

NOORCHAIN — Compliance Framework

Phase 5 — D3

Version 1.1

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1. Purpose of the Compliance Framework

This document defines the **complete compliance framework** for the NOORCHAIN ecosystem under the Swiss Legal Light CH classification.

It consolidates:

- legal principles,
- operational limitations,
- governance duties,
- communication rules,
- disclaimers,
- PoSS compliance,
- risk management,
- and transparency requirements.

It applies to:

- NOORCHAIN Foundation
- Multi-sig Committee
- Noor Dev Sàrl (functional allocation)
- Curators
- Technical contributors
- Partners (NGO, education, social actors)

This document will be transformed into an **official PDF** during Phase 6.

2. Compliance Classification (Legal Light CH)

NOORCHAIN operates as:

A non-profit, non-custodial, non-investment blockchain project.

The Foundation:

- does not custody user assets
- does not offer financial products
- does not guarantee returns
- does not run payment services
- does not provide exchange or conversion

NOORCHAIN is classified as a **Utility Token protocol with social impact**, not a financial intermediary under Swiss law.

3. Compliance Principles (Permanent)

The following principles are **immutable**:

3.1 No Custody

The Foundation and multi-sig must never hold user funds or private keys.

3.2 No Promised Returns

NUR does not promise yield, interest, dividends, or appreciation.

3.3 No Investment Offering

NUR is not sold as a financial product.

3.4 Fixed Supply & No Inflation

Supply is capped at 299,792,458 NUR.

3.5 Transparency

All governance actions and use of funds must be publicly documented.

3.6 Open-Source & Ethical Mission

All development must follow ethical and open-source standards.

3.7 Non-Profit Alignment

Foundation resources must be used for public good purposes.

4. Token Compliance

NUR is classified as a **Utility Token** because it:

- enables validation of PoSS actions
- powers dApps (Pay, Curators Hub, Studio)
- rewards positive contributions

NUR is **not**:

- a payment token with regulated fiat gateways
- a security token
- a stablecoin
- an investment vehicle

No token is issued in exchange for capital investment.

5. PoSS Compliance (Proof of Signal Social)

PoSS is designed to be:

- **non-financial,**
- **ethical,**
- **socially beneficial,**
- **transparent,**
- **non-extractive,**
- **fully capped and controlled.**

Classification:

Social reward system, not a yield product.

Restrictions:

- no deposits required
- no lock-up
- no APR
- no financial promise
- $\text{reward} = \text{action} \times \text{weight}$
- hard-coded halving & caps

All PoSS rewards are funded from the **80% PoSS Reserve**, not from inflation.

6. Operational Restrictions

The Foundation may not:

- manage wallets
- hold user NUR

- operate liquidity pools
- manipulate the market
- run exchange or PSP
- guarantee prices
- offer staking-as-a-service
- accept investor funds intentionally (handled later via Sàrl)

These restrictions protect the Foundation and ensure strict Legal Light CH compatibility.

7. Risk Management

The project recognizes several types of risks:

7.1 Technical Risks

- bugs
- exploits
- smart contract vulnerabilities
- node or network failures

Mitigation:

- audits
- code reviews
- emergency procedures
- public disclosure

7.2 Legal Risks

- changes in regulation
- misinterpretation of project purpose
- third-party misrepresentation

Mitigation:

- clear documentation
- disclaimers
- transparent communication

7.3 User Risks

- loss of private keys
- scam attempts
- phishing

Mitigation:

- educational material
 - warnings
 - self-custody tips
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8. Governance Compliance

Governance bodies must follow:

Foundation Board:

- adhere to Swiss non-profit rules
- maintain transparency
- enforce Legal Light boundaries
- publish annual reports

Multi-sig Committee:

- enforce strict 3/5 threshold
- never take custody
- document every action
- publish biannual transparency reports

Curators:

- validate actions ethically
- avoid fraud or manipulation
- respect privacy law
- comply with Foundation rules

Noor Dev Sàrl:

- no financial activity with user funds
 - R&D and ecosystem development only
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9. Reporting Obligations

Mandatory reports:

1. Annual Governance Report

- board decisions
- curator changes
- compliance updates

2. Biannual Multi-sig Report

- on-chain actions
- expenses
- PoSS parameter changes

3. Annual Financial Report

- use of Foundation allocation
- grants & partnerships

4. Security Incident Report (if needed)

- procedure in case of vulnerability

10. Communication Compliance

All communication must avoid:

- price speculation
- financial language
- investment wording
- return expectations
- misleading marketing

Examples of **ALLOWED** wording:

- “non-profit ecosystem”
- “ethical blockchain”
- “utility token”
- “public-good mission”
- “rewarding positive social actions”

Examples of **FORBIDDEN** wording:

- “profit”

- “investment”
 - “ROI / APR / APY”
 - “earn money”
 - “stake for returns”
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11. Partner Compliance (NGOs, Schools, Associations)

Partners must:

- be transparent
- align with the mission
- avoid financial interpretation
- validate PoSS actions responsibly
- avoid abusive practices

The Foundation may suspend partners in case of violation.

12. External PSP Compliance

Crypto ↔ fiat conversions are handled exclusively by **regulated PSP partners**, not by NOORCHAIN.

The Foundation:

- does not endorse PSP decisions
 - does not store personal data
 - does not participate in KYC/AML processes
 - maintains Legal Light CH compliance
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13. Compliance Checklist (Public)

1. Non-custodial ✓
2. No investment offering ✓
3. No promised returns ✓
4. Fixed supply ✓
5. Utility token ✓
6. No PSP internal ✓

7. Transparent governance ✓
 8. Open-source ✓
 9. Social mission ✓
 10. Foundation + Sàrl separation ✓
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14. Document Integration

This Compliance Framework must appear in:

- the Compliance PDF (Phase 6)
 - the Legal page of the website
 - the Whitepaper 1.1
 - the Genesis Pack
 - GitHub documentation
 - Foundation governance documents
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15. Signature

Prepared by:

NOORCHAIN Foundation

Governance & Legal Phase

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