UNIVERSAL MONETARY UNIT
MODEL LAW

A Model Legal Framework for the Dual-Account UMU Monetary Architecture

PRIMARY ACCOUNT | MARKET ACCOUNT | DENOMINATION | SETTLEMENT | LIQUIDITY

Version 1.3
August 2026

Digital Currency Monetary Authority

ABSTRACT

This Model Act establishes a legal framework for the issuance, denomination, distribution, custody, settlement, liquidity, and use of the Universal Monetary Unit (UMU) within a Digital Currency Monetary System. Version 1.3 recognizes UMU as one monetary instrument capable of operating through two legally distinct account states. Primary Account UMU operates under a pegged stablecoin framework with contractual purchase-value redemption rights. Market Account UMU operates as a money commodity exposed to prevailing market value, with a legally defined right of access to a DCMS market-liquidity channel but without a purchase-price, par-value, or minimum-price guarantee.

The Act preserves national monetary sovereignty through Denomination Integrity. UMU is prohibited from serving as the official or contractual unit of account for local purchases, domestic commerce, regional trade, or international trade. Underlying commercial obligations remain denominated in the applicable national fiat currency or other lawfully selected sovereign currency. UMU functions as an intermediary settlement currency and reference currency between national-fiat transactions, and its use in a settlement path does not redenominate the underlying commercial obligation.

The Act further establishes UMU's official alphabetic monetary identifier, currency symbol, Unicode representation, six-decimal denomination precision, benchmark governance, qualified issuance and redemption procedures, reserve and liquidity safeguards, market-integrity standards, custody controls, BSA/AML and sanctions compliance, privacy protections, and regulatory cooperation.

The dual-account architecture separates two distinct issuer-system obligations. Primary Account UMU carries an economic redemption claim against the Issuer according to the applicable guaranteed redemption basis. Market Account UMU carries no purchase-value redemption claim, but DCMS is responsible for maintaining or facilitating an orderly liquidity channel through which Market Account UMU may be offered, transferred, or liquidated at prevailing market value. The obligation to provide liquidity access is expressly distinguished from any obligation to support or guarantee a market price.

UMU DENOMINATION AT A GLANCE

Attribute	UMU Standard
Alphabetic monetary identifier	UMU
Official currency symbol	Ü
Unicode code point	U+00DC
Unicode name	LATIN CAPITAL LETTER U WITH DIAERESIS
UTF-8 bytes	C3 9C
Maximum ledger precision	6 decimal places
Smallest representable unit	0.000001 UMU
Fractional units per UMU	1,000,000
Authorized monetary role	Intermediary settlement currency; reference currency; reserve instrument where lawfully held
Commercial unit of account	Prohibited
Local purchase / commerce denomination	Prohibited
Regional / international trade denomination	Prohibited

TABLE OF CONTENTS

CHAPTER 1 - SHORT TITLE, PURPOSE, SCOPE, AND CONSTRUCTION

Section 101. Short Title. This Act may be cited as the "Universal Monetary Unit Money Commodity Act" or the "UMU Model Law."

Section 102. Purpose. The purpose of this Act is to: (1) establish a coherent legal framework for UMU as a monetary instrument operating through Primary Account and Market Account states; (2) preserve national monetary sovereignty and the primacy of national fiat currencies as units of account for commerce and trade; (3) establish standards for denomination, issuance, redemption, market liquidity, benchmarking, custody, reserves, market integrity, and compliance; (4) provide legal certainty for contractual and institutional use of UMU as an intermediary settlement currency and reference currency; and (5) support interoperable digital monetary systems without requiring substitution of national currencies.

Section 103. Scope. This Act governs the issuance, administration, account-state treatment, primary-market distribution, market-liquidity framework, custody, benchmarking, settlement, and in-jurisdiction activities related to UMU, including conduct of the Issuer, Administrator, Authorized Participants, Qualified Custodians, Contributing Venues, liquidity providers, and other covered Persons.

Section 104. Construction. (a) Nothing in this Act renders UMU legal tender, a central-bank liability, or a bank deposit. (b) Primary Account UMU and Market Account UMU are the same monetary instrument operating under different legally defined account states. (c) Nothing in this Act authorizes UMU to displace a national fiat currency as the unit of account for commerce or trade. (d) The Act shall be construed to preserve the denomination of underlying sovereign-currency obligations while permitting UMU to perform authorized intermediary settlement and reference functions. (e) Characterization under this Act does not displace federal or other applicable law.

Section 105. Severability. If any provision of this Act or its application is held invalid, the remainder shall not be affected and shall be given effect to the fullest extent possible.

Section 106. Effective Date. This Act takes effect on the date specified by the enacting jurisdiction and applies prospectively to activities occurring on or after that date.

CHAPTER 2 - DEFINITIONS AND UMU DENOMINATION STANDARD

Section 201. Definitions. For purposes of this Act, the following terms have the meanings set forth in this Chapter.

"Administrator" means the Digital Currency Monetary Authority or another entity designated to administer the DCMS and the functions assigned by this Act.

"Authorized Participant" means a Person approved to conduct primary-market or other designated institutional activities under this Act.

"BUY" means an authorized acquisition of newly issued or otherwise eligible UMU into a Primary Account using an approved national fiat currency or other permitted funding source.

"DCMS" means Digital Currency Monetary System, the monetary architecture through which UMU issuance, governance, denomination, credit, market, settlement, and related functions are administered.

"Denomination Integrity" means the requirement that the authorized sovereign-currency denomination of an underlying commercial obligation remain unchanged by the introduction of UMU into an intermediary settlement, conversion, liquidity, or reference process.

"Guaranteed Redemption Price" means the applicable per-unit purchase-value redemption basis of Primary Account UMU, determined from the holder's recorded acquisition history and adjusted under published procedures.

"Market Account" means the account state in which UMU operates as a money commodity subject to prevailing market value and Market Liquidity Obligations, without a purchase-value redemption guarantee.

"Market Account UMU" means UMU recorded in a Market Account after an authorized MOVE or other process expressly permitted by rule.

"Market Liquidity Channel" means one or more DCMS-maintained, DCMS-facilitated, or authorized liquidity mechanisms through which Market Account UMU may be offered, transferred, or liquidated at prevailing market value.

"Market Liquidity Obligation" means the obligation of the DCMS to maintain, provide, or facilitate access to an orderly Market Liquidity Channel, without guaranteeing execution at a particular price, a minimum price, par value, purchase price, appreciation, or protection against market loss.

"MOVE" means the authorized and irreversible change of account state by which specified UMU is transferred from a Primary Account to a Market Account, extinguishing the purchase-value redemption rights attached to the affected units and subjecting those units to Market Account rights and market valuation.

"Primary Account" means the account state in which UMU operates under a pegged stablecoin framework and carries contractual purchase-value redemption rights against the Issuer according to the holder's applicable Guaranteed Redemption Price.

"Primary Account UMU" means UMU recorded in a Primary Account and subject to the redemption, reserve, and account-state provisions of Chapter 6.

"REDEEM" means the surrender or cancellation of Primary Account UMU in exchange for payment by the Issuer according to the applicable Guaranteed Redemption Price, less disclosed fees where permitted.

"SELL" means the disposition or liquidation of Market Account UMU through a Market Liquidity Channel or other authorized market venue at prevailing market value.

"Total Guaranteed Value" means the aggregate purchase-value protection attributable to a holder's Primary Account UMU under the applicable weighted-average or other published acquisition-basis methodology.

"UMU" means the Universal Monetary Unit, a cryptographically represented monetary instrument administered within the DCMS and capable of operating in the Primary Account or Market Account state.

"UMU Currency Symbol" means the character "Ü", Unicode code point U+00DC, formally designated LATIN CAPITAL LETTER U WITH DIAERESIS.

"UMURR" means the Universal Monetary Unit Reference Rate established under Chapter 4.

Section 202. Official Monetary Identifier and Symbol. The official alphabetic monetary identifier is "UMU." The official currency symbol is "Ü" (Unicode U+00DC). The identifier and symbol may be used in human-readable and machine-readable systems subject to this Chapter and Appendix A.

Section 203. Decimal Precision. UMU supports monetary amounts to a maximum precision of six decimal places. One UMU equals 1,000,000 fractional units. The smallest representable monetary amount is 0.000001 UMU.

Section 204. Computational Representation. Systems processing UMU shall preserve monetary precision to at least six decimal places. Ledger and settlement systems may represent UMU as integer fractional units. Binary floating-point arithmetic shall not be used where it would create unauthorized monetary rounding or loss of precision.

Section 205. Authorized Monetary Uses. UMU may be used as: (1) an intermediary settlement currency between transactions denominated in national fiat currencies; (2) a reference currency for valuation, comparison, conversion, accounting reference, reserve measurement, and financial analysis; (3) a reserve instrument where lawfully held under applicable law and institutional policy; and (4) another monetary-system function expressly authorized by this Act or implementing rule that does not violate Section 206.

Section 206. Prohibited Commercial Denomination. UMU shall not be designated, required, represented, or used as the official or contractual unit of account for: (1) local purchases of goods or services; (2) domestic commerce; (3) commercial pricing or invoicing; (4) regional trade; (5) international trade; or (6) an underlying commercial obligation for which a national fiat currency or other sovereign currency is the applicable or lawfully selected denomination.

Section 207. Denomination Integrity. The use of UMU within a DCMS transaction shall not alter the unit of account applicable to the underlying commercial obligation. The national fiat currency or other sovereign currency governing or selected for the transaction shall remain the denomination for pricing, invoicing, accounting, contractual obligation, and settlement determination. Introduction of UMU into a conversion or settlement path shall not constitute redenomination.

Section 208. Interface and Messaging Requirements. No wallet, merchant interface, invoice, smart contract, API, settlement message, payment application, or other DCMS-integrated system shall represent UMU as changing the denomination of an underlying commercial obligation. Systems shall preserve and transmit the authoritative transaction denomination independently from any intermediary UMU amount.

Section 209. Display Precision. User interfaces may suppress unnecessary trailing zeros, provided that the underlying ledger amount is preserved. UMU 10, Ü10.00, and Ü10.000000 may represent the same monetary quantity. Amounts exceeding six decimal places shall be handled under a uniform rounding rule adopted by technical standard.

Section 210. Unicode and Encoding. The authoritative character representation of the UMU Currency Symbol is Unicode U+00DC. Digital systems shall use UTF-8 or another Unicode-compatible encoding capable of preserving U+00DC without substitution or loss. The symbol shall not be defined by reference to ASCII, extended ASCII, ANSI code pages, proprietary fonts, or platform-specific character mappings.

CHAPTER 3 - CHARACTERIZATION OF UMU AND ACCOUNT-STATE RIGHTS

Section 301. Single Monetary Instrument; Dual Account States. UMU is one monetary instrument capable of operating through two legally distinct account states. Primary Account UMU operates under a pegged stablecoin and contractual-redemption framework. Market Account UMU operates as a money commodity under market-value and liquidity rules. A change of account state does not create a different currency and does not alter UMU's identifier, symbol, divisibility, or denomination standard.

Section 302. Primary Account Characterization. Primary Account UMU carries an enforceable contractual economic claim against the Issuer for redemption according to the applicable Guaranteed Redemption Price and published redemption procedures. The redemption right is account-state specific and does not constitute a promise of appreciation, yield, dividend, or profit.

Section 303. Market Account Characterization. Market Account UMU is a money commodity. It carries no claim for redemption at purchase price, par value, minimum value, or a specified market price. A holder nevertheless possesses the right established by this Act to access the DCMS Market Liquidity Channel, subject to lawful operational rules and prevailing market conditions.

Section 304. No Equity, Governance, or Yield Rights. Ownership of UMU in either account state confers no equity interest, voting right, governance right, dividend right, residual ownership interest, or promised yield in the Issuer, Administrator, DCMS, or another Person, except for the specific contractual and statutory rights expressly established by this Act.

Section 305. No Mandatory Acceptance. Nothing in this Act requires any Person to accept UMU. The prohibition on commercial denomination in Section 206 applies independently of any voluntary use of UMU for authorized settlement or reference functions.

Section 306. Uniform Commercial Code Treatment. To the extent adopted in the jurisdiction, UMU may constitute a controllable electronic record or other digital asset under applicable commercial law. Account-state rights established by this Act shall be reflected in authoritative records and applicable transfer rules.

Section 307. Settlement Finality. A transfer or settlement of UMU recorded to the relevant authoritative ledger and not subject to technical reversal under applicable network rules shall be final and irrevocable as provided by law, without altering rights arising from fraud, error, unauthorized activity, or other legally recognized claims.

Section 308. Electronic Records and Signatures. Contracts, consents, disclosures, account-state elections, MOVE instructions, and other records related to UMU may be executed and delivered electronically and shall have legal effect to the extent permitted by applicable law.

Section 309. Tax and Accounting Clarifications. Nothing in this Act determines federal, state, local, or foreign tax treatment. Persons shall maintain records sufficient to distinguish Primary Account UMU, Market Account UMU, redemption transactions, MOVEs, market sales, and underlying sovereign-currency denominations.

Section 310. Consumer and Business Disclosures. Any Person offering or facilitating UMU transactions shall clearly disclose the applicable account state, redemption rights or absence thereof, Market Liquidity rights, market-price exposure, fees, custody model, and denomination restrictions.

Section 311. Governing Law; Choice of Law. Parties may choose governing law for contracts involving UMU to the extent permitted by applicable law. Choice of law shall not override mandatory denomination restrictions, sanctions, AML requirements, or other non-waivable provisions.

Section 312. No Adverse Presumption. Characterization of Market Account UMU as a money commodity or Primary Account UMU as operating under a pegged stablecoin framework shall not, by itself, determine the characterization of a separate contract, derivative, security, deposit, or financial instrument.

Section 313. Savings Clause; Federal and Other Law. Nothing in this Act limits the applicability of federal or other controlling law, including commodities, securities, banking, payments, money-transmission, sanctions, anti-money-laundering, consumer-protection, privacy, tax, or commercial law.

CHAPTER 4 - UMU REFERENCE RATE (UMURR) AND BENCHMARK GOVERNANCE

Section 401. Purpose and Scope. The UMU Reference Rate (UMURR) provides an independent, transparent, and transaction-based benchmark used to determine the Official Reference Price for primary-market transactions in UMU and to support market integrity objectives consistent with Core Principle 3. This Chapter governs the administration, calculation, publication, and oversight of the UMURR.

Section 402. Benchmark Administrator; Independence. (a) The UMURR shall be governed and published by a Benchmark Administrator that is operationally independent from the Issuer and the Administrator. (b) Independence requires separate reporting lines, segregated staff, controls over information sharing, and a written conflicts-of-interest policy. (c) Compensation of Benchmark Administrator personnel shall not be tied to UMU issuance volume, AP fees, or secondary-market price levels.

Section 403. Methodology; General Principles. (a) The UMURR shall be calculated from executed arm's-length spot transactions and firm two-sided quotes in UMU against United States dollars or other widely used fiat currencies converted into a common currency using publicly available rates. (b) The methodology shall be documented and publicly disclosed, including input types, inclusion criteria, calculation windows, outlier treatment, and fallbacks. (c) The UMURR shall reflect the prevailing cash-market value of UMU and shall not be designed to achieve appreciation, depreciation, or a minimum return.

Section 404. Contributing Venues and Authorized Participants; Code of Conduct. (a) Contributing Venues and APs that submit data shall execute a code of conduct requiring accurate, complete, and timely contributions; maintenance of surveillance and recordkeeping; cooperation with audits; and prohibitions on manipulative or deceptive devices. (b) Eligibility requires operational reliability, KYC and AML controls, and the ability to furnish order- and trade-level data upon request. (c) The Benchmark Administrator may suspend or remove contributors for breaches pursuant to due-process procedures.

Section 405. Inputs; Calculation Procedures. (a) During a fixed calculation window designated by public notice, the Calculation Agent shall collect executed transaction prices and volumes from Contributing Venues and APs that meet inclusion criteria. (b) If sufficient executed transactions exist, the UMURR shall be the volume-weighted median of eligible trades after trimming extreme observations pursuant to the methodology. (c) If executed transactions are insufficient, the Calculation Agent shall supplement with firm two-sided quotes (best bids and offers), using a mid-quote methodology with volume weights based on disclosed executable size. (d) The methodology shall specify minimum input counts, liquidity thresholds, eligible currency pairs, and conversion sources.

Section 406. Fallbacks and Continuity. (a) Primary fallback: firm two-sided quotes from Contributing Venues and APs. (b) Secondary fallback: an independently polled dealer panel providing executable levels. (c) Tertiary fallback: carry-forward of the prior UMURR with a public notice identifying the reason. (d) Fallback use shall be disclosed contemporaneously and in the daily report.

Section 407. Publication and Transparency. (a) The Benchmark Administrator shall publish the UMURR at a regular time each business day and may publish intraday snapshots for information purposes. (b) Each publication shall include timestamp, value, number of inputs, proportion of executed transactions versus quotes, and whether fallbacks were used. (c) The Benchmark Administrator shall publish the current methodology, a change-control log, historical values, and quarterly statistics on input quality and concentration.

Section 408. Conflicts of Interest; Information Barriers. (a) The Benchmark Administrator shall maintain written policies to identify and manage conflicts, including personal trading restrictions, outside business activities, and gifts and entertainment. (b) Non-public benchmark information shall be shared only on a need-to-know basis with time-stamped access logs. (c) No person responsible for UMURR calculation may engage in UMU trading during quiet periods or while in possession of non-public benchmark decisions.

Section 409. Surveillance and Cooperation. (a) The Benchmark Administrator shall maintain surveillance procedures to detect anomalies, outliers, and patterns indicative of manipulation, including wash trades, spoofing, corners, or squeezes. (b) Contributing Venues and APs shall provide order- and trade-level data, audit trails, and related records upon reasonable request. (c) The Benchmark Administrator shall cooperate with federal and state regulators, designated contract markets, and swap execution facilities regarding market-integrity inquiries, subject to applicable law.

Section 410. Quiet Periods. (a) The Administrator, Benchmark Administrator, Issuer, and APs shall observe quiet periods preceding the UMURR publication window and the expiration or settlement of any UMU-referencing derivatives as specified by policy. (b) During quiet periods, covered personnel are restricted from initiating trades, adjusting quotes, or issuing public communications that could reasonably influence inputs to the UMURR, except for bona fide risk management under documented exceptions.

Section 411. Methodology Changes; Consultation. (a) Non-urgent methodology changes require public notice and a minimum consultation period of thirty days. (b) Urgent changes needed to preserve benchmark integrity may be implemented immediately with prompt public explanation and subsequent consultation. (c) All changes shall be recorded in a publicly accessible change-control log.

Section 412. Error Policy; Republication. (a) The Benchmark Administrator shall adopt an error policy specifying thresholds and timelines for republication. (b) If a material error is discovered, a corrected value shall be published as soon as practicable with an explanatory notice; non-material errors shall be documented internally.

Section 413. Data Retention and Audit. (a) The Benchmark Administrator, Contributing Venues, and APs shall retain relevant benchmark data, inputs, audit trails, and communications for not less than seven years. (b) The Benchmark Administrator shall commission periodic independent audits of compliance with this Chapter and publish summary findings.

Section 414. Access and Licensing. (a) Access to the UMURR and related data shall be offered on fair, reasonable, and non-discriminatory terms. (b) Licensing may include reasonable fees to recover costs and fund governance.

Section 415. Liability and Safe Harbor. The Benchmark Administrator and contributors acting in good faith and in compliance with this Chapter shall not be liable for losses arising solely from the good-faith calculation, publication, or use of the UMURR, except in cases of willful misconduct or gross negligence, and subject to applicable law.

Section 416. Governance Committee. (a) The Benchmark Administrator shall maintain a governance committee with at least one independent member unaffiliated with the Issuer, Administrator, or APs. (b) The committee shall oversee conflicts, methodology changes, audits, and effectiveness of surveillance. (c) Minutes of meetings and decisions shall be documented and, where appropriate, summarized publicly.

Section 417. Business Continuity and Cybersecurity. The Benchmark Administrator shall maintain business-continuity and cybersecurity programs reasonably designed to ensure timely calculation and publication of the UMURR, including redundant systems, disaster-recovery plans, and incident-response procedures.

Section 418. Prohibited Representations. No person shall state or imply that the UMURR guarantees appreciation, a minimum return, or protection against loss. All communications regarding the UMURR shall be consistent with the published methodology and disclosures.

CHAPTER 5 - ISSUANCE, PRIMARY-MARKET DISTRIBUTION, AND AUTHORIZED PARTICIPANTS

Section 501. Purpose and Scope. This Chapter governs qualified issuance, primary-market acquisition of UMU, Authorized Participants, pricing, creation and redemption procedures, market-making expectations, reporting, and operational continuity. Newly acquired UMU shall enter the DCMS in Primary Account status unless an implementing rule expressly authorizes another institutional issuance path consistent with this Act.

Section 502. Eligibility and Approval of Authorized Participants. The Issuer may approve a Person as an Authorized Participant only after appropriate licensing, financial-resource, operational, BSA/AML, sanctions, cybersecurity, custody, and market-integrity review. Approval may be conditioned, suspended, or revoked under published standards.

Section 503. Primary Acquisition Pricing. Primary acquisitions shall occur under published pricing procedures using the Official Reference Price, UMURR, or another disclosed methodology authorized under this Act. The acquisition price shall be recorded as part of the holder's Primary Account redemption basis.

Section 504. Qualified Issuance and BUY Mechanics. Minting or issuance of UMU shall occur only after completion of the qualifying issuance events required by the Issuer's published issuance policy. A completed BUY shall result in UMU being recorded in the purchaser's Primary Account together with the acquisition price, quantity, Total Guaranteed Value, and resulting Guaranteed Redemption Price.

Section 505. Creation, Redemption, and Operational Windows. The Issuer shall publish regular processing windows, cut-off times, accepted currencies, settlement procedures, and conditions for temporary suspension or modification. Any suspension shall be based on a documented operational, legal, liquidity, cybersecurity, sanctions, or market-integrity reason.

Section 506. Market-Making and Liquidity Expectations. Authorized Participants or other liquidity providers may support orderly Market Account liquidity under Chapter 6. Such activity shall be conducted under published rules and shall not create a guarantee of market price, appreciation, minimum return, or execution at a specified value.

Section 507. Large-Trader Reporting and Position Concentration. The Administrator may establish reportable-position thresholds and concentration-monitoring requirements reasonably designed to protect market integrity, liquidity, and orderly settlement.

Section 508. Prohibited Conduct. No Person shall engage in wash trading, spoofing, layering, quote stuffing, marking the close, fictitious transactions, collusive price formation, false liquidity, manipulation of UMURR, or another manipulative or deceptive device.

Section 509. Surveillance Cooperation and Recordkeeping. Authorized Participants and designated venues shall retain order, trade, issuance, redemption, MOVE, liquidity, and communications records for not less than seven years and provide them upon lawful request.

Section 510. Fees and Expenses. Creation, BUY, REDEEM, MOVE, custody, liquidity, wire, and other scheduled fees shall be disclosed and applied consistently to similarly situated participants.

Section 511. Error Resolution. The Issuer shall maintain an error policy specifying circumstances under which an issuance, BUY, REDEEM, MOVE, or other primary transaction may be corrected, cancelled, or reprocessed, subject to settlement-finality rules and customer protections.

Section 512. Business Continuity. The Issuer shall maintain business-continuity and disaster-recovery plans supporting issuance, Primary Account redemption, MOVE processing, Market Liquidity Channels, and critical settlement functions.

Section 513. Secondary-Market Neutrality and Liquidity Distinction. The Issuer does not guarantee, target, or sponsor a particular Market Account UMU price. The maintenance or facilitation of a Market Liquidity Channel under Chapter 6 shall not, without additional conduct, constitute price targeting, market manipulation, a purchase-price guarantee, or a representation that any particular market price will be available.

Section 514. No Waiver of Law. Compliance with this Chapter does not relieve any Person from obligations imposed by applicable federal, state, foreign, or other controlling law.

CHAPTER 6 - DUAL-ACCOUNT UMU ARCHITECTURE: PRIMARY ACCOUNT AND MARKET ACCOUNT

Section 601. Purpose and Scope. This Chapter establishes the legal framework governing the two account states through which UMU operates: the Primary Account and the Market Account. It defines acquisition, redemption, MOVE, market liquidity, valuation, authoritative ledger treatment, disclosures, and the legal consequences of changing account state.

Section 602. Unity of the Monetary Instrument. Primary Account UMU and Market Account UMU are the same Universal Monetary Unit. The account state determines the rights, obligations, valuation mechanism, reserve treatment, and liquidity framework applicable to the units. A change of account state does not constitute issuance of a new currency.

Section 603. Primary Account. A Primary Account records UMU acquired through an authorized BUY or other qualifying issuance process. Primary Account UMU operates under a pegged stablecoin framework in which the holder possesses contractual purchase-value redemption rights against the Issuer according to the applicable Guaranteed Redemption Price.

Section 604. Purchase-Value Peg and Aggregate Redemption Basis. The Primary Account peg is a purchase-value stability mechanism and need not constitute a fixed one-unit-to-one-unit peg to a single fiat currency. Each qualifying acquisition shall be recorded with its purchase value. Multiple acquisitions may be pooled into a running Total Guaranteed Value and weighted-average Guaranteed Redemption Price under published procedures. The methodology shall be transparent, reproducible, and auditable.

Section 605. REDEEM. A holder may REDEEM all or part of Primary Account UMU directly with the Issuer in accordance with published procedures. Redemption shall be based on the holder's applicable Guaranteed Redemption Price, adjusted for authorized fees. Redemption is an economic payment obligation of the Issuer and is distinct from a Market Account sale.

Section 606. Primary Account Reserves and Safeguarding. Assets maintained to support Primary Account redemption obligations shall be segregated, safeguarded, liquid, and managed under Chapter 7. Primary Account reserve assets support the contractual redemption rights established by this Chapter and shall not be used for proprietary speculation.

Section 607. MOVE to Market Account. A holder may elect to MOVE specified UMU from the Primary Account to the Market Account. A completed MOVE is irreversible with respect to the affected units. Upon MOVE: (1) the units remain UMU; (2) the purchase-value redemption claim attached to those units is extinguished; (3) the units become Market Account UMU; (4) prevailing market-value treatment applies; and (5) the Market Liquidity rights established by this Chapter attach.

Section 608. No Return of Market Account UMU to Primary Status. Market Account UMU shall not be transferred back into Primary Account status. A Person seeking new Primary Account redemption protection must complete a new qualifying BUY or other authorized Primary Account acquisition.

Section 609. Market Account. A Market Account records UMU operating as a money commodity. Market Account UMU is exposed to prevailing market value and does not carry a claim against the Issuer for original purchase price, Guaranteed Redemption Price, par value, minimum value, appreciation, or protection against market loss.

Section 610. Market Liquidity Obligation. The DCMS shall maintain, provide, or facilitate one or more orderly Market Liquidity Channels through which holders of Market Account UMU may offer, transfer, or liquidate UMU at prevailing market value. This obligation is a right of access to a liquidity mechanism and is not an economic redemption claim.

Section 611. No Price Guarantee. The Market Liquidity Obligation does not require the Issuer, Administrator, DCMS, Authorized Participant, or liquidity provider to maintain any specified market price, repurchase UMU at acquisition value, guarantee execution at a particular price, prevent market loss, or create artificial demand. Liquidity facilitation and price support are legally distinct functions.

Section 612. SELL and Market Exit. A holder may SELL or otherwise liquidate Market Account UMU through an authorized Market Liquidity Channel or other permitted venue. Execution shall occur at prevailing market value under applicable market rules, fees, liquidity conditions, and settlement procedures.

Section 613. Authoritative Account-State Ledger. The DCMS shall maintain or cause to be maintained authoritative records identifying the account state of UMU holdings and recording each BUY, REDEEM, MOVE, SELL, transfer, and other state-relevant event. Custodial and wallet systems shall reconcile to the authoritative account-state records.

Section 614. Reserve Reclassification Upon MOVE. The Issuer shall maintain a published policy governing the release, reclassification, or continued retention of reserve assets associated with UMU moved from Primary Account to Market Account. The policy shall reflect the extinguishment of the corresponding Primary Account redemption obligation while maintaining adequate resources for Market Liquidity Obligations, operational risk, and other requirements of Chapter 7. No holder obtains a proprietary claim to a specific reserve asset by reason of such reclassification.

Section 615. Account-State Disclosures. Before a BUY, REDEEM, MOVE, or SELL, the applicable provider shall disclose the legal and economic consequences of the transaction, including redemption rights, extinguishment of redemption rights upon MOVE, irreversibility of MOVE, market-price exposure, Market Liquidity rights, fees, and applicable settlement procedures.

Section 616. Access Channels and Financial Inclusion. Primary and Market Accounts may be accessed through mobile applications, telecommunications-based interfaces including USSD, authorized digital-cash channels, institutional interfaces, or other approved access methods, subject to security, identity, compliance, and consumer-protection requirements.

Section 617. Compliance and Licensing. Persons offering, administering, safeguarding, exchanging, or providing liquidity for Primary or Market Accounts shall comply with applicable licensing, banking, payments, money-transmission, commodities, BSA/AML, sanctions, consumer-protection, privacy, and other controlling laws.

Section 618. Construction. Nothing in this Chapter authorizes UMU to serve as the unit of account for underlying commerce or trade. Account-state treatment governs holder rights and liquidity. Denomination remains governed by Chapter 2.

CHAPTER 7 - RESERVES, MARKET LIQUIDITY, RISK MANAGEMENT, AND PUBLIC DISCLOSURES

Section 701. Purpose and Scope. This Chapter establishes standards for Primary Account reserves, Market Account liquidity resources, treasury risk management, valuation, stress testing, and public disclosures. Reserve and liquidity functions shall be administered according to the distinct obligations arising from each UMU account state.

Section 702. Primary Account Reserve Policy. The Issuer shall maintain Cash and Cash Equivalents, and any other eligible high-quality liquid assets permitted by policy, sufficient under the applicable reserve methodology to support Primary Account redemption obligations, settlement continuity, and operational risk. Eligible assets, concentration limits, tenor limits, valuation methods, and custodial requirements shall be published.

Section 703. Market Liquidity Resources. The DCMS may maintain or arrange cash, cash equivalents, committed facilities, authorized liquidity providers, market-making arrangements, inventory, settlement facilities, or other lawful resources to satisfy the Market Liquidity Obligation. Such resources support liquidity access and do not create a guarantee of market price or a holder claim to a specific asset.

Section 704. Segregation and Safeguarding. Primary Account reserves shall be segregated from operating funds and clearly identified. Market-liquidity resources shall be separately identified in books and records to the extent necessary to distinguish their function. Controls shall prevent unauthorized commingling, transfer, pledge, or use.

Section 705. Liquidity, Diversification, and Concentration Limits. The Issuer shall establish policy-based minimum liquidity levels, maturity limits, counterparty limits, custodian limits, and instrument concentration limits appropriate to Primary redemption and Market Liquidity obligations.

Section 706. Valuation and Haircuts. Reserve and liquidity assets shall be valued at fair value each business day where practicable. Conservative haircuts shall be applied for internal liquidity planning, and valuation sources and methodologies shall be documented.

Section 707. Stress Testing and Contingency Funding. Stress testing shall assess simultaneous Primary Account redemption demand, Market Account liquidity stress, market shocks, custodian unavailability, cyber incidents, payment-system disruption, and foreign-exchange dislocation. Contingency plans shall identify triggers, available liquidity actions, alternative settlement arrangements, and communications procedures.

Section 708. Treasury Operations; No Price Targeting. Treasury operations may be conducted to satisfy Primary Account redemption obligations, Market Liquidity Obligations, settlement continuity, and operational risk management. They shall not be conducted for the purpose of guaranteeing appreciation, establishing a minimum return, manipulating UMURR, or artificially fixing Market Account UMU at a predetermined price.

Section 709. Public Disclosures - Monthly Dashboard. The Issuer shall publish a monthly dashboard including: Primary and Market Account supply; BUY, REDEEM, MOVE, and SELL activity in aggregate; Primary Account redemption liabilities; reserve composition; Market Liquidity resources by category; Authorized Participants and liquidity providers; material concentration metrics; UMURR methodology notices; and material suspensions or operational events.

Section 710. Attestations and Audits. At least quarterly, an independent public accounting firm shall attest to the existence and segregation of material reserve assets and the accuracy of designated public metrics. At least annually, an independent audit shall assess internal controls over reserves, liquidity resources, treasury operations, account-state records, and disclosures.

Section 711. Material Event Reporting. The Issuer shall promptly publish notices of material incidents reasonably likely to impair Primary Account redemption, Market Liquidity access, custody, cybersecurity, issuance, or settlement, together with status updates until resolution.

Section 712. Data Retention. Records supporting reserves, liquidity resources, valuations, stress tests, account-state reclassifications, attestations, audits, and disclosures shall be retained for not less than seven years.

Section 713. No Adverse Inference. Compliance with this Chapter does not create a fiduciary duty, dividend right, yield right, or market-price guarantee. Primary Account redemption rights and Market Account liquidity rights exist only as expressly provided by this Act and applicable contracts.

CHAPTER 8 - CUSTODY, WALLETS, AND SAFEGUARDING OF DIGITAL ASSETS

Section 801. Purpose and Scope. This Chapter establishes minimum standards for custody of UMU and related credentials, including account-state identification, wallet security, segregation, reconciliation, disclosures, audits, and loss allocation.

Section 802. Qualified Custodians. UMU held in custody for another Person shall be safeguarded by a Qualified Custodian meeting applicable licensing, financial-resource, BSA/AML, cybersecurity, business-continuity, and internal-control requirements.

Section 803. Custody Agreement. A written custody agreement shall specify service scope, fees, segregation model, access controls, account-state treatment, delivery-versus-payment options, incident notice, termination, transition assistance, and loss allocation.

Section 804. Segregation and Beneficial Ownership. Customer UMU shall be treated as custodial property and not proprietary property of the custodian to the maximum extent permitted by law. Records shall identify each customer's beneficial interest and distinguish Primary Account UMU from Market Account UMU.

Section 805. Prohibited Rehypothecation. A custodian shall not pledge, lend, rehypothecate, or otherwise use customer UMU for its own account except for expressly authorized customer-directed settlement activity permitted by law.

Section 806. Wallet Architecture and Key Management. Custodians shall implement secure key-management, authentication, dual-control, least-privilege access, tamper-evident logging, change management, and other controls proportionate to risk.

Section 807. Storage Policies. Custodians shall document allocations among cold, warm, and hot storage and establish controlled procedures for movement among storage tiers.

Section 808. Delivery-Versus-Payment and Settlement Controls. Custodians serving as settlement agents shall provide delivery-versus-payment or comparable risk-mitigating mechanisms where feasible and disclose settlement-cycle risks.

Section 809. Reconciliation and Account-State Controls. Custodians shall reconcile wallet balances to internal books and authoritative DCMS account-state records at appropriate intervals. Reconciliation shall detect unauthorized changes between Primary and Market status.

Section 810. Insurance and Financial Responsibility. Custodians shall maintain insurance or other financial-responsibility arrangements appropriate to custody risks and disclose material limits and exclusions upon request.

Section 811. Incident Response and Notifications. Custodians shall maintain incident-response plans for key compromise, unauthorized transfer, account-state corruption, data breach, and system outage and shall notify affected parties as required by law.

Section 812. Sub-Custodians and Service Providers. Use of sub-custodians or critical service providers requires due diligence, written contracts, and ongoing oversight. The primary custodian remains responsible for compliance.

Section 813. Termination and Transition Assistance. Upon termination, the custodian shall provide commercially reasonable assistance to transfer UMU to another qualified custody arrangement or permitted wallet while preserving authoritative account state.

Section 814. Customer Disclosures. Disclosures shall describe custody model, segregation, account-state rights, key management, insurance, fees, settlement timelines, incident procedures, and complaint channels.

Section 815. Noncustodial Wallets. Providers of noncustodial wallets shall disclose user responsibility for private keys. Noncustodial wallet architecture shall not be used to defeat authoritative Primary or Market Account state records.

Section 816. Records and Retention. Custodians shall retain customer instructions, balances, account-state records, transfers, reconciliations, incidents, audits, and key-management records for not less than seven years.

Section 817. Business Continuity and Disaster Recovery. Custodians shall maintain tested business-continuity and disaster-recovery plans proportionate to operations.

Section 818. Conflicts of Interest. Custodians shall identify and manage conflicts, including separation of custody from proprietary trading or liquidity-provision functions where appropriate.

Section 819. Savings Clause. Nothing in this Chapter limits obligations under otherwise applicable banking, trust, money-transmission, broker-dealer, investment-adviser, commodities, payments, or other law.

CHAPTER 9 - BSA/AML, SANCTIONS, AND COMPLIANCE OBLIGATIONS

Section 901. Purpose and Scope. This Chapter establishes anti-money-laundering, counter-terrorist-financing, and sanctions obligations applicable to the Issuer, Administrator, Authorized Participants, Qualified Custodians, Contributing Venues operating in this jurisdiction, and other covered Persons engaged in Primary Account, Market Account, issuance, redemption, liquidity, or ancillary activities related to UMU in either account state.

Section 902. Applicability. (a) Covered Persons shall comply with the Bank Secrecy Act and implementing regulations, applicable state money-transmission and trust-company laws, and economic-sanctions programs. (b) Nothing in this Act narrows any obligation imposed by federal or state law; this Chapter provides minimum, harmonized standards for UMU activities.

Section 903. Registration and Licensing. (a) The Issuer and any Person acting as an exchanger or administrator of convertible virtual currency in connection with UMU primary-market flows shall register with the Financial Crimes Enforcement Network if required by law and maintain any required state licenses. (b) An out-of-state license or charter does not exempt a Person from this jurisdiction's licensing requirements where applicable. (c) Registrations and licenses shall be disclosed on a public webpage and refreshed promptly upon change.

Section 904. Enterprise-Wide Risk Assessment. Covered Persons shall maintain a written, enterprise-wide BSA/AML risk assessment updated at least annually and upon material change in products, services, customers, geographies, counterparties, or distribution channels. The assessment shall inform program design, customer-risk rating, transaction monitoring, Travel Rule procedures, sanctions screening, and staffing and technology resourcing.

Section 905. AML Program. Covered Persons shall implement and maintain a BSA Program commensurate with their risk profile that includes: (1) internal policies, procedures, and controls; (2) designation of a BSA officer with day-to-day responsibility and Board or senior-management oversight; (3) ongoing training appropriate to roles; (4) independent testing by qualified personnel or third parties at least annually; and (5) appropriate technology and data-quality controls.

Section 906. Customer Identification, KYC, and CDD/EDD. (a) Covered Persons shall establish identity, verify information using reliable sources, and collect risk-based information about customers, including beneficial owners where required by law. (b) Enhanced due diligence shall apply to higher-risk customers, products, or geographies, including politically exposed persons, nested relationships, mixers/tumblers, privacy-enhancing technologies, and cross-border correspondent arrangements. (c) Risk ratings shall be reviewed periodically and upon trigger events.

Section 907. Sanctions Compliance. (a) Covered Persons shall screen customers, counterparties, and transactions against applicable sanctions lists and implement controls to prevent dealings prohibited by law, including application of aggregation and ownership rules. (b) Screening shall occur at onboarding and on a continuous or event-driven basis with documented escalation and blocking/reject procedures. (c) Sanctions alerts shall be retained with disposition notes and supporting evidence.

Section 908. Funds-Transfer and Travel Rule Compliance. (a) Covered Persons shall implement originator and beneficiary information requirements for transmittals of funds and value transfers involving UMU to the extent required by law, including inter-VASPs and bank-VASP transfers. (b) Procedures shall address counterparty due diligence, secure message exchange, data-matching tolerances, privacy-by-design safeguards, and exception handling when counterparties cannot or do not furnish required information prior to or contemporaneous with transmission.

Section 909. Monitoring, SARs, and Currency Reporting. (a) Covered Persons shall maintain monitoring appropriate to detect suspicious activity related to UMU flows, including structuring, layering, sanctions evasion, ransomware, market manipulation, or fraud. (b) Suspicious Activity Reports shall be filed where required by law with timely escalation to the BSA officer. (c) Where applicable, currency transaction reporting, monetary instrument logs, and foreign bank and financial accounts rules shall be followed.

Section 910. Recordkeeping and Retention. Covered Persons shall retain customer identification records, transaction records, Travel Rule data, sanctions-screening results, monitoring alerts and case files, SAR documentation, independent-test reports, and training records for not less than five years or longer if required by law.

Section 911. Third-Party Reliance and Agents. (a) Covered Persons may rely on agents or third parties for elements of KYC or screening only under written agreements that specify responsibilities, access rights, audit rights, service-level targets, and data-protection requirements. (b) Reliance does not shift ultimate responsibility for compliance.

Section 912. Screening of Authorized Participants, Contributing Venues, and Dealers. The Issuer and Administrator shall apply due diligence to APs, Contributing Venues, primary dealers, and other institutional counterparties proportionate to risk, including licensing/registration status, ownership and control screening, compliance regime evaluation, adverse-media reviews, and periodic refresh.

Section 913. Information Sharing and Lawful Requests. (a) Covered Persons shall establish procedures to respond to lawful requests from regulators and law-enforcement, including timely production of records. (b) To the extent permitted by law, Covered Persons may participate in voluntary information-sharing programs to identify and report suspicious activity. (c) Confidential supervisory information shall be protected consistent with applicable law.

Section 914. Training and Independent Testing. (a) Training shall be tailored to functional roles and address typologies relevant to UMU, including red flags for market manipulation and sanctions evasion. (b) Independent testing shall evaluate control design and operating effectiveness, data quality, model governance, alert tuning, and case-management outcomes, with remediation tracked to completion.

Section 915. Data Protection and Privacy. (a) BSA/AML and Travel Rule processes shall incorporate privacy-by-design principles, collecting only data reasonably necessary to comply with law. (b) Data shall be protected with appropriate administrative, technical, and physical safeguards, including encryption in transit and at rest, access controls, and retention minimization. (c) Cross-border transfers shall comply with applicable data-transfer and localization requirements.

Section 916. Cross-Border Correspondent and Intermediary Relationships. Covered Persons engaging foreign financial institutions, VASPs, or intermediaries shall conduct risk-based due diligence, including understanding the counterparty's regulatory regime, sanctions posture, and control environment, and shall document responsibilities for Travel Rule data exchange and investigations.

Section 917. Enforcement; Remedial Measures. (a) Violations of this Chapter may result in suspension or revocation of AP status or contributor eligibility, civil penalties authorized by this Act, and referral to competent authorities. (b) Remedial measures may include enhanced audits, program remediation plans, and heightened reporting obligations.

Section 918. Good-Faith Safe Harbor. A Covered Person that, in good faith and with reasonable care, implements and follows written policies and procedures reasonably designed to comply with this Chapter shall not be liable under this Act for isolated or technical violations that are promptly corrected upon discovery, without prejudice to remedies available under other laws.

CHAPTER 10 - MARKET INTEGRITY, COMMUNICATIONS, AND PROHIBITED PRACTICES

Section 1001. Purpose and Scope. This Chapter establishes uniform market-integrity standards, fair-communications rules, surveillance cooperation, and remedies applicable to Persons participating in UMU issuance, redemption, MOVE, liquidity, market trading, benchmarking, custody, or related activities.

Section 1002. Fair Communications. Public statements regarding UMU, UMURR, Primary Account redemption, Market Account liquidity, reserves, or market activity shall be accurate, not misleading, and consistent with published methodologies and disclosures. No Person shall conflate a Market Liquidity Obligation with a guaranteed market price.

Section 1003. General Anti-Manipulation and Anti-Fraud. No Person shall employ a manipulative or deceptive device in connection with the purchase, issuance, redemption, MOVE, sale, custody, benchmark, or market pricing of UMU.

Section 1004. Insider Conduct and Confidential Information. No Person possessing material non-public information concerning UMURR, issuance windows, reserve operations, liquidity interventions, or other material UMU events shall misuse such information in violation of applicable law or policy.

Section 1005. Quiet Periods; Derivatives Windows. Persons designated under Chapter 4 shall observe applicable quiet periods preceding UMURR publication and relevant derivatives settlement windows.

Section 1006. Surveillance Cooperation. Contributing Venues, Authorized Participants, liquidity providers, and other designated Persons shall implement surveillance reasonably designed to detect prohibited conduct and cooperate with lawful information requests.

Section 1007. Permitted Liquidity Facilitation. Good-faith maintenance or facilitation of a Market Liquidity Channel in accordance with Chapters 6 and 7 shall not, without additional manipulative conduct, constitute price targeting, market support, manipulation, or a representation that a particular market price will be available.

Section 1008. Whistleblower and Escalation. The Administrator shall maintain confidential channels for reporting suspected violations. Retaliation against good-faith reporting is prohibited.

Section 1009. Remedies and Sanctions. Violations may result in suspension or termination of participant status, restitution, civil penalties, injunctive relief, referral to competent authorities, or other remedies authorized by law.

Section 1010. Private Rights Preserved. Nothing in this Chapter limits a private right of action otherwise available under applicable law for fraud, misrepresentation, breach of contract, or another recognized cause of action.

CHAPTER 11 - REGULATORY COOPERATION, DCM/SEF INTERFACE, AND DATA PROVISIONING

Section 1101. Purpose. This Chapter establishes cooperation and data-provisioning protocols to assist designated contract markets and swap execution facilities with Core Principle 3 assessments and ongoing market surveillance.

Section 1102. Cooperation with CFTC-Regulated Venues. (a) Upon request of a DCM or SEF listing a UMU-referencing contract, the Administrator and Benchmark Administrator shall furnish: (1) current and historical UMURR values; (2) methodology and change-control logs; (3) lists of Contributing Venues and eligibility criteria; (4) aggregated deliverable-supply statistics and free-float metrics; (5) primary-market creation/redemption statistics; and (6) material event notices. (b) Data shall be supplied on reasonable, non-discriminatory terms and subject to confidentiality safeguards.

Section 1103. Deliverable Supply and Concentration Metrics. (a) The Administrator shall calculate and publish, at least monthly, reasonable estimates of deliverable supply and free float, including material wallet restrictions or escrowed balances. (b) Upon DCM/SEF request, the Administrator shall provide concentration metrics by tiered buckets to assist with position-limit design and manipulation risk analysis.

Section 1104. Methodology Changes and Notices. Urgent methodology changes under Chapter 4 shall be promptly relayed to affected DCMs/SEFs with a written explanation, expected impact, and effective time; non-urgent changes shall be provided with not less than thirty days' notice where practicable.

Section 1105. Trade and Order Data Access. Contributing Venues and APs shall, where legally permissible, provide order- and trade-level data reasonably necessary for DCM/SEF surveillance, including identification of proprietary versus customer accounts, upon lawful request and subject to confidentiality.

Section 1106. Quiet-Period Alignment. The Administrator shall coordinate published quiet-period calendars with DCMs/SEFs to reduce settlement-window influence risks.

Section 1107. Error Handling and Public Corrections. Material benchmark errors or Primary Account, Market Account, or primary-market operational errors with potential to impact contract settlement shall be promptly disclosed and corrected pursuant to Chapters 4 and 5, with contemporaneous notice to affected DCMs/SEFs.

Section 1108. No Preferential Access. No Person shall be granted preferential data access or early disclosure related to UMURR, deliverable-supply statistics, or creation/redemption schedules beyond what is provided under published policies or lawful regulator requests.

CHAPTER 12 - PRIVACY AND DATA GOVERNANCE

Section 1201. Purpose and Principles. This Chapter establishes privacy-by-design and data-governance standards for UMU activities, balancing compliance requirements with protection of individuals' data and confidential business information.

Section 1202. Lawful Basis and Minimization. (a) Personal data shall be collected and processed only for specified, explicit, and legitimate purposes, including BSA/AML compliance, risk management, and customer service. (b) Collection shall be limited to what is reasonably necessary to achieve stated purposes.

Section 1203. Security Safeguards. Covered Persons shall implement administrative, technical, and physical safeguards appropriate to the sensitivity of data, including access controls, encryption in transit and at rest, logging, monitoring, and secure development lifecycle practices.

Section 1204. Transparency and Disclosures. Privacy notices shall describe categories of data collected, purposes, sharing practices, retention periods, and user rights consistent with applicable law.

Section 1205. Individual Rights and Requests. To the extent required by law, Covered Persons shall implement processes to respond to verifiable requests regarding access, correction, deletion, and portability, subject to legal exemptions including BSA/AML retention.

Section 1206. Retention and Disposal. Data shall be retained only as long as necessary for legal, regulatory, or operational purposes and securely disposed thereafter. Retention schedules shall align with Chapters 4, 5, 6, and 8.

Section 1207. Vendors and Sub-Processors. Use of third-party service providers requires due diligence, contractual safeguards, and ongoing oversight proportionate to risk, including audit rights, incident-notification duties, and data-location disclosures.

Section 1208. Cross-Border Transfers. Transfers of personal data across borders shall comply with applicable data-transfer, localization, and adequacy requirements. Technical measures such as encryption and pseudonymization shall be employed where appropriate.

Section 1209. Breach Notification. Material privacy or security incidents shall be reported to affected parties and, where required, to regulators without undue delay, including the nature of data affected, steps taken, and guidance for mitigation.

Section 1210. Aggregation and De-Identification. Public reports under Chapters 6 and 7 shall use aggregated or de-identified data; re-identification of de-identified data is prohibited.

CHAPTER 13 - IMPLEMENTATION, RULEMAKING, AND TRANSITIONAL PROVISIONS

Section 1301. Rulemaking Authority. The Administrator and Benchmark Administrator may adopt rules, policies, technical standards, codes of conduct, and forms necessary to implement this Act, following public notice and comment where practicable.

Section 1302. Transitional Compliance Periods. (a) Entities engaged in UMU activities on the effective date shall have up to twelve months to align with Chapters 4 through 12, subject to interim milestones published by the Administrator. (b) Extensions may be granted for good cause shown where necessary to maintain market integrity and continuity.

Section 1303. Supervisory Cooperation. The Administrator may enter memoranda of understanding with federal and state authorities, DCMs, SEFs, and foreign regulators to coordinate supervision, data sharing, and examinations consistent with law.

Section 1304. Examinations and Reports. Covered Persons shall make books and records available for examination by the Administrator during reasonable times and shall file periodic or ad hoc reports prescribed by rule.

Section 1305. Enforcement and Penalties. (a) The Administrator may impose civil penalties, order restitution, or seek injunctive relief for violations of this Act or rules promulgated hereunder. (b) Sanctions shall consider severity, willfulness, remediation, and cooperation. (c) Penalties under this Act are in addition to those available under other law.

Section 1306. Harmonization and Preemption. This Act shall be construed to complement, and not conflict with, federal law. Nothing herein preempts more protective consumer-protection or privacy laws unless expressly stated.

Section 1307. Sunset Review. Within three years of the effective date, the Administrator shall publish a report evaluating the effectiveness of this Act and recommending any amendments in light of market developments and regulatory experience.

APPENDIX A - UMU TECHNICAL DENOMINATION AND ENCODING STANDARD

This Appendix forms part of the technical denomination standard established by Chapter 2. It specifies canonical representations for the UMU identifier and currency symbol. It does not represent that UMU has been assigned an ISO 4217 code by the ISO 4217 Maintenance Agency.

Representation	Canonical Value / Rule
Monetary name	Universal Monetary Unit
Alphabetic monetary identifier	UMU
Currency symbol	Ü
Unicode code point	U+00DC
Unicode formal name	LATIN CAPITAL LETTER U WITH DIAERESIS
Unicode decimal value	220
UTF-8 byte sequence	C3 9C
UTF-16 code unit	00DC
HTML named reference	Ü
HTML decimal reference	Ü
HTML hexadecimal reference	Ü
JSON / JavaScript escape	\u00DC
Maximum precision	6 decimal places
Smallest representable amount	0.000001 UMU
Integer scale	1 UMU = 1,000,000 fractional units
Preferred web encoding	UTF-8
Underlying trade denomination	National fiat or other lawfully selected sovereign currency; not UMU

Section A-1. Canonical Amount Representation. Machine interfaces should represent currency separately from amount. A recommended structured representation is currency = UMU, amount = a decimal string preserving no more than six decimal places, and symbol = U+00DC where display metadata is required.

Section A-2. Rounding. The Administrator shall publish a uniform rounding standard for calculations producing more than six decimal places. Systems may retain higher internal computational precision, but final ledger postings and settlements shall resolve to no more than six decimal places under the published rule.

Section A-3. Normalization. Systems shall preserve the canonical precomposed character U+00DC for the official UMU symbol in authoritative records and interfaces. Equivalent visual sequences shall not replace the canonical representation in protocol specifications where exact character identity is required.

Section A-4. Standards Alignment. The three-letter UMU identifier is designed for clear machine and human representation. ISO 4217 establishes a general international structure for three-letter alphabetic currency codes and minor-unit relationships; any formal ISO 4217 registration or assignment is a separate standards-maintenance process.

DIGITAL CURRENCY MONETARY AUTHORITY

Universal Monetary Unit Model Law | Version 1.3 | August 2026

Model legislation for sovereign-preserving digital monetary interoperability.