

**LF Governance Networks, Inc.**

**Transaction Author Agreement**

**Version 1.0**

This Transaction Author Agreement (the “**Agreement**”) is entered into between LF Governance Networks, Inc., a Delaware nonprofit corporation (“**LFGN**”), and the transaction author identified on the signature page of this Agreement (“**Transaction Author**”). This Agreement sets forth the obligations of a Transaction Author with respect to writing Transactions to the Bedrock Business Utility (the “**Utility**”), which operates in support of the mission of the Bedrock Consortium (the “**Bedrock Consortium**”), a directed fund of the Linux Foundation. LFGN and Transaction Author are individually referred to herein as a “**Party**” and collectively as the “**Parties.**”

The “**Governance Framework**” means the policies, procedures, documents, agreements, information and other materials maintained by the Consortium here [https://bedrock-consortium.github.io/bbu-gf/gf\\_info/masterdoc/](https://bedrock-consortium.github.io/bbu-gf/gf_info/masterdoc/), or at such other location as may be determined by the Governing Board, and consists of:

- (1) all policies and procedures, including all policies listed under the headings “**Consortium Policies**” and “**Operational Policies**” (collectively, the “**Utility Policies**”);
- (2) all documents and agreements, including the Utility Agreements; and
- (3) any other information maintained by the Consortium within the Governance Framework.

Capitalized terms not otherwise defined in this Agreement have the meanings ascribed to them in the “**Definitions**” section of the Governance Framework.

The Utility relies on the operation of physical or virtual network servers running software released and approved for network servers connected to the Utility, with each network server referred to as a “**Node**”.

**1) Definitions**

- a. “**Data Protection Laws**” means the GDPR and 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. “**Governance Framework**” means the policies, procedures, documents, agreements, information and other materials maintained by the Bedrock Consortium here

[https://bedrock-consortium.github.io/bbu-gf/gf\\_info/masterdoc/](https://bedrock-consortium.github.io/bbu-gf/gf_info/masterdoc/), or at such other location as may be determined by the Governing Board, and consists of:

1. all policies and procedures, including all policies listed under the headings “Consortium Policies” and “Operational Policies” (collectively, the “Utility Policies”);
  2. all documents and agreements, including the Utility Agreements; and
  3. any other information maintained by the Bedrock Consortium within the Governance Framework.
- d. **“Impermissible Personal Data”** means the Personal Data that Transaction Author writes to the Utility that is not Permissible Personal Data.
- e. **“Personal Data Transactions”** has the meaning set forth in Section 3 below.
- f. **“Permissible Personal Data”** means Personal Data that Transaction Author writes to the Utility that is permitted under this Agreement and the Framework.
- g. **“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.
- h. **“Process”** or **“Processing”** means any operation or set of operations which is performed on Transaction 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 Transaction data.

## 2) **Permission to Write to the Utility**

- a. LFGN hereby grants to Transaction Author a non-exclusive, non-assignable, non-sublicensable, royalty free, revocable license to write to and use the Utility in accordance with this Agreement and the Framework.
- b. When authoring Transactions, a Transaction Author may only write to the Utility by using an authorized Transaction Endorser.
- c. Once an initial Transaction has been written to the Utility by the Transaction Author (**“Initial Transaction”**), the Transaction Author is granted permission to make additional Transactions to update the state of a previous Transaction (**“Update Transactions”**). Transaction Author acknowledges that an Update Transaction does not remove the Initial Transaction, which will remain on the originally targeted Utility environment (prod, test, dev) due to its immutability unless, in the case of dev and test, they are reset. Transaction Author may only make Update Transactions in cases where the Transaction Author was the Transaction Author of the Initial Transaction.

### 3) Transaction Author Obligations

- a. With regard to all Transactions (including Initial Transactions and Update Transactions), the Transaction Author will:
  - 1) comply with any requirements imposed by the Transaction Endorser on the Transaction Author and any Transactions endorsed by the Transaction Endorser;
  - 2) not write Transactions containing Personal Data except pursuant to Section 3(b) below.
- b. If LFGN approves Transaction Authors to write Transactions that contain Permissible Personal Data (“**Personal Data Transactions**”), then the Transaction Author expressly agrees that:
  - a. It will not write any Transactions that contain Impermissible Personal Data to the Utility;
  - b. it is an independent data controller (as defined in the GDPR) of the Personal Data Transactions and will be responsible for the lawfulness of the Processing of such data in compliance with the Data Protection Laws;
  - c. it acknowledges and will notify all data subjects whose Personal Data it Processes that functions inherent in blockchain technology may render fulfilling data subject requests difficult or impossible. For example, due to blockchain’s immutability, data stored on a blockchain generally cannot be removed or altered once the data is confirmed on the blockchain;
  - d. it irrevocably waives any and all claims, rights and/or obligations it may have now or in the future against LFGN and all Indemnified Parties (as defined below) as a result of being unable to fulfill data subject requests in accordance with Data Protection Laws;
  - e. it agrees to be bound by the terms and conditions applicable to Transaction Author as a controller of Personal Data Transactions under the Data Processing Agreements with Transaction Authors and Transaction Endorsers, each in their roles as processors under the GDPR, and attached as Appendices A and B (the “**DPAs**”);
  - f. that LFGN has the right to enter into the DPAs on its behalf and the DPAs are made a part of the Agreement in their entirety;
  - g. by signing this Agreement, each Party is deemed to have signed the DPAs, including the Standard Contractual Clauses set forth in the DPAs, with LFGN and Transaction Author as the “Data exporter,” and with either a Transaction Author or a Transaction Endorser as “Data importer,” as applicable;

- h. at LFGN's request, the Transaction Author will reimburse LFGN and any Indemnified Party for any costs incurred by LFGN in enforcing the Transaction Author's rights under the GDPR, including but not limited to fulfillment of data subject rights, rights of oversight and audit, etc.; and
- 1) it irrevocably waives any and all claims that it may have now or in the future that LFGN lacks the rights to enter into the DPAs on its behalf and bind Transaction Author to the DPAs' terms and conditions, including the limitation of liability therein.

#### **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 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 Transaction Author to write Transactions to the Utility.
- c. Additionally, Transaction Author may terminate this Agreement upon 30 days' advance written notice to LFGN and ceasing all use of the Utility.
- d. Upon termination or expiration of this Agreement for any reason the rights granted to Transaction Author by LFGN under this Agreement automatically terminate.

#### **5) Representations and Warranties; Disclaimer**

- a. By LFGN.
  - i. THE UTILITY IS PROVIDED AS-IS WITH ALL FAULTS. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LFGN MAKES NO REPRESENTATION OR WARRANTY CONCERNING THE ACCURACY, RELIABILITY, OR COMPLETENESS OF ANY INFORMATION OR DATA OBTAINED OR DERIVED THROUGH THE USE OF THE UTILITY AS THE UTILITY OPERATES ON A DISTRIBUTED NETWORK AND THE LFGN DOES NOT CONTROL THE INFORMATION OR DATA WRITTEN TO THE UTILITY. LFGN 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.

- ii. As manager of the Utility, LFGN is an independent controller of the Personal Data Transactions. In no event will LFGN be held liable for the actions or omissions of the Transaction Author arising out any Personal Data that the Transaction Author writes to the Utility in breach of this Agreement and/or contrary to the Framework, including but not limited to any Impermissible Personal Data. Notwithstanding the foregoing, if the Transaction Author writes Permissible Personal Data to the Utility in express compliance with this Agreement and in accordance with the Framework, LFGN is responsible for the lawfulness of such Processing once such Permissible Personal Data is written to the Utility.
- b. By Transaction Author. Transaction Author represents and warrants:
- i. if a natural person, he or she is 18 years of age or older;
  - ii. it has all necessary rights and permissions to write the Transactions;
  - iii. the Transactions do not and will not violate any applicable law;
  - iv. the Transactions will not contain data or information that infringes or misappropriates the intellectual property rights of any third party;
  - v. it understands that the Utility operates on a distributed network and that LFGN and Bedrock Consortium disclaim any responsibilities with respect to access of data from the Utility;
  - vi. it understands and acknowledges that LFGN and Bedrock Consortium do not control the transfer of data between Nodes and over communications facilities, including the internet, and that the Utility may be subject to limitations, delays, and other problems inherent in the use of such communications facilities;
  - vii. it understands and acknowledges that there is regulatory uncertainty regarding the Utility's compliance with Data Protection Laws as it relates to Permitted 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;
  - viii. it understands and acknowledges that LFGN and Bedrock Consortium may modify, at any time, its Ledger Access Policies and the terms of this Agreement and any other agreement or document related to the Utility based on new information, guidance, or Data Protection Laws; and
  - ix. it understands and acknowledges that a Transaction Author and/or LFGN may obscure a Transaction if (i) the Transaction Author, LFGN or Bedrock Consortium is required to do so by a court order or applicable law or (ii) the

Transaction Author, LFGN or Bedrock Consortium has evidence that the Transaction violates the terms of this Agreement or any applicable law.

## **6) Limitation of Liability**

EXCEPT AS PROVIDED BY LAW OR IN THE EVENT OF EITHER PARTY'S GROSS NEGLIGENCE, WILFUL MISCONDUCT OR FRAUD AND EXCEPT, WITH RESPECT TO STEWARD'S LIABILITY, FOR STEWARD'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, 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 GROSS NEGLIGENCE, WILFUL MISCONDUCT OR FRAUD OR AS PROVIDED BY LAW, IN NO EVENT WILL LFGN BE LIABLE FOR ANY AMOUNTS UNDER THIS AGREEMENT.

## **7) Indemnification**

- a. To the fullest extent permitted by applicable law, Transaction Author will indemnify and hold harmless LFGN, its affiliates, the Bedrock Consortium, the Linux Foundation, and each of their respective officers, directors, agents, partners and employees (individually and collectively, the "Indemnified 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 Author's access to or use of the Utility in violation of this Agreement; (ii) Transaction Author's violation, misappropriation or infringement of any rights of another (including intellectual property rights or privacy rights); or (iii) Transaction Author's violation of applicable law.
- b. Transaction Author agrees to promptly notify the Indemnified Parties in writing of any Claims, cooperate with the Indemnified 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 Indemnified Parties will have sole control of the defense or settlement, at the LFGN'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 Author and any Indemnified Party.
- c. Compliance with Law. Each Party shall comply with all applicable laws and shall cooperate with the other Party in complying with applicable laws and lawful subpoenas, orders, or investigative demands. Without limiting the generality of the foregoing, each Party agrees to enter into all data protection agreements required by applicable law with regard to the processing, protection and/or transfer of personal data.



**8) Governing Law and Forum.** This Agreement is governed by the law of the State of Delaware, without reference to conflict of laws principles. Any disputes regarding this Agreement shall be brought in the state or federal courts located in the State of Delaware.

**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 earlier of (a) the date personally or electronically delivered (including via electronic mail) to the respective Party to whom it is directed or (b) when published as part of the Governance Framework or on the website of the Consortium. Furthermore, notices for LFGN may be emailed to [notices@lfgovernancenetworks.org](mailto:notices@lfgovernancenetworks.org) and notices for Transaction Author may be emailed to the contact indicated in this Agreement or as otherwise updated by Transaction Author to LFGN.
- 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. Except as provided in the Governance Framework:
  - i. neither party will represent that it has any authority to assume or create any obligation, express or implied, on behalf of the other Party;
  - ii. neither party will represent the other Party as agent, employee, franchisee, or in any other capacity;
  - iii. there are no third-party beneficiaries to this Agreement; and
  - iv. 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. Transaction Author may not assign or transfer this Agreement without LFGN'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 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. 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.
- f. Modification of This Agreement. LFGN 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 or changes to the Framework. LFGN will post an amended version of this Agreement on its website at least forty-five (45) days prior to the date on which all Transaction Authors must begin operating under the amendment (the “Amendment Effective Date”). If Transaction Author continues to Author Transactions to the Utility after the Amendment Effective Date, such continued use will constitute acceptance of the amended Agreement.

- g. 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.
- h. Survival. Any terms that by their nature survive termination or expiration of this Agreement shall survive.
- i. Governmental Entities. If Transaction Author is a governmental entity and it determines that GDPR does not apply to it and its Processing of Transactions, then:
  - i. 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
  - ii. 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.



By signing below, the Transaction Author acknowledges and agrees that, when signed and accepted by the LFGN, this Agreement represents a binding contract between the Parties and commits the Transaction Author to these terms and obligations:

Authorized Representative of Transaction Author: Accepted:

**LF GOVERNANCE NETWORKS, INC.**

\_\_\_\_\_  
(Print Transaction Author Name)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

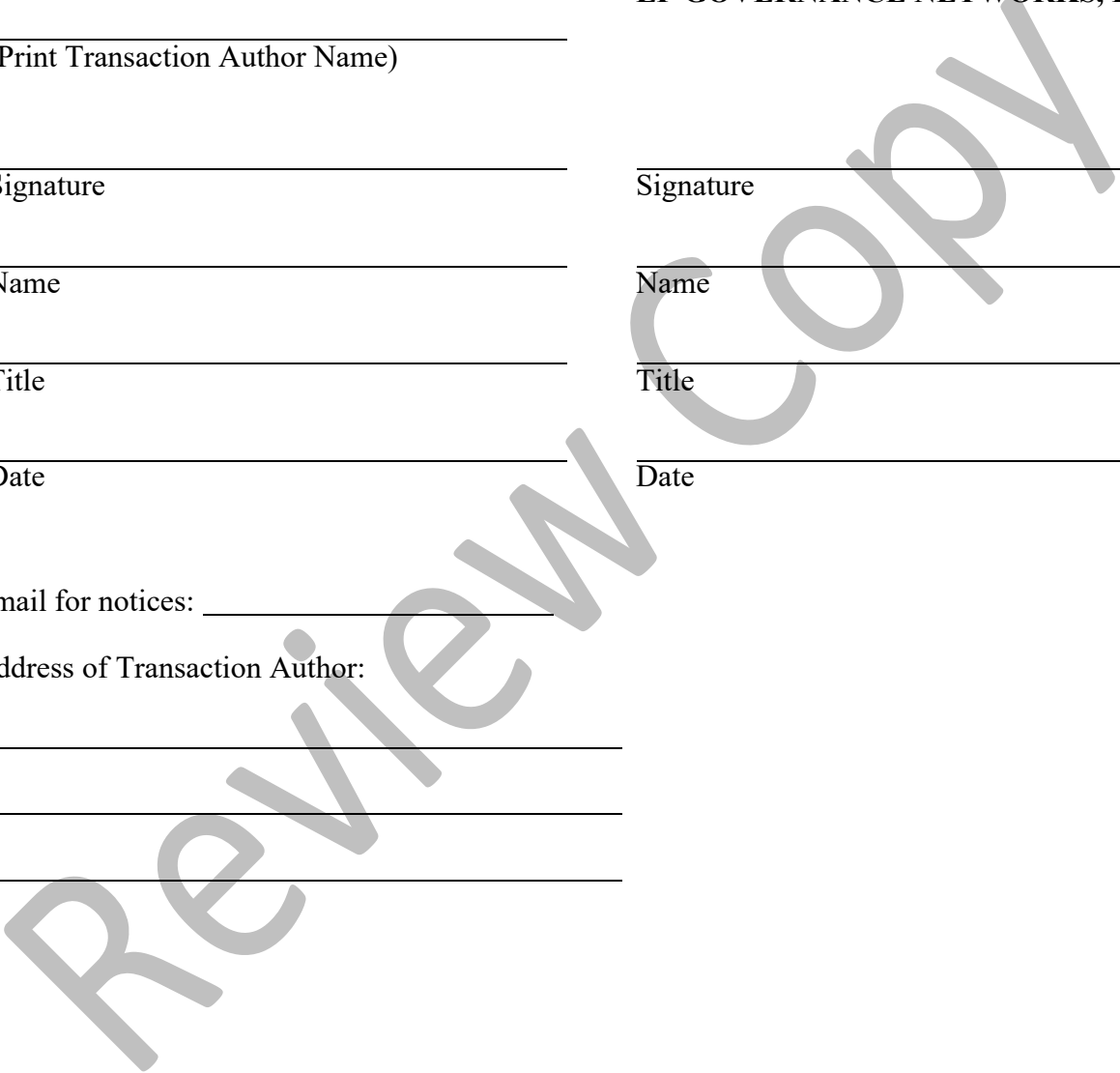
\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Email for notices: \_\_\_\_\_

Address of Transaction Author:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## **Appendix A**

### **Transaction Author Data Processing Agreement**

LINK AS OF THE EFFECTIVE DATE OF THIS TRANSACTION AUTHOR AGREEMENT

## **Appendix B**

### **Transaction Endorser Data Processing Agreement**

LINK AS OF THE EFFECTIVE DATE OF THIS TRANSACTION AUTHOR AGREEMENT

© 2020 by The Linux Foundation. This work is licensed under the Creative Commons Attribution- ShareAlike 4.0 International License (<http://creativecommons.org/licenses/by-sa/4.0/>).