

USDL

Algorithmic USD Stablecoin
for Securities Settlement

Zach Kelling

Satschel, Inc.

Version 0.1 — November 2025

Contents

1	Abstract	3
2	Introduction	4
3	Design Goals	4
4	Peg Mechanism	4
4.1	Primary Stabilization	4
4.2	Arbitrage Incentives	4
4.3	Emergency De-Peg Response	4
5	Collateral Model	4
5.1	Reserve Composition	4
5.2	Over-Collateralization Ratio	4
5.3	Reserve Attestation and Proof	4
6	Minting and Redemption	4
6.1	Authorized Minters	4
6.2	Mint/Burn Process	4
6.3	Rate Limits and Caps	4
7	On/Off-Ramp Integration	4
7.1	Banking Partners	4
7.2	Wire Transfer Settlement	4
7.3	ACH Integration	4
8	Compliance	4
8.1	KYC/AML Requirements	4
8.2	Freeze and Seizure Capabilities	4
8.3	Regulatory Reporting	4
9	Reserve Management	4
9.1	Custody Arrangements	4
9.2	Yield Generation	4
9.3	Audit Schedule	4
10	Risk Model	4
10.1	De-Peg Scenarios	4
10.2	Bank Run Mitigation	4
10.3	Smart Contract Risk	4
11	Governance	4
11.1	Parameter Changes	4
11.2	Reserve Policy Updates	4
11.3	Emergency Actions	4

Abstract

USDL is a USD-pegged stablecoin native to Liquid EVM, designed as the primary settlement currency for digital securities transactions. It maintains its peg through a combination of collateral reserves and algorithmic stabilization mechanisms. USDL is issued and redeemed through regulated on/off-ramp partners and is subject to the same compliance controls as other assets on the chain.

Introduction

Design Goals

Peg Mechanism

Primary Stabilization

Arbitrage Incentives

Emergency De-Peg Response

Collateral Model

Reserve Composition

Over-Collateralization Ratio

Reserve Attestation and Proof

Minting and Redemption

Authorized Minters

Mint/Burn Process

Rate Limits and Caps

On/Off-Ramp Integration

Banking Partners

Wire Transfer Settlement

ACH Integration

Compliance

KYC/AML Requirements

Freeze and Seizure Capabilities

Regulatory Reporting

Reserve Management

Custody Arrangements

Yield Generation

Audit Schedule

Risk Model