

The cover features a vibrant purple background with abstract, overlapping geometric shapes and patterns, including circles and lines with varying opacities and colors (from light to dark purple).

TAKADAO SHARIAH
BOARD

Purpose

Shariah compliance aims to uphold values that are guided by islamic teachings and guidelines.

At Takadao this is done by ensuring that all activities, products, and services provided by our organization are in accordance with Shariah principles. A Shariah board has been in place with the following prerogatives:

- Provide a system for governing all the business activities of the company in order to ensure Shariah compliance at all times and at all levels
- Establish procedure to manage risk and monitor performance
- Research and investigate the issues raised
- Issue a report and make recommendations
- Monitor the implementation by providing corrective actions and remediation
- Instill Shariah awareness for employees at all levels to ensure their understanding of Shariah principles and compliance requirements

Scope

This standard operational procedure applies to all Takadao's employees who are involved in activities subject to Shariah compliance requirements. It encompasses all aspects of the organization's operations and offerings.



HANY HELMY

CHAIRMAN

 [Hany Helmy](#)

Since Takadao's inception, Dr Hany has been the Chairman of the Takadao Shariah Board and Takaful advisor. He brings two decades of experience in senior roles within Shariah-compliant Takaful companies in actuarial management and compliance. Trained in Shariah through classical study, including fiqh al-mu'amalat, and holding a UFI certificate, Hany is deeply passionate about the Islamic economy, particularly Takaful models. Currently serving as Senior Manager for Insurance Supervision at Dubai Financial Service Authority, he stands at the intersection of Shariah compliance and insurance regulation, contributing significantly to the thriving Islamic finance sector.



MUFTI BILLAL OMARJEE

MEMBER

 [Mufti Billal Omarjee](#)

Mufti Billal is the director of Shariah Consultant, a shariah advisory firm providing services in the Islamic Financial and Fintech industry. Mufti Billal is a Shariah board member for various shariah-compliant crypto products, and an external consultant specializing in Islamic finance and zakat management. He completed his Islamic theology studies at the Darul Uloom Bury and trained as a Mufti in Darul Uloom Blackburn Mufti Billal also graduated with a BA in Banking and Law and holds a postgraduate diploma from the insurance of Islamic Banking and Finance, London After his education, Mufti Billal sought further expertise in the field of Islamic Financial matters and served as a research assistant for Mufti Zubair Butt, chair of the Qalam Sharia Panel.



REZA RAYMAN

MEMBER

 [Reza Rayman](#)

Reza has a deep understanding of the traditional financial system, serving as financial advisor to individuals and corporates in various regions across the globe, with his experience extending into fund and asset management as well as corporate and cross border deal structuring. Reza is a blockchain and crypto enthusiast, with almost 6 years of experience researching and using crypto currency as a means of payment as well as DeFi protocols as a means of investment. As a Muslim it is Reza's objective to provide insight and opportunities for like minded Muslims across the world. His experience in TradFi coupled with participation in the Takadao Shariah Board makes this objective a reality.



HAMID IRSANE

MEMBER

 [Hamid Irsane](#)

Hamid worked as a teacher at the University of Hail in the kingdom of Saudi Arabia where he had the opportunities to attend lectures by prominent Shariah scholars in different locations. His thirst for practical knowledge has led him to complete a Certificate in Islamic finance at INCEIF Malaysia. A blockchain enthusiast, Hamid has been working in the new technology ecosystem for a decade. Driven by a mission to enhance value and uphold Shariah Standards, he is an invaluable part of the Takadao Shariah compliance team



AKRAM EL-BIALY

MEMBER

 [Akram Al Bialy](#)

Akram holds a Bachelor's in Mass Communication and Media Studies and is fluent in English and Arabic. With a strong track record in the MENA region, he previously served as Head of Trust & Safety at a major tech company, moderating and securing marketplaces in the UAE and KSA. Currently, Akram is a key player in shaping the governance and compliance strategy for the DAOs developed by Takadao, where he is instrumental in ensuring products compliance, integrity and safety.

Shariah Governance Framework

The following framework aims to establish transparent procedures to manage risk of non-compliance with Shariah principles



Shariah Risk Assessment

A comprehensive Shariah-related risk assessment process has been put in place to prevent non-compliant issues.

The process for conducting periodic Shariah risk assessments is as follow:

- Identification of the risk
- Analysis, assessment, and evaluation of the risk relating to products, services, processes, policies and general conduct of business
- Mitigation of risks related to Shariah compliance

Our mission at the board is to prevent any to issue in order to avoid the following:

- Exposure to reputational and business risks
- Invalidation of Contract (Aqad) from the Shariah perspective
- Non-recognition of income
- Imposition of a higher capital charge by the regulators

Shariah Review

Our on-going Shariah compliance review process covers the following steps:

- Conducting a comprehensive analysis of products, services, processes and operations
- Reviewing information and reports such as circulars, financial reports, policies and procedures, marketing documentation and communication
- Consultation and coordination with advisors such as external scholars and auditors
- Communicating the outcome and highlighting any non-compliance

Planning review procedures

- Our Shariah review process involves the following phases:
- Planning Phase
- Reviewing Phase
- Reporting Phase
- Following-Up

Our Shariah board members follow those stages to ensure compliance:

- Pre-supervision processes - Product or marketing documentation design and development stage
- On-going process supervision
- Post-supervision processes - all activities perform after the product has been offered or campaign launched

Executing review procedures

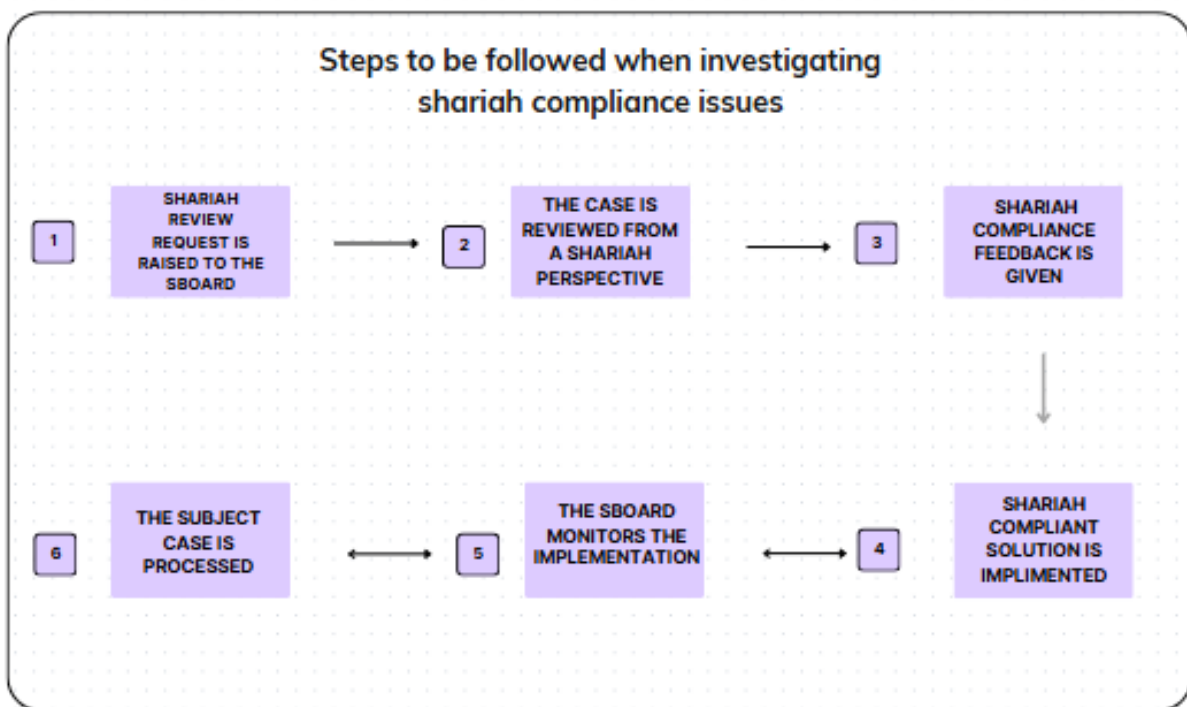
Once a review request is submitted on our ticketing system, a Shariah board member:

- Take ownership and responsibility for each employee review request
- Research and evaluate the operation
- Deliberate with other members to issue ruling
- Withdraw operation not in line with shariah principles

Review request process

In the interest of Shariah adherence, the request originator shall observe the following:

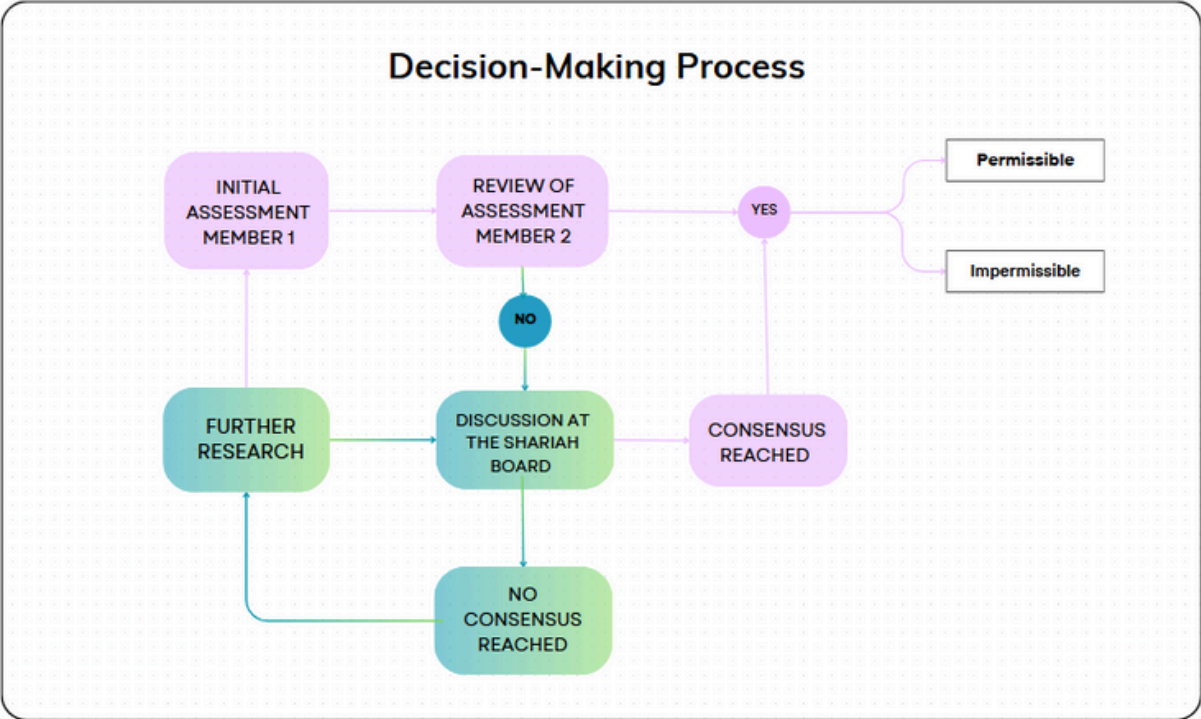
- Engage the Shariah board members on the proposal and provide detailed info
- Seek and obtain the shariah board written approval which will contain all of the related facts and information



It is important to note that Takadao’s Shariah board members possess the authority to veto any product, feature, or service that they determine to be non-compliant with Shariah principles, safeguarding the adherence to Shariah requirements.

Shariah policy development and approval

Takadao’s Shariah board uses the following process for developing and approving Shariah policies to ensure adherence to Shariah principles within our organization.

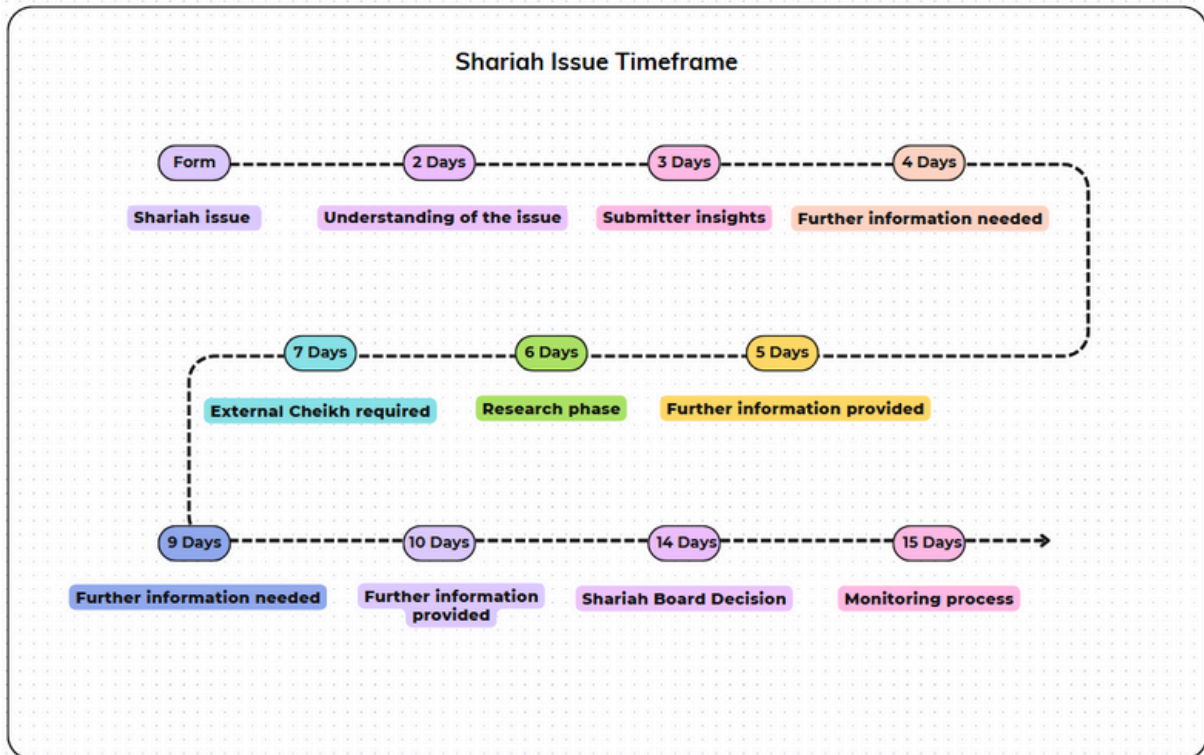


Timeframe for resolution

Our Shariah board works closely with various departments inside Takadao to achieve compliance and to enable departments to own the Shariah compliance process and pursue it as part of their operational and business goals

In this spirit, once a formal detailed request is received by the shariah board through the ticketing system, decision making process will take from:

- 2 to 5 five days for internal deliberation
- Up to 15 days in case external Islamic scholar insight is required



Shariah Audit

Our Shariah board members will also conduct audits to add value and ensure compliance with shariah principles, guidelines, and standards within Takadao.

Shariah Audit Framework



Internal Shariah Audit

Internal Shariah audit is performed by Takadao's Shariah board members on a yearly basis. The following steps are involved in conducting such internal audit:

- Develop an audit plan that outlines the scope, timeline, and resources required
- Consider the relevant areas to be audited
- Evaluate the company's activities such as, financial transactions, investment decisions, financing methods, procedures, contracts, products, and services to identify potential areas of non-compliance
- Collect relevant data and documents to support the audit process
- Identify any areas or practices that are not in accordance with shariah principles
- Prepare a comprehensive report detailing the findings, including any instances of non-compliance, potential risks, and recommendations for improvement. The report should be clear, concise, and provide actionable steps to rectify non-compliant activities
- Ensure effective communication to promote awareness and understanding of the audit outcomes.
- Monitor the implementation of recommended corrective actions to address the identified non-compliance issues.

Shariah Compliance Monitoring Plan

Our Shariah board has the duty to provide guidance and to create a sound control environment This is achieved by:

- Setting the tone at the top, with senior management demonstrating clear commitment towards shariah compliance
- Maintaining objectivity, independence, and confidentiality
- Setting up the foundations for shariah compliance control consciousness
- Setting up control environment factors to include the values, operating style, delegation of authority, technology, people and processes

Our Shariah board compliance monitoring plan includes the following:

- Risk assessment to prioritize areas of focus
- Identifying measurable KPIs that can help track and evaluate compliance levels
- Communicating roles and responsibilities
- Collecting relevant data, documentation, and evidence
- Identify areas of non-compliance, trends, and potential root causes
- Implementing corrective action plans to address non-compliance issues.
- Regularly review the implementation of corrective actions and track progress to avoid recurrences

Shariah Compliance Reporting

Documenting Conclusions

The Shariah review report comprises the following:

- A full report of the findings of shariah non-compliance matters
- An assessment of the degree of recurrence of non compliance and its systematic effect on the company
- Recommended corrective actions to be carried out
- A list of the improvements and rectifications necessary by identified persons charged with such rectifications, corrections and improvements
- Suggested timelines for such rectifications to be completed

Shariah Board members at Takadao are using the latest technology tools and reporting channels to perform their duty which includes the following:

- Document their conclusions and prepare their report based on the work done and discussions held
- Communicate standardized documentation and rulings
- Apply confidentiality measures
- Keeping a well-organized record of all compliance monitoring activities, including reports, findings, corrective actions, and related documentation. This documentation will be required for regulatory purposes or internal audits

Format of Shariah Report

The Shariah report shall be objective, clear, constructive and timely. A well-structured and standardized documentation policy is followed in order to:

- Manage the records
- Share the findings in an interactive manner with respective management and governance organs and enforcing access controls

Follow Up

The Shariah board members must follow up in a timely manner in order to:

- Ensure that the agreed upon actions were carried out including their timing
- Ascertain that appropriate rectification have been taken based on the recommendations made by the board
- Track and monitor the progress of rectifications from the past recommendations of previous the shariah review report
- Prevent the recurrence of non compliance

Storage and Archiving

Document Categorization

- A unique ID is added to each decision document for easy retrieval (e.g., Takadao Shariah Board Meeting Report 1 | Internal Shariah Board meetings)

Repository

- All documents are stored in a secure, encrypted document management system (DMS). GitBook is the DMS of choice

Access Control

- Access is restricted to authorized personnel (e.g., Contributor Committee, DAO governance managers).
- GitBook enables role-based permissions for viewing, editing, and exporting documents