



USE CASE · GOLD SUPPLY CHAIN · 1CAD-G

Gold Supply Chain Trust Layer

1CAD-G Protocol — Institutional Compliance for Physical Gold & Tokenised Assets

International Digital Asset Association (IDAA) · 1cad.us · May 2026

EXECUTIVE SUMMARY

In 2026, gold mining and refining operate under cross-regulatory pressure — EU CSRD, CSDDD, FATF Travel Rule, and MiCA. Western correspondent banks demand deep supply chain due diligence before accepting gold-backed payments or providing financing. A single questionable counterparty renders the asset toxic. Retroactive AML rescoring can freeze accounts years after a transaction. **1CAD-G creates a cryptographically verifiable, institutionally recognised digital passport for every gold batch — from mine to market.**

THE INSTITUTIONAL GAP

- Contaminated Gold Risk**
Banks fear sanctions exposure. If a questionable counterparty appears anywhere in the chain of title, the entire asset becomes toxic — regardless of the current owner's clean status.
- Retroactive AML Rescoring — The 2026 Problem**
AML risk scores are recalculated retroactively. A gold sale today can trigger account freezes two years later when the buyer's AML profile changes.
- Tokenisation Barrier**
To issue institutional-grade gold tokens (PAXG-style), issuers must prove every digital unit is backed by a real, clean, legally protected bar. No standardised framework exists.
- Correspondent Bank Rejection**
Fiat proceeds from gold sold via digital platforms are frequently rejected by correspondent banks. The missing piece: a legally structured document package readable by traditional banking.

1CAD-G SOLUTION ARCHITECTURE

LAYER	CHALLENGE	1CAD RESPONSE
Custody	Risk of bar substitution or double-selling. Proving physical control to remote investors.	IoT Proof-of-Control: Vault sensors linked to blockchain signature. Audit logs of physical metal access. Cryptographic binding of bar serial number to digital record.
Legal	Proving title at export. Connecting physical bar identity to token ownership for foreign investors.	Legal Enforceability Layer: Title memos linking physical bar serial numbers to ownership tokens. Export-ready documentation recognised across jurisdictions.

Compliance	Sanctions pressure. FATF Travel Rule. EU CSRD supply chain transparency requirements.	Sanctions & Source-of-Wealth Layer: Grey list clearance across the entire supply chain. AML snapshot frozen at point of transfer — providing retroactive protection.
Protection	Correspondent bank rejection of fiat proceeds from digital gold sales.	Corporate Resolution (Wyoming LLC): Converts crypto settlement into an official US business transaction recognised by global banking compliance teams.

THE GOLD COMPLIANCE PACK — 5 DOCUMENTS PER TRANSACTION

Every gold sale, export, or tokenisation event processed under 1CAD-G produces:

01	Snapshot AML Report Frozen evidence of transaction cleanliness at point of gold transfer. Protects against retroactive AML rescoring. Counterparty and supply chain screening included.
02	Smart Contract Audit Log For tokenised gold (DeFi): vulnerability assessment, backdoor detection, and fund-blocking analysis of the token smart contract.
03	Grey List & Supply Chain Clearance Proof of absence of sanctioned persons, entities, or jurisdictions across the entire gold supply chain — from mine to buyer.
04	Proof of Control Record Cryptographic signature from the refinery or vault confirming physical custody and authorised transfer. Binding bar serial number to digital record.
05	1CAD-G Attestation Certificate Legal-standard compliance certificate with Zoho Archive timestamp. Issued by EXCH Consulting LLC under IDAA Accreditation #001. Bankable documentation.

VALUE PROPOSITION

FOR MINING COMPANIES	FOR INSTITUTIONAL INVESTORS	FOR TOKEN ISSUERS
— Reduced cost of capital — ESG investors provide cheaper financing.	— Good Faith Acquisition protection against retroactive claims.	— PAXG-style tokens become institutionally bankable.
— Eliminated correspondent bank friction.	— Bankable five-document evidence package.	— Pathway to LBMA Good Delivery standards.
— Verified Origin status — institutional-grade governance signal.	— Sanctions insurance across the full supply chain.	— Cryptographic proof linking token to physical bar.

CORPORATE MEMBERSHIP

Gold mining companies, refineries, and tokenisation platforms are invited to join IDAA as **Founding Corporate Members** of the 1CAD-G standard. Founding Members participate directly in shaping the industry standard for precious metals compliance and receive early access to 1CAD Protocol v1.0 infrastructure. **Corporate Membership: EUR 10,000 per year** · 1CAD Accredited Partner status · LBMA governance pathway · Protocol working group access Contact: compliance@idaa.uk · 1cad.us



International Digital
Asset Association
(IDAA)

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compliance@idaa.uk
1cad.us

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