

# **NOORCHAIN — Compliance Framework**

**Phase 5 — D3**

**Version 1.1**

**Last Updated: 2025-XX-XX**

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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.

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## **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.

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### **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.

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### **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.

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## 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
- reward = action × weight
- hard-coded halving & caps

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

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## 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.

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## **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
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## **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.

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## **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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