Transaction Endorser Agreement

**Version 1**

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<http://didymium.org>

# Didymium Transaction Endorser Agreement

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

(the “ Effective Date ”) between the Didymium Consortium, a nonprofit corporation organized under

the laws of the State of Utah, United States of America, (the “ Didymium Consortium ”) and

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“ Transaction Endorser ”). Didymium Consortium

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, Didymium Consortium grants permission to Transaction Endorser to endorse

Transactions intended to be written to the Didymium Business Utility and associated environments.

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

ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

# Definitions

1. “ **Data Protection Laws** ” means the GDPR any other data protection and privacy laws, regulations, and regulatory requirements applicable to a party under this Agreement.
2. “ **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.
3. “ **Impermissible Personal Data** ” means the Personal Data that Transaction Endorser endorses that is written to the Didymium Business Utility that is not Permissible Personal Data.
4. “ **Personal Data Transactions** ” has the meaning set forth in Section 3 below.
5. “ **Permissible Personal Data** ” means Personal Data that Transaction Authors are permitted to write to the Didymium Business Utility under the Transaction Author Agreement and Transaction Endorsers are permitted to endorse under this Agreement and the Didymium Governance Framework (including the Sovrin Ledger Access Policies ).
6. “**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.
7. “ **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.
8. “ **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 Didymium Business Utility.
9. “ **Didymium Governance Framework** ” means Didymium Consortium’s governance policies and rules available at [Didymium Consortium Website](%3cFIX%20LINK%3e) or any successor website.
10. “ **Ledger Access Policies** ” means Didymium Consortium’s ledger access policies and rules available as a subdocument of the Didymium 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 [Didymium Governance Framework](%3cFIX%20LINK%3e) and

corresponding [Glossary](%3cFIX%20LINK%3e) . The Didymium Governance Framework and associated Glossary is

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

terms.

# 2) Permission to Endorse Transactions to the Didymium Business Utility

1. The Didymium Consortium hereby grants to the Transaction Endorser a non-exclusive, non-assignable, non-sublicensable, royalty free, revocable license to endorse Transactions submitted to the Didymium Business Utility 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 Didymium Governance Framework.
2. 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

1. 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 Ledger Access Policies.
2. Transaction Endorser agrees to pay membership fees in accordance with the Term Sheet (or similar) as disclosed in the Didymium Governance Framework.
3. 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.
4. 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 Didymium Consortium 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.
5. Transaction Endorser will not endorse Transactions containing Personal Data until Didymium Consortium permits Transactions to contain Personal Data pursuant to Section 3(f) below.
6. If Didymium Consortium permits Transaction Endorsers to endorse Transactions that contain Permissible Personal Data (“Personal Data Transactions ”), then Transaction Endorser expressly agrees that:
7. it will not endorse any Transactions that contain Impermissible Personal Data to the Didymium Business Utility;
8. 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;
9. it will Process Personal Data Transactions only in accordance with the Didymium Governance Framework and other lawful documented instructions from Didymium Consortium;
10. 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 Didymium Consortium, and as “Data importer” in the case of Transaction Endorser.

# 4) Term and Termination

1. 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).
2. 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 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 Didymium Business Utility by a Transaction Author.
3. 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

1. By Didymium Consortium .
2. THE DIDYMIUM BUSINESS UTILITY IS PROVIDED AS-IS WITH ALL FAULTS. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DIDYMIUM CONSORTIUM MAKES NO WARRANTY CONCERNING THE ACCURACY, RELIABILITY, OR COMPLETENESS OF ANY INFORMATION OR DATA OBTAINED OR DERIVED THROUGH THE USE OF THE DIDYMIUM BUSINESS UTILITY, AS THE DIDYMIUM BUSINESS UTILITY OPERATE ON A DISTRIBUTED NETWORK AND THE DIDYMIUM CONSORTIUM DOES NOT CONTROL THE INFORMATION OR DATA WRITTEN TO THE DIDYMIUM BUSINESS UTILITY. THE DIDYMIUM CONSORTIUM 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.
3. As the architect of the Didymium Business Utility and administrator of the Didymium Governance Framework, the Didymium Consortium is an independent controller of the Personal Data Transactions. In no event will Didymium Consortium be held liable for the actions or omissions of the Transaction Authors arising out any Personal Data that Transaction Endorser endorses to the Didymium Business Utility in breach of this Agreement and the Didymium Governance Framework, including but not limited to any Impermissible Personal Data. Notwithstanding the foregoing, if Transaction Endorser endorses Permissible Personal Data to the Didymium Business Utility in express compliance with this Agreement and the Didymium Governance Framework, the Didymium Consortium is responsible for the lawfulness of such Processing once such Permissible Personal Data is endorsed to the Didymium Business Utility.
4. By Transaction Endorser.

Transaction Endorser represents and warrants that:

* 1. it has all necessary rights and permissions to endorse Transactions;
  2. it will only endorse Transactions submitted to the Didymium Business Utility by Transaction Authors that have signed the Transaction Author Agreement;
  3. it understands and acknowledges that Didymium Consortium does not control the transfer of data between Nodes and over communications facilities, including the internet, and that the Didymium Business Utility 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 Didymium Business Utility’ 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 Didymium Business Utility operates on a distributed network and that Didymium Consortium disclaims any responsibilities with respect to access of data from the Didymium Business Utility;
  6. it understands and acknowledges that Didymium Consortium 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 Didymium Business Utility based on new information, guidance, or Data Protection Laws; and
  7. it understands and acknowledges that a Steward and/or the Didymium Consortium may obscure a Transaction if (x) the Steward or the Didymium Consortium is required to do so by a court order or applicable law or (y) the Steward or the Didymium Consortium has evidence that the Transaction violates the terms of this Agreement or any applicable law.

# 6) Indemnification

1. To the fullest extent permitted by applicable law, Transaction Endorser will indemnify and hold harmless the Didymium Consortium, and each of its respective officers, directors, agents, partners and employees (individually and collectively, the “ Didymium 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.
2. Transaction Endorser agrees to promptly notify the Didymium 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 Didymium Consortium’s sole option, of any Claims. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between Transaction Endorser and the Didymium Consortium or the other Didymium 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 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

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. Entire Agreement . This Agreement, including all documents incorporated into this 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.
7. Modification of This Agreement . The Didymium Consortium 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 Didymium Consortium 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 Didymium Business Utility after the Amendment Effective Date, such continued use will constitute acceptance of the amended Agreement.
8. 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.
9. Survival . Any terms that by their nature survive termination or expiration of this Agreement shall survive.
10. 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 .
11. 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:
    1. 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
    2. 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.

The Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

**Didymium Consortium**

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

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

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

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

**Address for Notices (email acceptable**):

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

**Transaction Endorser**

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

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

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

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

**Address for Notices (email acceptable**):

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

# Appendix A

# Transaction Endorser Data Processing Agreement

LINK AS OF THE EFFECTIVE DATE OF THIS TRANSACTION ENDORSER AGREEMENT

# Appendix B

# Transaction Author Agreement

LINK AS OF THE EFFECTIVE DATE OF THIS TRANSACTION ENDORSER AGREEMENT

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