

[Explanatory note: Version for Joint Service Providers]

[Date]

[Lead Supplier's Name]

[Lead Supplier's Title]

[Lead Supplier's Company Name]

[Company Address]

[City, State, ZIP Code]

Subject: Letter of Engagement – DIGIT

Dear [Lead Supplier's Name],

His Majesty's Treasury (the **Authority**) is pleased to confirm the award of the contract for the provision of services to the Authority for a pilot issuance of the digital gilt instrument (**DIGIT**) to [●], [●], [●], [●], [●] and [●] (together the **Joint Service Providers**).

This Letter of Engagement (together with all its schedules, the **Agreement**) outlines the terms and conditions under which the services will be performed and shall form the basis of our contractual relationship.

Please confirm your acceptance of the terms by signing and returning a copy of this Agreement by [●].

We look forward to a successful partnership.

Sincerely,

LETTER OF ENGAGEMENT

THIS AGREEMENT is made on 2025 (the **Effective Date**)

BETWEEN:

- (A) His Majesty's Treasury (**Authority**); and
- (B) [●] (**Digital Securities Platform**),
- (C) [●] (**Payment Supplier**),
- (D) [●] (**Issuing Agent**),
- (E) [●] (**Settlement Agent**),
- (F) [●] (**Paying Agent**),
- (G) [●] (**Fiscal Agent**), and

each a "**party**" and together the "**parties**".

[●] together with [●], [●], [●], [●] and [●] are the "**Joint Service Providers**".

[Explanatory note: Depending on the winning bid, these roles will be reflected appropriately and a single provider may provide one or more of these roles in accordance with their bid.]

Any reference in this Agreement to (i) the 'Joint Service Provider' or 'Joint Service Providers' or (ii) 'party' to the extent such reference may be to a Joint Service Provider or Joint Service Providers, shall be deemed to refer to one or more or all of the Joint Service Providers either individually or collectively, as the context requires. Schedule 1 sets out the rules for interpreting this Agreement.

Capitalised terms used in this Agreement shall have the meanings set out in Schedule 1 (*Definitions and Interpretation*) or as otherwise defined herein.

RECITALS:

- (A) The Authority proposes to issue GBP-denominated notes in the form of a digital gilt instrument (**DIGIT**) to raise money for the National Loans Fund pursuant to section 12(1) of the National Loans Act 1968, to be recorded on a technological platform using distributed ledger technology provided by the Joint Service Providers.
- (B) Funds raised through issuance of the DIGIT will be for the purposes of capitalising and/or balancing the National Loans Fund. Raising funds in this manner will meet the following two key objectives: (i) to enable the Authority to explore how DLT can be applied and adopted as part of the UK sovereign debt issuance process in the future; and (ii) to catalyse development of UK-based DLT platforms and markets and the adoption of DLT technology in UK financial markets.

- (C) The Joint Service Providers are being appointed under this Agreement to develop and provide the services set out in Schedule 2 (*Statement of Requirements*) to allow the Authority to issue, distribute, settle and maintain the DIGIT as digitally native notes.
- (D) The purpose of this Agreement is to set the terms and conditions upon which the Joint Service Providers will provide the services to the Authority in relation to the DIGIT.
- (E) The Authority expects to enter into separate Platform and Issuance Documentation with the Joint Service Providers for the issuance and servicing of DIGIT.
- (F) This Agreement is exempt from the Procurement Act 2023 in line with Schedule 2 to that Act; therefore the provisions of the Procurement Act 2023 do not apply to this procurement or contract.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

1. **Commencement and Term**

- 1.1 This Agreement shall commence on the Effective Date and shall expire automatically after three (3) years, unless this Agreement is otherwise terminated earlier in accordance with clause 20, or otherwise lawfully terminated, or extended under clause 1.2 (**Term**).
- 1.2 The Authority may, by giving written notice to the Lead Supplier of not less than one (1) calendar month prior to the last day of the Initial Contract Period, extend this Agreement for one (1) year. All of the provisions in this Agreement will apply throughout any such extended period.

2. **Services**

- 2.1 For the Term of this Agreement, the Joint Service Providers shall, in consideration of the Opportunity Benefit, provide the Authority with the following services (**Services**):
 - (a) the Joint Service Providers will design and deliver a solution for the issuance and maintenance of the DIGIT to meet the requirements set out in Schedule 2 (*Statement of Requirements*);
 - (b) the Joint Service Providers will work collaboratively with the Authority and each other in the design and delivery of a solution for the DIGIT; and
 - (c) the Joint Service Providers will perform the roles as set out in Schedule 2 (*Statement of Requirements*) as follows:
 - (i) the Digital Securities Platform shall perform the role of DLT issuance and settlement platform as a DSD;
 - (ii) the Payment Supplier shall perform the role of on-chain payment supplier;
 - (iii) the Issuing Agent shall perform the role of issuing agent;
 - (iv) the Settlement Agent shall perform the role of settlement agent; and
 - (v) the Paying Agent shall perform the role of paying agent.

[Explanatory note: To be updated based on the winning bid]

- 2.2 The obligation of the Joint Service Providers to provide the Services shall include an obligation for the Joint Service Providers to provide any ancillary or minor services, functions and responsibilities not described in this Agreement (including Schedule 2 (*Statement of Requirements*)) but necessary to meet the requirements of the Authority as set out in this Agreement.

3. **Lead Supplier**

- 3.1 In addition to the responsibilities of the Lead Supplier as set out in Schedule 2 (*Statement of Requirements*), the Lead Supplier shall:

- (a) act as the primary point of contact with the Authority in respect of this Agreement, including the reporting provisions under clause 8;
- (b) coordinate and lead the other Joint Service Providers in their engagement with the Authority for the design and delivery of the DIGIT;
- (c) coordinate, collaborate, and lead the design and delivery of the DIGIT solution together with the other Joint Service Providers;
- (d) use all reasonable endeavours to ensure that the other Joint Service Providers are fulfilling their respective roles and obligations under this Agreement;
- (e) assist the Authority in relation to any required listing of the DIGIT;
- (f) receive and distribute notices and information received from the Authority to the other Joint Service Providers in accordance with this Agreement;
- (g) receive and distribute notices and information received from the other Joint Service Providers and the Authority in accordance with this Agreement; and
- (h) manage invoicing with respect to costs.

- 3.2 The primary contact at the Lead Supplier shall be **[Contact Details]** (**Lead Relationship Manager**), which may be changed upon providing the Authority with five (5) Business Days' written notice.

- 3.3 The Lead Supplier shall ensure that the person it appoints as the Lead Relationship Manager shall be knowledgeable about this Agreement and shall be responsible for the ongoing management of this Agreement, including Lead Supplier responsibilities.

4. **Service Levels**

- 4.1 The Joint Service Providers shall deliver the Services in accordance with this Agreement, including (without limitation) in accordance with the following schedules to this Agreement (including, without limitation, requirements, specifications, conditions, timelines, solutions and approaches contained therein):

- (a) Schedule 2 (*Statement of Requirements*);
- (b) Schedule 3 (*Schedule of Works*);
- (c) Schedule 4 (*Final Tender Response*); and

(d) Schedule 5 (*Clarificatory Questions*).

- 4.2 The Joint Service Providers shall at all times achieve or exceed the Service Levels, the Deliverables and Milestones set out in Schedule 3 (*Schedule of Works*).
- 4.3 By [●] (unless such other date is agreed in writing with the Authority), the Joint Service Providers shall submit detailed deliverables and milestones for inclusion in Schedule 3 (*Schedule of Works*) to the Authority for consideration.
- 4.4 Without prejudice to clause 7, the Authority may make minor amendments to Schedule 2 (*Statement of Requirements*) by providing two (2) Business Days' written notice to the Lead Supplier.
- 4.5 Without prejudice to clauses 4.3, 4.6 and 7, from time to time, the Authority may amend Schedule 3 (*Schedule of Works*) by providing two (2) Business Days' written notice to the Lead Supplier, provided such amendment (i) does not materially deviate and is not inconsistent with Schedule 2 (*Statement of Requirements*) and (ii) does not amount to a material change to this Agreement (other than Schedule 3 (*Schedule of Works*)).
- 4.6 From time to time, the Authority and Joint Service Providers may mutually agree in writing to amend Schedule 3 (*Schedule of Works*) or Schedule 4 (*Final Tender Response*).
- 4.7 The Joint Service Providers shall provide the Services under this Agreement with promptness, all reasonable skill, due care and diligence, in a professional manner and in accordance with Good Industry Practice and Applicable Law.
- 4.8 The Joint Service Providers shall ensure that all Service Provider Personnel supplying the Services shall do so with due skill, care and diligence and shall possess such qualifications, skills and experience as are necessary for the proper supply of the Services.
5. **Other service providers**
- 5.1 The Authority may at any time itself perform, or retain third parties to perform, services related to the Services, including underwriters and a lead manager in respect of the issuance of the DIGIT.
- 5.2 The Authority must impose confidentiality obligations on terms no less protective than those set out in clause 17 (*Confidentiality*) in respect of Confidential Information of the Joint Service Providers which the Authority discloses to those third parties appointed by the Authority under clause 5.1.
6. **Cooperation and assistance**
- 6.1 The parties shall provide all reasonable cooperation and assistance as may be required by any other party to enable the proper and timely provision of the Services, including but not limited to providing timely responses to requests for information and performing actions reasonably required by the other parties.
- 6.2 Each Joint Service Provider shall take all reasonable steps to assist and cooperate with other Joint Service Providers in the performance of their roles and provision of

the Services applicable to their role, as set out in Schedule 2 (*Statement of Requirements*).

- 6.3 To the extent that the Authority performs or retains third parties to perform any services related to the Services in accordance with clause 5.1, the Joint Service Providers shall cooperate with the Authority and such third parties to ensure that such services are able to be carried out in a coordinated, effective and timely manner.
- 6.4 Each Joint Service Provider's obligations to cooperate pursuant to clauses 6.1, 6.2 and 6.3 shall include (to the extent necessary to enable such services to be performed):
- (a) providing the Authority, other Joint Service Providers and/or third parties, as relevant and applicable, with access to relevant hardware, software, materials and other assets used in the provision of the Services, to the extent permitted under any underlying agreements with third parties;
 - (b) providing the Authority, other Joint Service Providers and/or third parties, as relevant and applicable, with such information regarding the operating environment, interfaces, system constraints, processes and procedures and other operating parameters relevant to the Services as a person with reasonable commercial skills and expertise would reasonably require; and
 - (c) providing assistance to the Authority, other Joint Service Providers and/or third parties, as relevant and applicable, as the Authority, such other Joint Service Providers and/or third parties may reasonably require in order to enable the Authority, such other Joint Service Providers and/or third parties to perform the services or to provide their services to the Authority.

7. Variation of Services

- 7.1 Subject to the provisions of this clause 7, without prejudice to clauses 2.2 and 4.4, the Authority may request a material variation to the Services or Schedule 2 (*Statement of Requirements*) (a **Variation**) provided that such Variation does not amount to a material change to this Agreement (other than Schedule 2 (*Statement of Requirements*)).
- 7.2 The Authority may request a Variation by completing and sending the Variation form attached at Schedule 8 (the **Variation Form**) to the Lead Supplier giving sufficient information for the Joint Service Providers to assess the extent of the Variation and whether any change to the Costs is required in order to implement the Variation. The Lead Supplier shall distribute the Variation Form to the other Joint Service Providers without undue delay. The Joint Service Providers shall respond to a request for a Variation within the time limits specified in the Variation Form. Such time limits shall be reasonable having regard to the nature of the Variation and the availability of the Joint Service Providers.
- 7.3 In the event that the Joint Service Providers are unable to provide the Variation to the Services or where the parties are unable to agree a change to the Costs, the Authority may:
- (a) allow the Joint Service Providers to continue to perform their obligations under this Agreement without the Variation; or

(b) terminate this Agreement in accordance with clause 20.

7.4 If the parties agree to the Variation and any variation to the Costs, the Joint Service Providers shall carry out such Variation and be bound by the same provisions so far as is applicable, as though such Variation was stated in this Agreement.

8. **Reporting**

8.1 The Joint Service Providers shall measure and report their performance against the Service Levels at the level of frequency, and in accordance with the reporting requirements, specified in Schedule 3 (*Schedule of Works*) using appropriate measurement and monitoring tools and procedures to measure their performance accurately.

8.2 The Joint Service Providers shall provide to the Authority, at such times and in such manner as the Authority may reasonably require, any additional information, data or reports relating to the Services as may be requested by the Authority from time to time.

8.3 The Lead Supplier shall provide the Authority with copies of the reports as described in clause 8.1 within five (5) Business Days of the production by it of such reports.

8.4 If a report is required in accordance with the security provisions set out in clause 26 (*Security*), the Joint Service Providers shall provide such report to the Authority in accordance with the provisions set out in clause 26 within the timeframe specified by the Authority.

8.5 All reports or other information provided to the Authority by the Joint Service Providers in accordance with this clause 8 must be accurate, complete and not misleading.

9. **Duty to inform**

9.1 The Joint Service Providers shall notify the Authority, to the extent permitted under Applicable Law, immediately upon becoming aware:

(a) of any event or development (actual or anticipated) which may have a material impact upon the Joint Service Providers' ability to comply with their obligations under this Agreement;

(b) of any representations or warranties provided by the Joint Service Providers under clause 21 (*Representations and warranties*) ceasing to be accurate or true;

(c) of any information (provided in a report or otherwise) provided to the Authority by the Joint Service Providers under this Agreement that is discovered to be inaccurate, incomplete or untrue; and/or

(d) that any Joint Service Provider will be subject to a Change in Control.

9.2 A Joint Service Provider shall proceed with a Change in Control only upon receiving the prior written consent of the Authority.

10. **DSS application**

- 10.1 The Digital Securities Platform must submit its application for DSS Gate 2 to the Bank of England and the FCA (as applicable) by no later than 31 March 2026, or such other date agreed with the Authority in writing, to the extent that such application has not been submitted prior to the Effective Date.
- 10.2 The Digital Securities Platform shall:
- (a) prior to submission of its application for Gate 2 of the DSS, to the extent that such application has not been submitted prior to the Effective Date, provide the Authority with copies of its Gate 2 application prior to submission (it being acknowledged that the Authority shall not provide advice on the content of such application and shall have no liability in respect thereof);
 - (b) notify the Authority as soon as reasonably practicable after submitting its application for Gate 2 of the DSS, to the extent such application has not been submitted prior to the Effective Date;
 - (c) promptly inform the Authority once approval for Gate 1 and/or Gate 2, as applicable, of the DSS has been received; and
 - (d) immediately report to the Authority any adverse concerns raised by the Bank of England and the FCA (as applicable) in respect of its application(s) to Gate 1 and/or Gate 2 of the DSS, or any rejection of such application(s).
- 10.3 If the Digital Securities Platform intends to apply for Gate 3 or Gate 4 of the DSS, it must notify the Authority in writing prior to its submission in either case to the Bank of England and the FCA (as applicable).

11. **Use of Sub-contractors**

Approval of Joint Service Providers' Sub-contractors

- 11.1 Except as set out in this Agreement (and without prejudice to clause 11.2), the Joint Service Providers shall not be entitled to sub-contract any of their obligations under this Agreement to any third party without the prior written consent of the Authority.
- 11.2 The Authority hereby consents to the use by the Joint Service Providers of the Authorised Sub-contractors listed in Schedule 7 (*Authorised Sub-contractors*) for the Services described therein.
- 11.3 By [●] (unless such other date is agreed in writing with the Authority), the Joint Service Providers shall submit a list of sub-contractors to the Authority for consideration for inclusion in Schedule 7 (*Authorised Sub-contractors*), which shall include an overview of the roles of each proposed sub-contractor and any additional information as the Authority may reasonably require.
- 11.4 From time to time, the list of Authorised Sub-contractors may be amended by mutual agreement between the parties in writing.
- 11.5 The Joint Service Providers shall procure that their Authorised Sub-contractors comply with the terms of the relevant Authorised Sub-contractor Contract.

Authorised Sub-contractor Contracts

- 11.6 The Joint Service Providers shall have formal written, executed contracts with each of their Authorised Sub-contractors, such contracts containing provisions materially similar to the terms of this Agreement (the **Authorised Sub-contractor Contracts**).
- 11.7 The Joint Service Providers undertake to exercise any rights they enjoy under the Authorised Sub-contractor Contracts where reasonably requested to do so in writing by the Authority.
- 11.8 The Joint Service Providers shall procure that the Authorised Sub-contractor Contracts contain a provision to restrict an Authorised Sub-contractor from sub-contracting any obligations or any other part of the Services to any other person without the Authority's prior written consent.

Prime contract responsibility of the Joint Service Providers

- 11.9 The grant of any approval by the Authority under this clause 11 as regards Authorised Sub-contractors shall not relieve the Joint Service Providers from any liability under this Agreement.
- 11.10 Each Joint Service Provider shall remain fully responsible for obligations, services and functions performed by its Authorised Sub-contractors to the same extent as if those obligations, services and functions were performed by the Joint Service Provider.
- 11.11 Each Joint Service Provider shall remain liable at all times for the acts and omissions of its Authorised Sub-contractors.
- 11.12 The Joint Service Providers and Lead Supplier, as relevant, shall be the Authority's sole point of contact regarding Services performed by Authorised Sub-contractors, including with respect to payment.

12. Business Continuity Plan

- 12.1 The Joint Service Providers shall establish, implement and maintain (and shall establish that their Authorised Sub-contractors establish, implement and maintain) a business continuity and disaster recovery plan for the Services provided under this Agreement (**Business Continuity Plan**) and ensure that such Business Continuity Plan is sufficiently robust to provide for continuity of delivery of the Services, notwithstanding the occurrence of any incident, disaster or Force Majeure Event:

- (a) which affects a Joint Service Provider (or relevant Authorised Sub-contractor); or
- (b) which affects the Authority,

and the Joint Service Providers shall invoke the Business Continuity Plan (or will procure that the relevant Authorised Sub-contractor invokes its business continuity and disaster recovery plan) should any such event occur.

- 12.2 The business continuity plan submitted by the Joint Service Provider in response to the Tender Documents, as set out in Schedule 10 (*Business Continuity*), shall constitute the Business Continuity Plan of the Joint Service Providers as at the Effective Date.

- 12.3 The Joint Service Providers shall maintain and regularly update the Business Continuity Plan, with the express written agreement of the Authority, to ensure that such plan remains fully up to date notwithstanding any changes to the Services so that such plan may be fully effective if invoked at any time during the Term.
- 12.4 The Joint Service Providers shall (and shall procure that each Authorised Sub-contractor shall) fully test the Business Continuity Plan (or the business continuity and disaster recovery plan of the relevant Authorised Sub-contractor, as appropriate) at least once every twelve (12) months.

13. **Records and audit**

Records

- 13.1 Each Joint Service Provider shall maintain (in an orderly, auditable and accessible manner) complete and accurate data, records and information relevant to the performance of the Services and otherwise relevant to this Agreement (**Audit Records**).
- 13.2 The Joint Service Providers shall retain the Audit Records for at least six (6) years after termination or expiry of this Agreement (or such other period as may be required to comply with Applicable Law, whichever is the longer).

Audit

- 13.3 The Authority shall have full access to, and the right to take copies of, the Audit Records upon request, and such Audit Records shall be provided to the Authority as soon as reasonably practicable following any such request.

14. **Costs**

- 14.1 The only amounts payable by the Authority to the Joint Service Providers under this Agreement shall be the Costs set out in Schedule 6 (Costs). All payments by the Authority shall be made to the Lead Supplier and shall be discharged from a payment obligation under this Agreement upon making the relevant payment to the Lead Supplier. The Lead Supplier shall distribute funds to the other Joint Service Providers, as applicable.
- 14.2 The Lead Supplier shall submit invoices in respect of all Costs to the Authority as applicable. The Authority shall pay the invoiced amounts into the bank account notified in writing by the Lead Supplier from time to time.
- 14.3 No costs incurred in respect of any additional or ad hoc work shall be payable by the Authority unless such costs have been agreed in writing by the Authority prior to being incurred.
- 14.4 Amounts shall be due and payable by the Authority within 30 calendar days of receipt of a valid and undisputed invoice from the Lead Supplier.
- 14.5 All Costs are exclusive of VAT and any other applicable taxes. The Joint Service Providers shall be responsible for the payment of all taxes arising in connection with this Agreement.

- 14.6 The Authority shall not be liable for any Costs payable to a Joint Service Provider incurred following a Default (as defined in clause 19) by such Joint Service Provider (except where such Default has been remediated pursuant to clause 16).

15. Management of the Group of Joint Service Providers

- 15.1 If it becomes apparent to any Joint Service Provider that any of the Services, Deliverables, Milestones and/or Service Levels have not been met or will not be met as a result of the actions or inactions of one or more Joint Service Providers, the Joint Service Provider must notify the Authority (via the Lead Supplier) without delay.
- 15.2 If any Joint Service Provider withdraws its participation from the Group, this must be notified to the Authority by the Lead Supplier without delay.
- 15.3 If the Lead Supplier withdraws its participation from the Group and has done so without providing notice, one of the other Joint Service Providers must make the notification under clause 15.2 (by way of derogation from clause 34.6, notice by a Joint Service Provider pursuant to clause 15.2 cannot be provided on its behalf by the Lead Supplier).
- 15.4 Upon the receipt of a notification under either clause 15.1 or 15.2 or if the Authority becomes otherwise aware that either (i) the Services, Deliverables, Milestones and/or Service Levels may not be met as a result of the actions or inactions of one or more Joint Service Providers; (ii) a Joint Service Provider has withdrawn its participation from the Group; or (iii) a Joint Service Provider has breached or may materially breach a term of this Agreement, the Authority may, by providing written notice to such Joint Service Provider and/or the Lead Supplier, as applicable:
- (a) instruct the Joint Service Provider(s) or Lead Supplier, as applicable, to carry out remedial actions to ensure that the relevant terms, Services, Deliverables, Milestones and/or Service Levels are met (subject to their mutual agreement in respect of any delay), in accordance with clause 16; and/or
 - (b) instruct the Lead Supplier to find a suitable replacement of the relevant Joint Service Provider as soon as reasonably practicable, in accordance with the provisions set out at clause 15.5 below. For the avoidance of doubt, the relevant Joint Service Provider shall be the Joint Service Provider that has either withdrawn from the Group or whose action or inaction or non-performance has resulted or will result in any failure to meet the Services, Deliverables, Milestones and/or Service Levels.
- 15.5 In the event that the Authority requires the Lead Supplier to find a suitable replacement of a Joint Service Provider, under clause 15.4(b) above, the following provisions shall apply:
- (a) the Lead Supplier shall propose a replacement within thirty (30) calendar days of the Authority's request, subject to any extension agreed in writing by the Authority;
 - (b) the Authority shall provide its consent or rejection to the Lead Supplier regarding the proposed replacement Joint Service Provider within ten (10) Business Days of receipt of the proposal, such consent not to be unreasonably withheld or delayed;

- (c) any appointment of a replacement shall be conditional upon the replacement successfully passing all due diligence requirements as specified by the Authority from time to time;
 - (d) the Lead Supplier shall enter into a memorandum of understanding with the replacement on the same terms as the memorandum of understanding submitted by the Joint Service Providers in response to the Tender Documents; and
 - (e) the Lead Supplier shall procure that the replacement becomes a party to this Agreement and subject to all the provisions contained therein. Any appointment made in contravention of this requirement shall be void.
- 15.6 A replacement (identified in accordance with clause 15.5) shall accede to this Agreement and therein become a Joint Service Provider only by signing this Agreement.
- 15.7 The replacement shall meet all the requirements set out in Attachment 5 (*Conditions of Participation*) of the Tender Documents, as applicable to its role in Schedule 2 (*Statement of Requirements*).
- 16. **Remedies in the event of inadequate performance**
- 16.1 If the Authority chooses to instruct remedial action in accordance with clause 15.4(a), the following provisions shall apply:
 - (a) the Lead Supplier shall take all reasonable steps to investigate and determine the underlying causes of the failure or anticipated failure to meet the relevant terms, Services, Deliverables, Milestones and/or Service Levels. The Lead Supplier shall promptly (and no later than three (3) Business Days, unless otherwise agreed with the Authority) provide the Authority with a written report detailing its findings and proposed remedial actions; and
 - (b) the Authority shall consider the remedial actions proposed under clause 16.1(a) by the Lead Supplier and either approve or reject such remedial action. If the Authority rejects the proposed remedial action, the Authority shall be deemed to have taken all necessary steps to remedy the failure or anticipated failure for the purposes of this Agreement. If the Authority approves the remedial actions, the Joint Service Providers shall, at their own cost and expense, take all such remedial actions to remedy the failure or anticipated failure (and any damage resulting from such failure) within ten (10) Business Days of the Authority's instructions or such other period of time as the Authority may direct.
- 16.2 If the Authority does not approve the remedial actions (in whole or in part) proposed by the Lead Supplier in accordance with clause 16.1(a) (or this clause 16.2, if applicable), the Authority may permit the Lead Supplier to submit a revised proposal, upon which the Lead Supplier shall promptly (and no later than one (1) Business Day, unless otherwise agreed with the Authority) provide the Authority with updated proposed remedial actions, taking into account any feedback provided by the Authority. Unless otherwise agreed with the Authority, the Lead Supplier shall have only one opportunity to propose updated remedial actions in accordance with this clause 16.2. Upon the Authority's agreement to the revised proposed remedial actions, the provisions under clause 16.1(b) shall apply.



- 16.3 If the Joint Service Providers are unable to propose remedial actions that the Authority agrees to (in accordance with clause 16.1(b) or 16.2), or are unable to take remedial action in accordance with clause 16.1(b) above, then the Authority may, without prejudice to its rights to require a suitable replacement Joint Service Provider under 15.4(b) and/or exercise its rights to terminate under clause 20 (*Termination*), do any of the following:
- (a) itself supply or procure the supply of all or part of the Services from a third party until such time (at the sole discretion of the Authority) as the Joint Service Providers shall have demonstrated to the reasonable satisfaction of the Authority that the Joint Service Providers will once more be able to supply all or such relevant part of the Services in accordance with this Agreement; and/or
 - (b) without terminating the whole of this Agreement, terminate the Agreement in respect of part of the Services only (whereupon a corresponding reduction in the Costs shall be made, if applicable) and thereafter itself supply or procure a third party to supply such part of the Services.
- 16.4 Upon the occurrence of the events described in clause 16.3(a), the Joint Service Providers shall provide the Authority with reasonable assistance to enable the transfer of the Services to be performed by the third party or itself, including (without limitation) the transfer of all necessary information.
- 16.5 The Joint Service Providers shall indemnify and hold the Authority harmless against all Losses incurred by the Authority (including any reasonable administration costs) as a result of itself supplying or procuring a third party to supply any part of the Services in accordance with clause 16.3(a).
17. **Confidentiality**
- 17.1 Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this Agreement, each party shall:
- (a) keep all Confidential Information given, directly or indirectly, by one party (**Disclosing Party**) to the other party (**Receiving Party**) or otherwise obtained by the Receiving Party confidential and shall not (except as expressly permitted under this Agreement) disclose the Confidential Information, make copies of the Confidential Information or otherwise use the Confidential Information without the prior written consent of the Disclosing Party; and
 - (b) appropriately safeguard the Disclosing Party's Confidential Information and comply with any reasonable security requirements specified by the Disclosing Party from time to time.
- 17.2 A Receiving Party shall immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure of the Disclosing Party's Confidential Information in any form.
- 17.3 Clause 17.1 shall not apply to the extent that:
- (a) the disclosure is a requirement of Applicable Law placed upon the party making the disclosure, including any requirements for disclosure under the FOIA, Code of Practice on Access to Government Information or the Environmental Information Regulations or such disclosure is required by order of a court or

- such disclosure is made pursuant to an order, requirement or request of a Regulatory Body having authority over the relevant Joint Service Provider;
- (b) the Information was in the possession of the party making the disclosure without an obligation of confidentiality prior to its disclosure by the Information owner;
 - (c) to the reasonable knowledge of the party making the disclosure after making all reasonable enquiries, the Information was obtained from a third party without an obligation of confidentiality;
 - (d) the Information was already in the public domain at the time of disclosure otherwise than by a breach of this Agreement;
 - (e) the Information is independently developed without access to the other party's Confidential Information;
 - (f) the disclosure is required for the purposes of an arbitration or judicial proceedings; or
 - (g) the disclosure is to another party to this Agreement.
- 17.4 Confidential Information may be made available to a Receiving Party's and its Affiliates' employees, directors, officers, agents, licensors, Authorised Sub-contractors, information technology service providers or external legal counsel (**Recipients**) where those Recipients:
- (a) need to know such Confidential Information for the sole purpose of the party exercising its rights and/or complying with its obligations under this Agreement;
 - (b) have been informed by the Receiving Party of the confidential nature of the Confidential Information; and
 - (c) are subject to written industry-standard professional and/or contractual confidentiality obligations no less stringent than those in this clause 17,
- and the party making the disclosure will be liable in respect of any act or omission of its Recipients, as if any such act or omission were an act or omission of such party.
- 17.5 Before making a disclosure pursuant to clause 17.3(a) or (f), the Receiving Party or relevant Recipient shall, if the circumstances permit:
- (a) notify the Disclosing Party in writing of the proposed disclosure as soon as possible (and if possible before the court or other public body orders the disclosure of the Confidential Information); and
 - (b) ask the court or other public body to treat the Confidential Information as confidential.
- 17.6 The Receiving Party is, at all times, responsible for the Recipient's compliance with the obligations set out in this Agreement.
- 17.7 The Joint Service Providers shall not, and shall procure that their Recipients (including, without limitation, the Service Provider Personnel) do not, use any of the Authority's Confidential Information received otherwise than for the purposes of this Agreement.

- 17.8 Nothing in this Agreement shall prevent the Authority from disclosing the Joint Service Providers' Confidential Information:
- (a) to any Crown Body, any other Contracting Authority or a Regulatory Body. All Crown Bodies, Contracting Authorities or Regulatory Bodies receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other Crown Bodies, Contracting Authorities or Regulatory Bodies on the basis that the Information is confidential and is not to be disclosed to a third party which is not part of any Crown Body, Contracting Authority or Regulatory Authority;
 - (b) to any consultant, Joint Service Provider or other person engaged by the Authority or any person conducting a gateway review;
 - (c) pursuant to the requirements of the FOIA or the Environmental Information Regulations;
 - (d) for the purpose of the examination and certification of the accounts of the Authority or relevant Crown Body;
 - (e) for any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority or relevant Crown Body has used its resources or is carrying out its public functions; or
 - (f) to any other supplier appointed by the Authority for the issuance of the DIGIT under clause 5.1 or 16.
- 17.9 The Authority shall use all reasonable endeavours to ensure that any government department, Contracting Authority, employee, third party or Sub-contractor to whom the Joint Service Providers' Confidential Information is disclosed pursuant to clause 17.8 is made aware of the Authority's obligations of confidentiality.
- 17.10 The Joint Service Providers acknowledge that public bodies, including the Authority and other Crown Bodies, may be required under the FOIA or the Environmental Information Regulations to disclose Information, including Confidential Information, without consulting or obtaining consent from the Joint Service Providers. The Authority shall take reasonable steps to notify the Joint Service Providers of a Request for Information (in accordance with the Secretary of State for Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practicable for it to do so, but (notwithstanding any other provision in this Agreement) the Authority or other relevant Crown Body shall be responsible for determining in its absolute discretion whether any Confidential Information and/or any other Information is exempt from disclosure in accordance with the FOIA or the Environmental Information Regulations.
- 17.11 The Joint Service Providers shall provide all necessary assistance and cooperation as reasonably requested by the Authority or relevant Crown Body to enable the Authority or relevant Crown Body to comply with its obligations under the FOIA and the Environmental Information Regulations.
- 17.12 In no event shall the Joint Service Providers respond directly to a Request for Information unless expressly authorised to do so by the Authority.

- 17.13 Nothing in this clause 17 shall prevent either party from using any techniques, ideas or know-how gained during the performance of this Agreement in the course of its normal business to the extent that this use does not result in a disclosure of the other party's Confidential Information or an infringement of Intellectual Property Rights. The Joint Service Providers will owe no duty of care to the Authority if the Authority uses the Joint Service Providers' work and advice for a purpose other than that for which the work or advice was provided even if such use is in the Authority's ordinary course of business.
- 17.14 At any time upon the written request of the Disclosing Party, the Receiving Party will, at the Disclosing Party's option, promptly:
- (a) securely return in an appropriate and usable format and/or otherwise make available the Disclosing Party's Confidential Information to the Disclosing Party, including in any case all copies of the relevant documents and other materials made by the Receiving Party and/or any Receiving Party Personnel; or
 - (b) to the extent reasonably practicable, destroy or permanently erase (on all forms of physical and electronic media) Confidential Information and confirm in writing such destruction or erasure to the Disclosing Party.
- 17.15 Notwithstanding clause 17.14(b) and in addition to any other rights granted hereunder, the Receiving Party may retain copies of Confidential Information to the extent such copies are electronically stored as may be required by Applicable Law or by corporate data retention, ordinary back-up, legal and/or compliance policies, so long as such Confidential Information is kept confidential as required under this Agreement.
- 17.16 For the avoidance of doubt, nothing in clause 17.14 will require the return or destruction of any Confidential Information to the extent that it is immutable as a result of being submitted to a DLT platform.
- 17.17 The obligations imposed on the parties in this clause 17 shall apply during the Term of this Agreement and for twelve (12) calendar months following the expiry or termination of this Agreement.
- 17.18 Each party acknowledges and agrees that damages may not provide an adequate remedy for a breach of the terms of this clause 17 and that accordingly each party is entitled, in addition to damages, to seek an injunction in the event of such breach to prevent the violation of the obligations contained in this clause 17.
- 18. Announcements**
- 18.1 The Joint Service Providers shall not make, or permit any person to make, any public announcement, communication or circular (an **Announcement**) concerning:
- (a) the existence, subject matter or terms of this Agreement;
 - (b) the relationship between the parties in connection with this Agreement; or
 - (c) any other announcement in relation to this Agreement or in relation to the delivery of the DIGIT,
- without the prior written consent of the Authority.

- 18.2 The Joint Service Providers shall consult with the Authority regarding the timing, content and manner of release of any Announcement.
- 18.3 Any Announcement made pursuant to this clause shall be subject to clause 17 (*Confidentiality*) of this Agreement. This clause is without prejudice to the confidentiality requirements under clause 17 of this Agreement.

19. **Event of Default**

- 19.1 An "**Event of Default**" shall occur upon the occurrence of any of the following events (each a **Default**):
- (a) a Joint Service Provider fails to meet or deliver, either through action or omission, any Service, Milestone, Deliverable or Service Level and fails to remedy such failure in accordance with clause 16.1(b) of this Agreement;
 - (b) a Joint Service Provider commits a material breach of any term of this Agreement and fails to remedy such breach in accordance with clause 16;
 - (c) the Digital Securities Platform fails to obtain approval for Gate 1 of the DSS by 31 December 2025 (or such other date as expressly agreed by the Authority in writing, whichever is the later) or receives a rejection for Gate 1;
 - (d) the Digital Securities Platform fails to obtain approval for Gate 2 of the DSS by 31 March 2026 (or such other date as expressly agreed by the Authority in writing, whichever is the later) or receives a rejection for Gate 2;
 - (e) a Joint Service Provider becomes Insolvent, is subject to a Change in Control without consent being provided by the Authority in accordance with clause 9.2 (where the new entity has or could reasonably be expected to have a materially less good financial standing or weaker credit rating than the Joint Service Provider) or ceases its operations;
 - (f) a Joint Service Provider (other than the Lead Supplier) withdraws from participation in the Group and the Lead Supplier fails to find a replacement in accordance with clause 15; and
 - (g) the Lead Supplier withdraws from participation in the Group.

20. **Termination**

- 20.1 The Authority may terminate this Agreement:
- (a) for convenience by providing thirty (30) calendar days' prior written notice to the Lead Supplier; and
 - (b) immediately on the occurrence of an Event of Default by providing written notice to the Lead Supplier.
- 20.2 Termination of this Agreement under clause 20.1 shall result in the termination of this Agreement between the Authority and all the Joint Service Providers.

- 20.3 The Authority may terminate this Agreement with any individual Joint Service Provider (other than the Lead Supplier), while allowing this Agreement with the other Joint Service Providers to survive:
- (a) for convenience, by providing not less than thirty (30) calendar days' prior written notice to the Lead Supplier; and
 - (b) immediately, upon the occurrence of an Event of Default where the relevant Joint Service Provider is the defaulting party (pursuant to clause 19.1), by providing written notice to the relevant Joint Service Provider.
- 20.4 Without prejudice to clause 20.1, subject to any applicable legal or regulatory requirements, termination in accordance with this clause 20 shall be deemed effective on the date specified in the relevant termination notice provided by the Authority to the Lead Supplier.
- 20.5 In the event of termination under this clause 20, the Joint Service Providers shall indemnify the Authority for the Authority's reasonable costs incurred in relation to such termination.
- 20.6 Where the Authority terminates this Agreement under clause 20.1(b) or 20.3(b) and then makes alternative arrangements for the supply of Services, the defaulting Joint Service Provider shall indemnify and hold harmless the Authority for any Losses, any costs reasonably incurred in making such alternative arrangements and any other expenditure incurred by the Authority throughout the remainder of this Agreement. The Authority shall take all reasonable steps to mitigate such additional expenditure.
- 20.7 In the event that, through any Default of a Joint Service Provider, data transmitted or processed in connection with this Agreement is either lost or sufficiently degraded as to be unusable, the defaulting Joint Service Provider shall be liable for the cost of reconstitution of that data and shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.
- 20.8 Termination of this Agreement shall not affect:
- (a) any accrued rights or liabilities of any party up to the effective date of such termination;
 - (b) any other agreement or similar document between the parties or their respective Affiliates; and
 - (c) the following clauses, which will continue in full force and effect notwithstanding termination of this Agreement: 17 (*Confidentiality*) (subject to clause 17.7), 18 (*Announcements*), 24 (*Liability and insurance*), 25 (*Indemnity*), 26 (*Security*), 27 (*Data protection*), 29 (*Intellectual Property Rights*), 31 (*Governing law and jurisdiction*) and 35.3 (*No third party rights*).

21. Representations and warranties

- 21.1 Each Joint Service Provider represents and warrants to the Authority, as at the Effective Date and throughout the Term of this Agreement, that:
- (a) it is duly incorporated and validly existing under the laws of its jurisdiction of incorporation;

- (b) it has full power, authority and legal capacity to enter into and perform its obligations under this Agreement;
- (c) subject to clauses 21.2 and 21.3 below, it has obtained and procured that any Authorised Sub-contractor has obtained all necessary and appropriate governmental and other Regulatory Body consents, approvals and authorisations required to enter into and perform its obligations under this Agreement and to perform the Services as required under Applicable Law;
- (d) it is not the subject of any resolution, reorganisation, Change in Control, Insolvency, fraudulent conveyance, moratorium, receivership or similar proceedings affecting creditors' rights generally;
- (e) it has sufficient legal and/or beneficial title (or other proprietary rights as relevant) necessary to grant the licenses that it is obligated to grant under this Agreement;
- (f) it is in full compliance with Applicable Law in entering into or performing the Services under this Agreement;
- (g) neither it, members of its corporate group, nor any of their respective directors, officers and employees is a Sanctions Target;
- (h) it, members of its corporate group, and/or any of their respective directors, officers and employees are not engaging in any conduct, operations, transactions or dealings that could reasonably be expected to result in them becoming a Sanctions Target;
- (i) it is not operating in and has no operations (including, for the avoidance of doubt, data servers, hardware, data storage, facilities or similar), transactions or dealings (directly or indirectly) in or with a Sanctioned Territory or a Sanctions Target (as applicable), where such operations, transactions or dealings contravene any Sanctions Laws;
- (j) it will be in full compliance with Sanctions Laws in performing its obligations under this Agreement;
- (k) this Agreement constitutes its legal, valid and binding obligations, enforceable against it;
- (l) in entering into this Agreement, it has not relied on any representations, warranties or undertakings other than those expressly set out in this Agreement and waives any rights or remedies it might otherwise have in respect of such reliance;
- (m) it, members of its corporate group, and any of their respective directors, officers and employees are not, and its agents are not, subject to any ongoing claim, proceeding or formal investigation with respect to any actual or alleged contravention of Sanctions Laws; and
- (n) all information submitted to the Authority in connection with this Agreement, including (without limitation) in response to the Tender Documents, shall be accurate, complete and not misleading save as may have been specifically disclosed in writing to the Authority prior to execution of this Agreement and it

will advise the Authority of any fact, matter or circumstance of which it may become aware which would render any such information false or misleading.

- 21.2 By way of derogation from clauses 21.1 and 22.4, where a Joint Service Provider (or an Authorised Sub-contractor) does not have the necessary approvals referred to in clause 21.1(c) (or clause 22.4), the Joint Service Provider shall have notified the Authority prior to entering into this Agreement and represents and warrants to the Authority that it will take all necessary steps so as to obtain the licences required under clause 21.1(c) (or clause 22.4) as soon as practicable and no later than six (6) calendar months following the Effective Date (without prejudice to clause 21.3), unless such other date is agreed in writing with the Authority. The Joint Service Provider shall immediately report to the Authority any adverse concerns or decisions communicated by any governmental or Regulatory Body with respect to the application of any necessary approvals or licences.
- 21.3 With respect to the Digital Securities Platform's application to participate in the DSS, the Digital Securities Platform represents and warrants to the Authority, as at the Effective Date and throughout the Term of this Agreement until such time as approval is received, that it has taken all steps reasonably necessary to enable:
- (a) Gate 1 approval under the DSS by 31 December 2025 (unless already acquired prior to the Effective Date); and
 - (b) Gate 2 approval under the DSS by 31 March 2026 (unless already acquired prior to the Effective Date),
- unless such other dates are agreed in writing with the Authority.
- 21.4 It is acknowledged and agreed that the representations and warranties in clauses 21.1(g) to 21.1(l) are sought by and given to the Authority if and to the extent that to do so would not be impermissible pursuant to the Blocking Regulation.
- 21.5 For the avoidance of doubt, any breach by a Joint Service Provider of any representations and warranties in this clause 21 shall constitute a material breach.

22. **Compliance**

- 22.1 Each Joint Service Provider shall comply with Applicable Laws in respect of its provision of the Services.
- 22.2 Each Joint Service Provider shall notify the Authority immediately:
- (a) if it becomes aware of any allegation of non-compliance with any Applicable Law by it in relation to this Agreement or the provision by it of services similar to the Services; and
 - (b) of any communication with any Regulatory Body in relation to the provision of the Services.
- 22.3 Each Joint Service Provider undertakes to procure access, as necessary, for the Authority, its professional advisers and its regulators to all information in the possession or control of that Joint Service Provider which the Authority is or may be obliged to provide to any regulator in relation to this Agreement.

22.4 Without prejudice to clause 21.2, at the Joint Service Provider's cost, each Joint Service Provider shall ensure that at all times during the Term:

- (a) it has in place and maintains all licences, consents and authorisations required to perform the Services; and
- (b) it has in place and maintains operational systems and controls and a risk management structure which are designed to cover the nature and complexity of the Services and which are adequate to enable the Joint Service Provider to comply with Applicable Law.

23. **Undertakings of the Joint Service Providers**

23.1 To the extent permitted under Applicable Law, each Joint Service Provider undertakes to the Authority that:

- (a) it shall provide the Authority with all documentation, information and assistance as may be reasonably requested by the Authority for the performance of Services under this Agreement, including in accordance with the reporting requirements set out in clause 8; and
- (b) it shall comply with all Applicable Law and with the terms of any related contract or agreement entered into between the Joint Service Providers and the Authority.

23.2 To the extent permitted under Applicable Law, the Digital Securities Platform undertakes to the Authority that it shall apply for Gate 2 approval under the DSS as soon as reasonably possible after entering into this Agreement, and in any event no later than 31 January 2026, unless otherwise agreed in writing by the Authority.

24. **Liability and insurance**

24.1 Subject to clause 24.2, the Authority, its Affiliates and its employees shall not be liable to the Joint Service Providers or their Affiliates or any third party, whether in contract, tort (including negligence), for breach of statutory duty or otherwise arising under or in connection with this Agreement unless the Authority has acted fraudulently, in gross negligence or in wilful default.

24.2 Nothing in this Agreement shall be construed to limit or exclude any party's liability for:

- (a) death or personal injury caused by its negligence; and
- (b) Fraud or fraudulent misrepresentation.

24.3 No party shall be liable to any other party for consequential or indirect loss or damages.

24.4 Subject to clauses 24.1 and 24.3, total aggregate liability of the Joint Service Providers together under this Agreement in each contract year (whether in tort, contract or otherwise) shall be limited to [●].

24.5 Except where expressly stated otherwise in this Agreement, each Joint Service Provider shall be jointly and severally liable to the Authority with respect to any liability arising under this Agreement.

- 24.6 Each Joint Service Provider shall effect and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of all reasonably insurable risks which may be incurred by the Joint Service Provider arising out of the Joint Service Provider's performance of its obligations under this Agreement, including death or personal injury, loss of or damage to property or any other loss. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Joint Service Provider. Such insurance shall be maintained for the duration of the Term and for a minimum of six (6) years following the expiration or earlier termination of this Agreement save that the Authority acknowledges that the Joint Service Provider's professional indemnity insurance may not necessarily cover all risks arising from claims for breach of contract or claims arising under this Agreement.
- 24.7 Each Joint Service Provider shall hold employer's liability insurance in respect of Service Provider Personnel in accordance with any legal requirement from time to time in force.
- 24.8 Each Joint Service Provider shall give the Authority, on request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.
- 24.9 If, for whatever reason, a Joint Service Provider fails to give effect to and maintain the insurances required by the provisions of this Agreement, the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Joint Service Provider.
- 24.10 The provisions of any insurance or the amount of cover shall not relieve the Joint Service Providers of any liabilities under this Agreement. It shall be the responsibility of each Joint Service Provider to determine the amount of insurance cover that will be adequate to enable the Joint Service Provider to satisfy any liability referred to in clause 24.4. Any excess or deductibles under such insurance maintained by the Joint Service Provider pursuant to this Agreement shall be at the sole and exclusive financial risk of the Joint Service Provider.
- 24.11 The Joint Service Providers shall effect and maintain appropriate professional indemnity insurance cover during the Term. To comply with their obligations under this clause and as a minimum, the Joint Service Providers shall ensure professional indemnity insurance held by them has a limit of indemnity of not less than [●] for each individual claim or such higher limit as the Authority may reasonably require (and as required by law) from time to time. Such insurance shall be maintained for a minimum of six (6) years following the expiration or earlier termination of this Agreement.
25. **Indemnity**
- 25.1 Without prejudice to clause 24.2, the Joint Service Providers shall indemnify and keep indemnified the Authority, its Affiliates and employees in full from and against all Losses arising directly as a result of the actions or omission of the Joint Service Providers, its Authorised Sub-contractors, or Service Provider Personnel in connection with this Agreement, or which arise out of any action or omission by the Joint Service Providers, its Authorised Sub-contractors or Service Provider Personnel that is found in a final determination of judicial proceedings to constitute either (i) Fraud, wilful default or gross negligence on the part of the Joint Service Providers, its

Authorised Sub-contractors or Service Provider Personnel; or (ii) a material breach of this Agreement.

25.2 The Authority may, amongst other things, recover as direct Losses:

- (a) any additional operational and/or administrative expenses arising from a Default by a Joint Service Provider;
- (b) any wasted expenditure or charges rendered unnecessary and/or incurred by the Authority arising from a Default by a Joint Service Provider; and
- (c) the additional cost of procuring replacement services for the remainder of the Term following termination of this Agreement as a result of a Default by a Joint Service Provider.

25.3 Except where expressly stated otherwise in this Agreement, each Joint Service Provider shall be jointly and severally liable to the Authority with respect to any indemnity under this Agreement.

26. **Security**

Security – general

26.1 Each Joint Service Provider agrees to implement appropriate security measures to protect any systems, data or property of the Authority accessed or used in the performance of this Agreement.

26.2 The Authority reserves the right to request evidence of such security measures if it deems it necessary.

IT security

26.3 Each Joint Service Provider's IT systems (including end-user devices, servers, firewalls) used to meet the Authority's requirements and provide the Services must comply with the technical requirements prescribed by "Cyber Essentials Plus". The Joint Service Provider must, in particular, comply with ISO 27001. This may be demonstrated by appropriate certification or evidence of compliance with the relevant technical standards. The resilience of the Joint Service Provider's IT systems must be tested periodically.

26.4 Where remote access is used, the Joint Service Provider is expected to have measures in place to ensure that encryption is applied to both 'data at rest' on end-user devices and to 'data in transit' during any remote access sessions.

26.5 The Joint Service Provider's IT systems must have the capability to employ encryption to data which shall be sent across a network or extracted by electronic means (e.g. sent via email, extracted from an online web portal or during online meetings). Where this is required, the solution adopted, and any encryption method used as part of that solution, must be agreed with the Authority.

Physical security

- 26.6 Each Joint Service Provider is expected to have appropriate physical security measures in place in any data centres, or other buildings, used to host the Authority's data and to be able to demonstrate this.
- 26.7 The Authority's preference is that the Joint Service Providers host the data entirely within the UK. Where the Joint Service Providers intend to host data outside the UK in respect of the Services, the Authority or the DIGIT, including (without limitation) Confidential Information, the Joint Service Providers should inform the Authority that this is the case and must obtain the Authority's prior written agreement to the country (or countries) the data is proposed to be hosted in.

Personal security

- 26.8 Where Service Provider Personnel require unescorted access to the Authority's building, such staff will be expected to either already have or be prepared to undergo UK Security Vetting to Counter Terrorism Check level as applicable.
- 26.9 The Joint Service Providers shall ensure that all Service Provider Personnel working on the delivery of the Services set out in this Agreement have had their identity, right to work in the UK as required, past three (3) years of employment history, and unspent criminal convictions via a Basic DBS check, verified and in compliance with Government Baseline Personnel Security Standard checks.
- 26.10 The Joint Service Providers shall ensure that any suspected or actual security breaches related to Authority's data/information are reported to the Authority immediately. Where any actual security breaches have been identified, the relevant Joint Service Provider shall, as soon as reasonably practicable, provide to the Authority a report setting out the details of the security breach, including an impact assessment, a root-cause analysis and the steps taken to address and mitigate the breach.

27. Data protection

- 27.1 The parties acknowledge that, in respect of the Shared Personal Data, each party is a Controller and each shall comply with its respective obligations under Data Protection Law when Processing the Shared Personal Data.
- 27.2 Notwithstanding the generality of clauses 26.1 to 26.10 above, in respect of such Shared Personal Data, each of the Joint Service Providers shall:
- (a) implement appropriate technical and organisational security measures to keep the Shared Personal Data secure and protected against unauthorised Processing, theft, or accidental loss, damage or destruction;
 - (b) process Shared Personal Data only to the extent strictly necessary for the purposes of the Services;
 - (c) notify the Authority promptly (but, in any event, within 48 hours) should it become aware of: (i) any circumstance which may cause any party to breach Data Protection Law; and (ii) a Personal Data Breach affecting the Shared Personal Data;

- (d) ensure that it complies with its own obligations under Data Protection Laws in respect of transparency and provide Data Subjects with its own privacy notice and information relating to its Processing of the Shared Personal Data;
- (e) ensure that its Processing of the Shared Personal Data is lawful and, where applicable, obtain the consent of Data Subjects for its Processing of the Shared Personal Data; and
- (f) comply with any applicable data protection policies of the Authority as notified by the Authority to the Joint Service Providers from time to time.

28. Relationship of the parties

- 28.1 Nothing in this Agreement shall be deemed to constitute a partnership, joint venture, or employment relationship between the parties. The Joint Service Providers shall together perform the Services as an independent contractor.
- 28.2 This Agreement shall apply to each Joint Service Provider as if that entity executed this Agreement in its own name, except it shall be the responsibility of the Lead Supplier to engage directly with the Authority to the extent required in order to exercise any rights or obligations under this Agreement.

29. Intellectual Property Rights

- 29.1 No party shall acquire any right, title or interest in or to the Existing IPR of any other party or its licensors. Without prejudice to the foregoing, the Joint Service Providers (and its licensors) will retain all right, title and interest in:
- (a) the DLT Platform;
 - (b) its associated functional documentation;
 - (c) the Template Smart Contract; and
 - (d) any developments in relation to any of the items referred to in clauses 29.1(a) to 29.1(c) during the Term of this Agreement, unless the Authority otherwise requires (in which case such developments shall be deemed New IPR, and clause 29.4 shall apply to them).
- 29.2 Where a party acquires ownership of Intellectual Property Rights incorrectly under this Agreement, it shall do everything reasonably necessary to complete a transfer assigning them in writing to the other relevant party on request and at its own cost.
- 29.3 Each Joint Service Provider hereby grants to the Authority a royalty-free, non-exclusive, perpetual, irrevocable, transferable licence to use and sub-licence the Joint Service Provider's Existing IPR for any purpose relating to the Services and/or receipt and use of the Deliverables and/or for any purpose relating to the exercise of the Authority's business or function. The foregoing licence shall include the right for the Authority (or its nominee) to copy, modify, adapt or further develop the Template Smart Contract for the purpose relating to the creation and/or further development of the DIGIT Smart Contract from time to time.
- 29.4 Any New IPR shall vest in the Authority. Each Joint Service Provider assigns to the Authority with full guarantee (or shall procure from the first owner the assignment to

- the Authority), title to and all rights and interest in the New IPR. The assignment under this clause 29.4 shall take effect as a present assignment of future rights that will take effect immediately on the coming into existence of the relevant New IPR, and the Joint Service Provider shall promptly execute all such assignments as are required to ensure that any rights in the New IPR are properly transferred to the Authority.
- 29.5 The Authority grants to each Joint Service Provider a royalty-free, non-exclusive, non-transferable licence during the Term to use the Authority's Existing IPR and New IPR solely to the extent necessary for providing the Services in accordance with this Agreement, including the right to grant sub-licences to Authorised Sub-contractors provided that:
- (a) any relevant Authorised Sub-contractor has entered into a written confidentiality undertaking with the Joint Service Provider on substantially the same terms as set out in clause 17 (*Confidentiality*); and
 - (b) the Joint Service Provider shall not and shall procure that any relevant Authorised Sub-contractor shall not, without the Authority's written consent, use any of the licensed Intellectual Property Rights for any other purpose, or for the benefit of any person other than the Authority.
- 29.6 Each Joint Service Provider waives (and shall procure that each of the Service Provider Personnel shall waive) any moral rights to which it is now or may at any future time be entitled under Chapter IV of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction, to the extent such rights arise.
- 29.7 Except as expressly permitted pursuant to clause 30, no party shall have any right to use any other party's names, logos or trade marks on any of its products or services without the other party's prior written consent.
- 29.8 Each Joint Service Provider shall, during and after the Term, on written demand, indemnify the Authority against all Losses incurred by, awarded against or agreed to be paid by the Authority (whether before or after the making of the demand pursuant to the indemnity hereunder) arising from an IPR Claim.
- 29.9 If an IPR Claim is made, or a Joint Service Provider anticipates that an IPR Claim might be made, the Joint Service Provider shall, at its own expense and the Authority's sole option, either:
- (a) obtain for the Authority the right to continue using the relevant Deliverable or other item or material which is the subject of the IPR Claim; or
 - (b) replace or modify the relevant Deliverable or other item or material which is the subject of the IPR Claim with non-infringing substitutes without adversely affecting the functionality, resilience, quality, security or performance of it.
- 29.10 The Joint Service Providers are advised that no material, information or outcomes about or relating to this Agreement are to be shared with third parties until such time that the Authority notifies the Joint Service Providers in writing that the information is no longer subject to an embargo.

30. **Trade Marks**

The Joint Service Providers hereby grant the Authority a non-exclusive licence during the Term to use the Joint Service Providers' Trade Mark(s) for the sole purposes of performing the Authority's obligations under this Agreement.

31. **Governing law and jurisdiction**

This Agreement and any non-contractual obligations arising out of or in relation to it shall be governed by and interpreted in accordance with the laws of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales to settle any disputes arising out of or in connection with this Agreement (including, without limitation, disputes relating to any non-contractual obligations) and accordingly any proceedings arising out of or in connection with this Agreement shall be brought in such courts.

32. **Platform and Issuance Documentation**

The parties shall use all reasonable endeavours to agree the Platform and Issuance Documentation, which shall be executed by no later than the Issuance Date.

33. **Entire Agreement**

33.1 This Agreement constitutes the entire agreement and understanding between the parties in respect of the matters dealt with in it and supersedes, cancels or nullifies any previous agreement between the parties in relation to such matters.

33.2 Each of the parties acknowledges and agrees that in entering into this Agreement it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in this Agreement. The only remedy available to any party for any such statement, representation, warranty or understanding shall be for breach of contract under the terms of this Agreement. While the Authority makes no representation as to the accuracy and adequacy of any information supplied by it or on its behalf, it acknowledges that the Joint Service Providers are entitled to assume the accuracy of such information in providing the Services provided that in the particular circumstances (including without limitation the Joint Service Providers' professional abilities) it is otherwise reasonable for the Joint Service Providers to make such an assumption.

33.3 Nothing in clause 33.1 or 33.2 shall operate to exclude liability for Fraud or fraudulent misrepresentation.

34. **Notices**

34.1 Except as otherwise expressly provided in this Agreement, any notice or other communication which is to be given by one party to another under or in connection with this Agreement (in this clause 34, a "**notice**") shall only have validity under this Agreement if it is made in writing by or on behalf of the party concerned.

34.2 Any notice or other communication shall be given by letter (sent by hand, registered post or by the recorded delivery service) or electronic mail. Notices shall be sent to the other party at the address, and marked for the attention of the relevant individual,

as set out in clause 34.3. Any notice under this clause 34 shall be deemed to have been duly given:

- (a) if sent by letter, two (2) Business Days after the day on which the letter was sent (provided that the letter has not been returned as undelivered); or
- (b) if sent by email, when sent (provided that an email shall be deemed not to have been sent if the sender receives a delivery failure notification).

34.3 For the purposes of clause 34.2, the address of each party shall be:

Notices to the **Authority**

Tel: [●]
Email: [●]
Attention: [●]

Notices to the **Joint Service Providers**

Tel: [●]
Email: [●]
Attention: [●]

[Explanatory note: This clause will be updated based on the winning bid to reflect the relevant roles, in order that an address for service can be provided for each role]

34.4 Any party may change their address for service by serving a notice in accordance with this clause.

34.5 By way of derogation from clauses 33.2 and 34.3, the Authority will be deemed to have given valid notice to a Joint Service Provider if such notice is given to the Lead Supplier. The Lead Supplier shall accept notices from the Authority on behalf of Joint Service Providers. Upon the Lead Supplier, on behalf of one or more other Joint Service Providers, receiving a notice from the Authority, it shall immediately notify such other Joint Service Providers.

34.6 A Joint Service Provider may give valid notice to the Authority under this Agreement if the Lead Supplier gives such notice on behalf of the Joint Service Provider (and such notice makes clear on whose behalf the notice is made). Upon the Lead Supplier receiving a notice from another Joint Service Provider to be provided to the Authority (or a request for a notice to be made to the Authority from another Joint Service Provider), the Lead Supplier shall immediately provide such notice to the Authority.

35. **Miscellaneous**

35.1 **Assignment:** No party shall assign, novate, or in any other way dispose of this Agreement or any part of it without the other parties' prior written consent, such consent not to be unreasonably withheld or delayed.

35.2 **No variation:** No change or amendment to this Agreement shall be valid unless agreed between the parties in writing and signed by duly authorised representatives of each party.

- 35.3 **No third party rights:** A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its provisions which, expressly or by implication, confer a benefit on them, without the prior written agreement of the parties, but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act and does not apply to the Crown.
- 35.4 **Severability:**
- (a) If any provision of this Agreement is held invalid, illegal or unenforceable for any reason, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if this Agreement had been executed with the invalid, illegal or unenforceable provision eliminated.
 - (b) In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of this Agreement, the Authority and the Joint Service Providers shall immediately commence good faith negotiations to remedy such invalidity.
- 35.5 **Force Majeure:**
- (a) No party shall be liable to any other party for any delay in performing, or failure to perform, its obligations under this Agreement (other than a payment of money) to the extent that such delay or failure is a result of Force Majeure. Notwithstanding the foregoing, each party shall use all reasonable endeavours to continue to perform its obligations under this Agreement for the duration of such Force Majeure. However, if such Force Majeure prevents any party from performing its material obligations under this Agreement for a period in excess of three (3) calendar months, the Authority may terminate this Agreement with immediate effect by notice in writing.
 - (b) Any failure or delay by a Joint Service Provider in performing its obligations under this Agreement which results from any failure or delay by an agent or supplier of that Joint Service Provider shall be regarded as due to Force Majeure only if that agent or supplier is itself impeded by Force Majeure from complying with an obligation to the Joint Service Provider.
 - (c) If any party becomes aware of a Force Majeure event or occurrence which gives rise to, or is likely to give rise to, any such failure or delay on its part as described in clause 35.5(a), it shall immediately notify the other by the most expeditious method then available and shall inform the other of the period during which it is estimated that such failure or delay shall continue.
- 35.6 **Waiver:** A waiver of any term, provision or condition of, or consent granted under, this Agreement will be effective only if given in writing and signed by the waiving or consenting party and then only in the instance and for the purpose for which it is given. No failure or delay on the part of any party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

35.7 **Counterparts:** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

35.8 **Electronic signatures:** This Agreement may be:

- (a) executed by way of an electronic signature; and/or
- (b) exchanged electronically only, with no further exchange of hard-copy originals.

Such signature and/or electronically exchanged document will have the same legal effect, validity, enforceability and admissibility as if signed by hand, and executed and delivered in hard-copy original form.

Signatories

Executed by HIS MAJESTY'S
TREASURY acting by authorised
signatory:

[Authorised signatory 1]:

By _____

Name:

Title:

Date:

Executed by ***[RECIPIENT'S NAME]***
acting by [authorised signatory /
authorised signatories]:

[Authorised signatory 1]:

By _____

Name:

Title:

Date:

[Authorised signatory 2]:

By _____

Name:

Title:

Date:

Schedule 1 Definitions and Interpretation

1. In this Agreement, unless another meaning is necessary in the context of a provision of this Agreement:

Affiliates	means, in relation to a person, any other entity which directly or indirectly controls, is controlled by, or is under direct or indirect common control with, that person from time to time;
Applicable Law	means any applicable law, common law, Act of Parliament, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any Regulatory Body;
Authorised Sub-contractor	means a Sub-contractor listed in Schedule 7 (<i>Authorised Sub-contractors</i>);
Blocking Regulation	means Council Regulation (EC) 2271/96 as it forms part of the United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018;
Business Day	means any day other than a Saturday or Sunday or public holiday in England and Wales;
Change in Control	means a change in any Joint Service Provider's ownership that results in the decision-making capacity of that entity being exercised by a different group of shareholders, including as a result of the relevant Joint Service Provider demerging into two or more firms, merging with another firm, incorporating or otherwise changing its legal form;
Confidential Information	means any Information that has been designated as confidential by the Joint Service Provider or the Authority in writing or that ought to be considered confidential (however it is conveyed or on whatever media it is stored), including information the disclosure of which would, or would be likely to, prejudice the commercial interests of a party, which shall include: <ul style="list-style-type: none"> (a) Shared Personal Data; (b) any other information about a party's operations, business, affairs, Intellectual Property Rights, trade secrets, know-how and/or personnel; and (c) discussions, negotiations and correspondence between the Authority and Service Provider Personnel;
Contracting Authority	means any contracting authority as defined in Regulation 3 of the Public Contracts Regulations 2006 other than the Authority;
Controller	has the meaning to given to the term under Data Protection Law;

Costs	means the costs set out in Schedule 6 (<i>Costs</i>);
Crown Body	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf, including (without limitation) the Debt Management Office;
Data Protection Law	means all applicable data protection and privacy laws and regulations concerning the protection, privacy, access, exchange, security, collection, use, disclosure, and/or other processing of personal data including but not limited to the General Data Protection Regulation (EU) 2016/679 (GDPR), the GDPR as it forms part of the law of England and Wales by virtue of the European Union (Withdrawal) Act 2018 (as amended), the UK Data Protection Act 2018, the UK Data (Use and Access) Act 2025, and the Privacy and Electronic Communications Directive (EC Directive) Regulations 2003 (in each case as amended, updated or replaced from time to time and together with any subordinate or related legislation made under any of the foregoing);
Data Subjects	has the meaning given to the term under Data Protection Law;
Deliverables	means those deliverables listed in Error! Reference source not found. (<i>Schedule of Works</i>);
DIGIT	means the transferable security issued by the Authority on the DLT Platform;
DIGIT Smart Contract	means the configured and completed Smart Contract which meets the functionality requirements and characteristics of and is otherwise compatible with the issuance, distribution, settlement, lifecycle and redemption of the DIGIT (including as may be adapted or expanded from time to time);
DLT	means distributed ledger technology;
DLT Platform	means the DLT-based platform provided by the Joint Service Provider to the Authority pursuant to the Services;
DSD	means a digital securities depository within the meaning of the DSS;
DSS	has the meaning given in Regulation 3(1) of The Financial Services and Markets Act 2023 (Digital Securities Sandbox) Regulations 2023;
Environmental Information Regulations	means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;
Existing IPR	means, in respect of a party, any and all Intellectual Property Rights that:

	<p>(a) are owned, developed, acquired by or licensed to such party prior to the Effective Date; or</p> <p>(b) are owned, developed, acquired by or licensed to such party after the Effective Date but independently of this Agreement,</p> <p>and for the avoidance of doubt:</p> <p>(i) in the case of the Joint Service Providers, Existing IPR shall include all Intellectual Property Rights subsisting in the DLT Platform on or before the Effective Date; and</p> <p>(ii) in the case of the Authority, Existing IPR shall include all Intellectual Property Rights subsisting in the DIGIT on or before the Effective Date;</p>
FCA	means the Financial Conduct Authority;
FOIA	means the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation;
Force Majeure	<p>means any event or occurrence which is outside the reasonable control of the party concerned and which is not attributable to any act or failure to take preventative action by that party, including fire; flood; violent storm; pestilence; explosion; malicious damage; armed conflict; acts of terrorism; nuclear, biological or chemical warfare; or any other disaster, natural or man-made, but excluding:</p> <p>(a) any industrial action occurring within any Joint Service Provider's organisation; or</p> <p>(b) any failure by any Sub-contractor to perform its obligations under any contract.</p>
Fraud	means any offence under Applicable Laws creating offences in respect of fraudulent acts or at common law in respect of fraudulent acts in relation to the Contract or defrauding or attempting to defraud or conspiring to defraud a Contracting Authority or the Authority;
Gate 1	means the testing stage of the DSS, during which a sandbox entrant conducts testing and engages with regulators in connection with operating a trading venue or acting as a DSD;
Gate 2	means the go-live stage of the DSS, during which the participant is permitted to carry out live business under initial limits and holds the legal designation of a DSD and/or an authorised operator of a trading venue;
Gate 3	means the scaling stage of the DSS, during which the participant scales its business with a path towards full authorisation for DSDs,

	while holding the legal designation of a DSD and/or an authorised operator of a trading venue;
Gate 4	means the potential authorisation stage of the DSS, whereby the participant may gain full authorisation to operate outside the DSS for DSDs under a possible new permanent regime, with a new category of 'Financial Market Infrastructure' to be decided;
Good Industry Practice	means standards, practices, methods and procedures conforming to the Applicable Law and the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged in a similar type of undertaking under the same or similar circumstances and any other quality standards set out in this Agreement;
Group	means the collective group of the Joint Service Providers;
Information	means all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form);
Initial Contract Period	means the period from the Effective Date to the date of expiry set out in clause 1.1, or such earlier date of termination of this Agreement in accordance with the provisions of this Agreement;
Insolvent or Insolvency	<p>means the occurrence of any of the following events or circumstances in respect of a Joint Service Provider:</p> <ul style="list-style-type: none"> (a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other scheme of arrangement or arrangement with, or assignment for the benefit of, its creditors; or (b) a shareholders', members' or partners' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or (c) a petition is presented for its winding-up (which is not dismissed within 14 calendar days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or (d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or (e) an application order is made either for the appointment of an administrator or for an administration order (which is not dismissed or

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- withdrawn within 14 calendar days of its being made), an administrator is appointed, or notice of intention to appoint an administrator is given; or
- (f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or
 - (g) the Joint Service Provider suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business; or
 - (h) a creditor or encumbrancer attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Joint Service Provider's assets and such attachment or process is not discharged within 14 calendar days; or
 - (i) in the reasonable opinion of the Authority, there is a material detrimental change in the financial standing and/or the credit rating of the Joint Service Provider which:
 - (i) adversely impacts the Joint Service Provider's ability to supply the Services in accordance with this Agreement; or
 - (ii) could reasonably be expected to have an adverse impact on the Joint Service Provider's ability to supply the Services in accordance with this Agreement; or
 - (j) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium in respect of the Joint Service Provider comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
 - (k) the Joint Service Provider being an individual dies or is adjudged incapable of managing their affairs within the meaning of Part VII of the Mental Health Act 1983; or
 - (l) the Joint Service Provider being an individual or any partner or partners in the Joint Service Provider who together are able to exercise control of the Joint Service Provider where the Joint Service Provider is a firm shall at any time become bankrupt or shall have a receiving order or administration order made against them, or shall make any composition or arrangement with or for the benefit for their creditors, or shall make any conveyance or

	<p>assignment for the benefit of their creditors, or shall purport to do any of these things, or appears or appear unable to pay or to have no reasonable prospect of being able to pay a debt within the meaning of section 268 of the Insolvency Act 1986, or they shall become apparently insolvent within the meaning of the Bankruptcy (Scotland) Act 1985, or any application shall be made under any bankruptcy or insolvency act for the time being in force for sequestration of their estate(s) or a trust deed shall be granted by them on behalf of their creditors; or</p> <p>(m) any event similar to those listed above occurs under the law of any other jurisdiction;</p>
Intellectual Property Rights	means patents, inventions, trade marks, service marks, logos, design rights (whether registerable or otherwise), applications for any of the foregoing, copyright, database rights, domain names, trade or business names, moral rights and other similar rights or obligations whether registerable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing-off;
IPR Claim	means any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR used to provide the Services or as otherwise provided and/or licensed by the Joint Service Providers (or to which the Joint Service Providers have provided access) to the Authority in the fulfilment of its obligations under this Agreement;
Issuance Date	means the date of issuance of the DIGIT;
Lead Supplier	means the member of a Group, specified in this Agreement, who will act as the lead contact for the Joint Service Providers throughout the Term of this Agreement, in accordance with its obligations under clause 3;
Losses	means claims, proceedings, actions, damages, loss, costs, injury, legal or other professional costs, expenses and any other liabilities whatsoever (including, without limitation, in respect of any death or personal injury, loss of or damage to property, loss of data or information, breach of confidentiality or financial loss);
Milestones	means those milestones listed in Error! Reference source not found. (Schedule of Works) ;
National Loans Fund	means the National Loans Fund established under section 1 of the National Loans Act 1968;
New IPR	<p>means all Intellectual Property Rights:</p> <p>(a) in the Deliverables (and any updates and/or amendments to them);</p>

	<p>(b) in any coding specific to the DIGIT or otherwise requested by the Authority (and any updates and/or amendments to them);</p> <p>(c) in the DIGIT Smart Contract, including all information constituting the DIGIT Smart Contract (and any updates and/or amendments thereto);</p> <p>(d) in any other items or materials created by the Joint Service Providers (or by a third party on behalf of a Joint Service Provider) specifically for the Authority or for the purposes of this Agreement (and updates and amendments of the same); and/or</p> <p>(e) in or arising as a result of the performance of the Joint Service Provider's obligations under this Agreement (and all updates and amendments to the same),</p>
	but shall not include the Joint Service Providers' Existing IPR;
Opportunity Benefit	means the opportunity afforded to the Joint Service Providers by the Authority to participate in and derive commercial benefit from participating in the DIGIT initiative;
Personal Data	has the meaning given to this term under Data Protection Law;
Personal Data Breach	has the meaning given to this term under Data Protection Law;
Platform and Issuance Documentation	means subsequent contractual documentation entered into between the Authority and the Joint Service Providers for the issuance and servicing of the DIGIT, or other platform documentation;
Processing	has the meaning given to this term under Data Protection Law;
Receiving Party Personnel	means employees, agents, consultants, directors, officers and any service providers of the Receiving Party;
Regulatory Bodies	means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in this Agreement or any other affairs of the Authority, including (without limitation) the Financial Conduct Authority, Prudential Regulatory Authority and the Bank of England;
Request for Information	shall have the meaning set out in the FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term "request" shall apply);
Sanctioned Territory	means any country, region or territory that is the target or subject of comprehensive sanctions imposed under Sanctions Laws, being, as of the Effective Date, Cuba, Iran, North Korea, Venezuela, the Crimea region of Ukraine, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, and

	the non-Ukrainian-controlled areas of Zaporizhzhia and Kherson regions;
Sanctions Authority	means the United Kingdom, the European Union (or any of its respective Member States), the United States, and the United Nations Security Council, and their respective governmental, judicial or regulatory institutions, agencies, departments and authorities responsible for administering, implementing or enforcing sanctions, including (without limitation) the Authority, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State and the U.S. Department of Commerce;
Sanctions Laws	means any laws or regulations relating to economic or financial, trade, immigration, aircraft, shipping or other sanctions, export controls, trade embargoes or restrictive measures from time to time imposed, administered or enforced by a Sanctions Authority;
Sanctions List	means any of the lists issued or maintained by a Sanctions Authority designating or identifying persons that are targeted under Sanctions Laws, in each case as amended, supplemented or substituted from time to time, including (without limitation) the UK Sanctions List, the EU Consolidated List, the Specially Designated Nationals and Blocked Persons List maintained by OFAC, and the Consolidated United Nations Security Council Sanctions List;
Sanctions Target	means: <ul style="list-style-type: none"> (a) any individual or entity that is listed on a Sanctions List; 1.2 any individual or entity that is resident, domiciled or located in, or incorporated or organised under the laws of, a Sanctioned Territory; 1.3 any entity that is, individually or in the aggregate, directly or indirectly, 50% or more owned or otherwise controlled by, or acting on behalf of, any of the foregoing; or (b) any individual or entity that is otherwise a target of restrictions under the Sanctions Laws;
Service Level	means the service levels set out in Error! Reference source not found. (Schedule of Works) ;
Service Provider Personnel	means all employees, agents, consultants, directors or officers and service providers of the Joint Service Provider and/or of any Sub-contractor;
Shared Personal Data	means any Personal Data shared between the parties or processed under or in connection with the Services;
Smart Contract	means executable computer code that defines a dataset underpinning applications operated on the DLT Platform, which run when predetermined conditions are met;
Sub-contract	means any contract or agreement or proposed contract or agreement between the Joint Service Provider and any third party whereby that third party agrees to provide to the Joint Service Provider the Services or any part thereof or facilities or services

	necessary for the provision of the Services or any part thereof or necessary for the management, direction or control of the Services or any part thereof;
Sub-contractor	means any third party with whom a Joint Service Provider enters into a Sub-contract or its servants or agents and any third party with whom that third party enters into a Sub-contract or its servants or agents;
Template Smart Contract	means the standard form Smart Contract that the Service Provider makes available for configuration to the requirements of the DIGIT;
Tender Documents	means the documents published by the Authority on 7 October 2025 on the "Find a Tender" service (reference 062967-2025) with respect to the provision of services to the Authority for the DIGIT issuance; and
Trade Mark(s)	means the registered and unregistered trade marks, detail of which are set out in Schedule 9 (<i>Trade Marks</i>).

2. Definitions and interpretation

- (a) References to "this Agreement" means this document called the "Letter of Engagement" and its schedules (including their appendices), and other documents attached to or otherwise expressly incorporated in this Agreement, as amended from time to time in accordance with this Agreement.
- (b) References to this Agreement (or any part of it) include any amendments made to it (or any part of it) from time to time in accordance with its terms.
- (c) For the purposes of the interpretation of this Agreement (or any part of it):
 - (i) any reference to this Agreement (or any part of it) includes its relevant background, appendices and schedules;
 - (ii) the title of the clauses, paragraphs, sections and schedules are added exclusively to facilitate reference and will not be used to interpret this Agreement (or any part of it);
 - (iii) the use of the terms "include", "including" and/or "particularly" implies that the enumeration or illustration that follows them is not limiting or exhaustive;
 - (iv) words in plural will cover the singular and vice versa;
 - (v) any reference to a person includes:
 - (A) a natural person, corporate or unincorporated body (whether or not having separate legal personality); and
 - (B) its permitted assignees and/or successors;
 - (vi) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time; and

- (vii) a reference to other documents within this Agreement (or any part of it) is a reference to such documents as amended from time to time.

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Schedule 2 Statement of Requirements

[Insert the following provisions of the final version of Attachment 3 – Statement of Requirements, adapted as appropriate to align with other provisions in the Agreement and to remove references to the procurement process: Section 5 (The Requirements); Section 10 (Social Value); Section 11 (Quality); Section 13 (Staff and Customer Service); Section 14 (Service Levels and Performance); Section 21 (Contract Management); and Section 22 (Location)]

DRAFT

Schedule 3 Schedule of Works

[To be discussed with the winning bidder]

DRAFT

Schedule 4 Final Tender Response

[Insert winning Joint Service Providers' final tender response, as amended in agreement with the Authority prior to the Effective Date]

DRAFT

Schedule 5 Clarificatory Questions

[Insert final clarificatory questions]

DRAFT

Schedule 6 Costs

[Insert completed DLT Price Schedule submitted by the winning Joint Service Providers as part of their formal tender response, as amended in agreement with the Authority prior to the Effective Date]

DRAFT

Schedule 7 Authorised Sub-contractors

[To be completed]

DRAFT

Schedule 8 Variation Form

[To be provided to the winning bidder]

DRAFT

Schedule 9 Trade Marks

[To be provided to the winning bidder]

DRAFT

Schedule 10 Business Continuity

[Insert the business continuity plan submitted by the winning Joint Service Providers]

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