Compliance policy (KYC and AML)

How identity verification and anti-money-laundering controls apply to USDN.

VERSION	LAST UPDATED	STATUS
0.1	November 17, 2026	Draft

1. Purpose and scope

This policy summarises how [issuer legal entity name] prevents USDN from being used for money laundering, terrorist financing, sanctions evasion and fraud. It applies to everyone who mints or redeems USDN directly with the issuer, and to the issuer own operations.

2. Roles and governance

- A designated compliance officer, [name or title], oversees the programme and reports to senior management.
- The programme is reviewed at least once a year and after any material change.
- All staff with access to customer data receive compliance training.

3. Know your customer

Participant type	Information and checks
Individuals	Full name, date of birth, address, government-issued ID, liveness check, source of funds where required.
Businesses	Registration documents, ownership structure, beneficial owners, directors, nature of business, source of funds.

Participants are screened against sanctions and politically exposed person lists at onboarding and on an ongoing basis. Higher-risk participants receive enhanced due diligence.

4. Transaction monitoring

- Minting and redemption requests are checked against the participant profile and expected activity.
- Wallet addresses are screened with blockchain analytics for links to sanctioned or illicit activity.
- Unusual activity is escalated and, where required by law, reported to the relevant authority.

5. Sanctions and restricted jurisdictions

USDN is not offered to sanctioned persons or to residents of restricted jurisdictions [confirm: list of restricted jurisdictions]. Where required by law, the issuer may restrict an address at the contract level.

6. Record keeping and reporting

Identity and transaction records are kept for [retention period] after the relationship ends. The issuer cooperates with lawful requests from regulators and law enforcement.

7. Contact

Compliance questions can be sent to [compliance contact email].

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