funding is an obstacle.
- No shariah compliant staking and investing options in Canada.
- According to stats, during 2021-2025, transaction value is expected to grow at CAGR of 2.41% in crowdfunding.
- USA and Canada are global leaders in real estate crowdfunding.

Even with all measures the success of a businesses depends on various factors, thus the investor might need to wait long to actually enjoy the returns.

There's always a chance of a business failing.

- Shariah regulated funding and investment is based on the principle of sharing profit & loss, this may be an issue for some investors.
- Financial meltdown risks are inherent for all types of funding & investing.



# ROADMAP FOR MABROOK

The first phase of Mabrook as discussed above would focus on providing hassle-free, authentic and secure Shariah-compliant crowdfunding platform. However, we anticipate to turn this platform into an active community encouraging innovative businesses and entrepreneurs to come forward and turn their dreams into reality while benefitting investors. Following are some of the future goals:

1

## Phase 1

Pre-ICO: Mabrook will launch a Proof of Concept , affiliate with related authorities and regulatory, acquire licenses.

2

## Phase 2

Shariah Staking & Funding: Retail investors will be able to stake or invest in the Shariah-compliant projects available for funding by Mabrook.

3

## Phase 3

Crowdfunding: The platform will have several business campaigns available on board to provide several industries and types of projects to be funded.

4

## Phase 4

Launch of Mabrook Loyalty Card: The card will offer rewards, loyalty points, discounts and several more offers. Multiverse for community.

5

## Phase 5

Cofunding for selected projects: Mabrook will cofund and support certain projects that might need additional support especially businesses run by women, specially abled or minority groups.