Transaction Endorser Agreement V2

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Approved by the Sovrin Board of Trustees 04 December 2019

This Transaction Endorser Agreement (the “ Agreement ”) is entered into on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(the “ Effective Date ”) between the Sovrin Foundation, a nonprofit corporation organized under

the laws of the State of Utah, United States of America, (the “ Sovrin Foundation ”) and

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“ Transaction Endorser ”). Sovrin Foundation

and Transaction Endorser are individually referred to herein as a “Party” and collectively as the

“Parties.”

WHEREAS, the Transaction Endorser desires to endorse Transactions written to the Sovrin

Ledger Networks by Transaction Authors (each, a “ Transaction ”); and

WHEREAS, subject to Transaction Endorser complying with the terms and conditions of this

Agreement, Sovrin Foundation grants permission to Transaction Endorser to endorse

Transactions intended to be written to the Sovrin Ledger Networks.

FOR GOOD AND VALUABLE CONSIDERATION, THE SUFFICIENCY OF WHICH IS HEREBY

ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1) Definitions

a) “ Data Protection Laws ” means the GDPR any other data protection and privacy laws,

regulations, and regulatory requirements applicable to a party under this Agreement.

b) “ GDPR ” means the General Data Protection Regulation (EU) 2016/679 on the protection

of natural persons with regard to the Processing of personal data and on the free

movement of such data, and repealing Directive 95/46/EC, and any amendment or

replacement to it.

c) “ Impermissible Personal Data ” means the Personal Data that Transaction Endorser

endorses that is written to the Sovrin Ledger Networks that is not Permissible Personal

Data.

d) “ Personal Data Transactions ” has the meaning set forth in Section 3 below.

e) “ Permissible Personal Data ” means Personal Data that Transaction Authors are

permitted to write to the Sovrin Ledger Networks under the Transaction Author

Agreement and Transaction Endorsers are permitted to endorse under this Agreement

and the Sovrin Governance Framework (including the Sovrin Ledger Access Policies ).

f) “Personal Data ” means information that relates, directly or indirectly, to a data subject,

including without limitation, names, email addresses, postal addresses, identification

numbers, location data, online identifiers or one or more factors specific to the physical,

physiological, genetic, mental, economic, cultural or social identity of the data subject.

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g) “ Process ” or “ Processing ” means any operation or set of operations which is

performed on Signed Data, whether or not by automated means, such as the access,

collection, use, storage, disclosure, dissemination, combination, recording, organization,

structuring, adaption, alteration, copying, transfer, retrieval, consultation, disposal,

restriction, erasure and/or destruction of Signed Data.

h) “ Signed Data ” means any information that Transaction Endorser Processes by digitally

signing the information in order for the information to be accepted by Validator Nodes in

the Sovrin Ledger Networks.

i) “ Sovrin Governance Framework ” means Sovrin Foundation’s governance policies and

rules available at https://sovrin.org/governance-framework/ or any successor website.

j) “ Sovrin Ledger Access Policies ” means Sovrin Foundation’s ledger access policies

and rules available as a subdocument of the Sovrin Governance Framework.

Unless otherwise defined above, all capitalized terms used in this Agreement shall have the

meanings given to them in this Agreement or in the Sovrin Governance Framework and

corresponding Sovrin Glossary . The Sovrin Governance Framework and Sovrin Glossary is

incorporated into this Agreement by reference only for purposes of use of such defined

terms.

2) Permission to Endorse Transactions to the Sovrin

Ledger Networks

a. The Sovrin Foundation hereby grants to the Transaction Endorser a non-exclusive,

non-assignable, non-sublicensable, royalty free, revocable license to endorse

Transactions submitted to the Sovrin Ledger Networks by Transaction Authors during

the Term of this Agreement; provided that the Transaction Endorser remains in

compliance with all of its obligations under this Agreement and the Sovrin Governance

Framework.

b. To endorse a Transaction, a Transaction Endorser will sign a Transaction Author’s

Transaction in accordance with the Sovrin Ledger Access Policies, so the Transaction

will be accepted by a Validator Node.

3) Transaction Endorser Obligations

a. Transaction Endorser agrees to endorse all Transactions submitted to it by a

Transaction Author unless it is prohibited to do so by the terms of this Agreement or the

terms of the Sovrin Ledger Access Policies.

b. Transaction Endorser agrees to pay the Sovrin Ledger Fee for a Transaction as

specified by the Sovrin Ledger Fee Table published on the Sovrin Foundation website at

https://www.sovrin.org/ .

c. Transaction Endorser will only endorse Transactions from Transaction Authors who

have executed the Transaction Author Agreement, a current copy of which is attached

hereto as Appendix B.

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d. Transaction Endorser shall maintain effective information security policies and

procedures and systems in accordance with applicable law that include administrative,

technical and physical safeguards designed to (i) ensure the security and confidentiality

of Signed Data in the Transaction Endorser’s control; (ii) protect against anticipated

threats or hazards to the security or integrity of Signed Data; (iii) protect against

unauthorized access or use of Signed Data; and (iv) ensure the proper disposal of

Signed Data. Given reasonable notice and at reasonable intervals, Transaction Endorser

will permit the Sovrin Foundation to audit and review Transaction Endorser’s information

security policies, and procedures and systems to maintain their continued effectiveness

and determine whether adjustments are necessary in light of circumstances including,

without limitation, changes in technology, customer information systems or threats or

hazards to Signed Data.

e. Transaction Endorser will not endorse Transactions containing Personal Data until

Sovrin Foundation approves Public Write Access and permits Transactions to contain

Personal Data pursuant to Section 3(f) below.

f. If Sovrin Foundation approves Public Write Access and permits Transaction Endorsers

to endorse Transactions that contain Permissible Personal Data (“P ersonal Data

Transactions ”), then Transaction Endorser expressly agrees that:

i. it will not endorse any Transactions that contain Impermissible Personal

Data to the Sovrin Ledger Networks;

ii. it is a data processor (as defined in the GDPR) of the Personal Data

Transactions and will only Process Personal Data on behalf of the

Transaction Authors in compliance with the Data Protection Laws;

iii. it will Process Personal Data Transactions only in accordance with the

Sovrin Governance Framework and other lawful documented instructions

from Sovrin Foundation;

iv. it agrees to be bound by the terms and conditions applicable to

Transaction Endorser as a processor of Personal Data Transactions

under the Data Processing Agreement (the “ DPA” ) which is attached as

Appendix A and made a part of the Agreement in its entirety. By signing

this Agreement, each Party is deemed to have signed the DPA, including

the Standard Contractual Clauses as “Data exporter” in the case of the

Sovrin Foundation, and as “Data importer” in the case of Transaction

Endorser.

4) Term and Termination

a. This Agreement commences on the Effective Date and shall remain in force until

terminated by either Party pursuant to this Section 4 (Term and Termination) .

b. Either Party may terminate this Agreement: (a) if the other Party has materially defaulted

in the performance of any of its obligations under this Agreement and has not cured

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such default within fifteen (15) business days of receipt of written notice from the

non-defaulting Party of such default; (b) by giving the other Party thirty (30) calendar

days’ written notice of its intent to terminate for convenience; or (c) immediately in the

event of any government sanctions or other legal measures that make it unlawful for the

Transaction Endorser to endorse a Transaction written to the Sovrin Ledger Networks by

a Transaction Author.

c. Upon termination or expiration of this Agreement for any reason the rights granted to

Transaction Endorser under this Agreement automatically terminate.

5) Representations and Warranties; Disclaimer

a. By Sovrin Foundation .

1. THE SOVRIN LEDGER NETWORKS AND SOVRIN NETWORK ARE

PROVIDED AS-IS WITH ALL FAULTS. TO THE FULLEST EXTENT

PERMITTED BY APPLICABLE LAW, THE SOVRIN FOUNDATION MAKES NO

WARRANTY CONCERNING THE ACCURACY, RELIABILITY, OR

COMPLETENESS OF ANY INFORMATION OR DATA OBTAINED OR

DERIVED THROUGH THE USE OF THE SOVRIN LEDGER NETWORKS, AS

THE SOVRIN LEDGER NETWORKS OPERATE ON A DISTRIBUTED

NETWORK AND THE SOVRIN FOUNDATION DOES NOT CONTROL THE

INFORMATION OR DATA WRITTEN TO THE SOVRIN LEDGER NETWORKS.

THE SOVRIN FOUNDATION DISCLAIMS ANY OTHER REPRESENTATIONS

OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT

LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR

A PARTICULAR PURPOSE, NON-INFRINGEMENT, ACCURACY OR

COMPLETENESS OF DATA.

2. As the architect of the Sovrin Network and administrator of the Sovrin

Governance Framework, Sovrin Foundation is an independent controller of the

Personal Data Transactions. In no event will Sovrin Foundation be held liable for

the actions or omissions of the Transaction Authors arising out any Personal

Data that Transaction Endorser endorses to the Sovrin Ledger Networks in

breach of this Agreement and the Sovrin Governance Framework, including but

not limited to any Impermissible Personal Data. Notwithstanding the foregoing, if

Transaction Endorser endorses Permissible Personal Data to the Sovrin Ledger

Networks in express compliance with this Agreement and the Sovrin Governance

Framework, Sovrin Foundation is responsible for the lawfulness of such

Processing once such Permissible Personal Data is endorsed to the Sovrin

Ledger Networks.

b. By Transaction Endorser. Transaction Endorser represents and warrants that:

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1. it has all necessary rights and permissions to endorse Transactions;

2. it will only endorse Transactions submitted to the Sovrin Ledger Networks by

Transaction Authors that have signed the Transaction Author Agreement;

3. it understands and acknowledges that Sovrin Foundation does not control the

transfer of data between Nodes and over communications facilities, including the

internet, and that the Sovrin Ledger Networks may be subject to limitations,

delays, and other problems inherent in the use of such communications facilities;

4. it understands and acknowledges that there is regulatory uncertainty regarding

the Sovrin Ledger Networks’ compliance with Data Protection Laws as it relates

to Permissioned Write Access, Public Write Access, and Personal Data, including

cross-border transfers of data, Processing of Personal Data, the right to effective

erasure of data, as well as the scope and nature of Personal Data itself;

5. it understands that the Sovrin Ledger Networks operate on a distributed network

and that Sovrin Foundation disclaims any responsibilities with respect to access

of data from the Sovrin Ledger Networks;

6. it understands and acknowledges that Sovrin Foundation may modify, at any

time, its Sovrin Ledger Access Policies and the terms of this Agreement and any

other agreement or document related to the Sovrin Ledger Networks based on

new information, guidance, or Data Protection Laws; and

7. it understands and acknowledges that a Steward and/or the Sovrin Foundation

may obscure a Transaction if (x) the Steward or the Sovrin Foundation is

required to do so by a court order or applicable law or (y) the Steward or the

Sovrin Foundation has evidence that the Transaction violates the terms of this

Agreement or any applicable law.

6)Indemnification

a) To the fullest extent permitted by applicable law, Transaction Endorser will indemnify

and hold harmless the Sovrin Foundation, and each of its respective officers, directors,

agents, partners and employees (individually and collectively, the “ Sovrin Parties ”) from

and against any losses, liabilities, claims, demands, damages, expenses or costs

(“ Claims ”) brought by a third party arising out of or related to (i) Transaction Endorser’s

access to or use of the Sovrin Ledger in violation of this Agreement; (ii) Transaction

Endorser’s violation, misappropriation or infringement of any rights of another (including

intellectual property rights or privacy rights); or (iii) Transaction Endorser’s violation of

applicable law.

b) Transaction Endorser agrees to promptly notify the Sovrin Parties in writing of any

Claims, cooperate with the Sovrin Parties in defending such Claims and pay all fees,

costs and expenses associated with defending such Claims (including attorneys’ fees).

Transaction Endorser also agrees that the Sovrin Parties will have sole control of the

defense or settlement, at the Sovrin Foundation’s sole option, of any Claims. This

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indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written

agreement between Transaction Endorser and the Sovrin Foundation or the other

Sovrin Parties.

7) Governing Law and Forum

This Agreement is governed by the law of the State of Delaware, without reference to conflict

of laws principles; provided that, if Transaction Endorser is a governmental entity, this

Agreement is governed by the law in which such governmental entity is established. All

disputes arising out of or in connection with this Agreement shall be finally settled by binding

arbitration under the Rules of Arbitration of the International Chamber of Commerce (the

“ Rules ”) by a single arbitrator appointed in accordance with said Rules. Arbitration

proceedings will be held in London, England. Unless the Parties otherwise mutually agree,

such arbitration shall be conducted in the English language by electronic exchange of

documents and by video conference. The arbitrator shall issue a reasoned decision,

including findings of fact and conclusions of law. The arbitrator shall require exchange by the

Parties of documents relevant to the issues raised by any claim, defense, or counterclaim or

on which the producing Party may rely in support of or in opposition to any claim, defense,

or counterclaim, with due regard for eliminating undue burden and expense and the

expedited and lower cost nature of arbitration. At the request of a Party, the arbitrator may at

his or her discretion order the deposition of witnesses. Depositions shall be limited to a

maximum of three depositions per Party, each of a maximum of four hours duration, unless

the arbitrator otherwise determines. Demand for arbitration may be initiated by either Party

on fifteen (15) days written notice by email to the other Party’s designated representative,

together with a written specification of the grounds for the dispute and the relief requested.

By agreeing to binding and non-appealable arbitration, each Party understands that they

each forever give up and waive any right which each Party may have to resolve any such

claim, difference or dispute by court or jury trial. Notwithstanding the foregoing, either Party

may bring a proceeding seeking equitable or injunctive relief solely and exclusively in the

state and federal courts located in Wilmington, Delaware, to prevent the infringement of

intellectual property rights or the disclosure of confidential information. Each Party hereto

consents to the exclusive jurisdiction of such courts for the adjudication of any such

equitable or injunctive relief, as well as for any such matters that are excluded from or fall

outside of this arbitration provision.

8)Limitation of Liability

EXCEPT IN THE EVENT OF EITHER PARTY’S GROSS NEGLIGENCE, WILLFUL

MISCONDUCT OR FRAUD, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY

INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, SPECIAL, OR OTHER

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CONSEQUENTIAL DAMAGES UNDER THIS AGREEMENT, INCLUDING, WITHOUT

LIMITATION, ANY LOST PROFITS, BUSINESS INTERRUPTION, LOSS OF PROGRAMS

OR DATA, OR OTHERWISE, EVEN IF THE OTHER PARTY IS EXPRESSLY ADVISED OF

THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES.

EXCEPT IN THE EVENT OF EITHER PARTY’S GROSS NEGLIGENCE, WILLFUL

MISCONDUCT OR FRAUD, IN NO EVENT SHALL EITHER PARTY’S LIABILITY UNDER

THIS AGREEMENT EXCEED $250,000 USD IN THE AGGREGATE. IN THE EVENT OF

EITHER PARTY’S GROSS NEGLIGENCE, SUCH PARTY’S LIABILITY UNDER THIS

AGREEMENT SHALL NOT EXCEED $500,000 USD IN THE AGGREGATE, PROVIDED

THAT THERE WILL BE NO DOLLAR CAP ON LIABILITY FOR DAMAGES ARISING FROM

VIOLATIONS OF DATA PROTECTION LAWS. IN THE EVENT OF EITHER PARTY’S

WILLFUL MISCONDUCT OR FRAUD, THERE SHALL BE NO DOLLAR CAP ON SUCH

PARTY’S LIABILITY UNDER THIS AGREEMENT.

9) Miscellaneous

a. Notice . Any notice, payment, demand or communication required or permitted to be

delivered or given by the provisions of this Agreement shall be deemed to have been

effectively delivered or given and received on the date personally or electronically

delivered to the respective Party to whom it is directed, or when deposited by registered

or certified mail, with postage and charges prepaid and addressed to the Parties at the

addresses set forth below their signatures to this Agreement.

b. Severability . If any provision of this Agreement is held invalid, illegal, or unenforceable,

the validity, legality, and enforceability of any of the remaining provisions of this

Agreement shall not in any way be affected or impaired.

c. Relationship of the Parties . This Agreement does not create a partnership, franchise,

joint venture, agency, fiduciary or employment relationship between the Parties. Neither

Party will represent that it has any authority to assume or create any obligation, express

or implied, on behalf of the other Party, nor to represent the other Party as agent,

employee, franchisee, or in any other capacity. There are no third-party beneficiaries to

this Agreement. Neither Party shall make any proposals, promises, warranties,

guarantees, or representations on behalf of the other Party or in the other Party’s name.

d. Assignment . Neither Party will voluntarily, or by operation of law, assign or otherwise

transfer this Agreement without the other Party’s express prior written consent which will

not be unreasonably withheld, provided that no such consent is required for an

assignment or transfer to a wholly or majority owned subsidiary or to a successor in

interest by reason of merger or consolidation or sale of all or substantially all of the

assets of such Party relating to the subject matter of this Agreement.

e. Waiver . The waiver by either Party of a breach, default, delay or omission of any of the

provisions of this Agreement by the other Party will not be construed as a waiver of any

subsequent breach of the same or other provisions.

f. Entire Agreement . This Agreement, including all documents incorporated into this

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Agreement by reference, constitutes the entire agreement of the Parties with respect to

the subject matter of this Agreement, and supersedes any and all prior agreements and

understandings of the Parties, whether written or oral, with respect to such subject

matter hereof.

g. Modification of This Agreement . The Sovrin Foundation reserves the right to modify this

Agreement at any time in accordance with this provision, including, but not limited to,

changes in applicable law or guidance from any jurisdiction. The Sovrin Foundation will

post an amended version of this Agreement on its website at least forty-five (45) days

prior to the effective date of the amendment (the “ Amendment Effective Date ”). If

Transaction Endorser continues to endorse Transactions to the Sovrin Ledger Networks

after the Amendment Effective Date, such continued use will constitute acceptance of

the amended Agreement.

h. Counterparts . This Agreement may be executed in two or more counterparts, each of

which will be deemed an original, but all of which taken together will constitute one and

the same instrument

i. Survival . Any terms that by their nature survive termination or expiration of this

Agreement shall survive.

j. Endorsing Own Transactions . In the event that the Transaction Endorser is endorsing

Transactions that it is writing to the Sovrin Ledger as the Transaction Author, by

executing this Agreement, Transaction Endorser is also agreeing to the Transaction

Author Agreement attached at Appendix B .

k. Governmental Entities . If Transaction Endorser is a governmental entity and it

determines that GDPR does not apply to it and its Processing of Signed Data, then:

a. to the extent that the GDPR requirements referenced in this Agreement are

equivalent to the requirements under Data Protection Laws in its own

jurisdiction, it will comply with any such requirements; and

b. to the extent that GDPR requirements referenced in this Agreement differ from

requirements under Data Protection Laws in its own jurisdiction, it will comply

with the requirements under its own legislation.

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The Parties hereto have caused this Agreement to be executed by their duly authorized

representatives as of the Effective Date.

Sovrin Foundation

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address for Notices (email acceptable):

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Transaction Endorser

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address for Notices (email acceptable):

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Appendix A

Transaction Endorser Data Processing Agreement

LINK AS OF THE EFFECTIVE DATE OF THIS TRANSACTION ENDORSER

AGREEMENT

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Appendix B

Transaction Author Agreement

LINK AS OF THE EFFECTIVE DATE OF THIS TRANSACTION ENDORSER

AGREEMENT

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