

XALGORITHMS ALLIANCE ACCESSION AGREEMENT (XAAA)

THIS AGREEMENT IS AMONGST:

Xalgorithms Foundation (XF), a not-for-profit Canadian federal corporation governed by the laws of Ontario, Canada, and by the Canada Not-for-Profit Corporations Act.

Federal Corporation Corporation Number: 9537775

Business Number: 794071522RC0001

- and -

All other signatories to *Xalgorithms Alliance Accession Agreements*, who collectively form an unincorporated contractual association named **Xalgorithms Alliance (XA)** (Members),

The number of Members is unlimited.

A list of current Members is maintained at the following URL:

<https://www.xalgorithms.org>

- and -

_____, the undersigned,
who hereby becomes a Party to **Xalgorithms Alliance (XA)** (a Member).

PURPOSE:

Xalgorithms Alliance is comprised of organizational and individual members who collaborate to resource, conceptualize, create, document, deploy, promote, protect and advance free/libre/open source software, protocols, services and use-cases to enable a distributed, general-purpose method for any person to author, publish, discover, fetch, scrutinize, prioritize and optionally automate rules on digital networks and over the Internet with precision, simplicity, scale and speed.. We refer to the system specification as “oughtomation”, and to the outcome as “an Internet of Rules”.

Xalgorithms Foundation Inc. operates globally from Ottawa, Canada. It serves as the organizational home for strategy, project portfolio management, acquisitions and contracts management, administrative coordination and as financial trustee of Xalgorithms Alliance.

THE PARTIES agree as follows:

ARTICLE 1: CATEGORIES OF MEMBERSHIP

Xalgorithms Alliance has five categories of Member, defined below. Each Member category involves a contribution commitment, as detailed in Schedule A. Member participate directly in the Foundation's activities, and/or in the Working Groups as described below..

Strategic Implementers

Strategic Implementers provide the core funding as well as complementary business and technical research for the development and deployment of the free/libre/open components for an Internet of Rules.

The not-for-profit Xalgorithms Foundation Board of Directors includes representatives of Strategic Implementer organizations.

Experimenting Implementers

Experimenting Implementers provide a moderate amount of funding as well as complementary business and technical research towards the experimental development and deployment of an Internet of Rules in their respective contexts.

Experimenting Implementers can be invited by the Board to attend or speak at meetings of members, but they do not vote, and generally do not receive notice of or attend such meetings.

Experimenting Implementers making outstanding contributions to the mission may be invited to participate on the Board of Directors of the not-for-profit Xalgorithms Foundation.

Developers & Researchers

Developers & Researchers participate in business and technical research towards the experimental development and deployment of an Internet of Rules. If they wish to be "members" of Xalgorithms Alliance, these individuals or organizations pay an annual fee to support basic member services.

Developers & Researchers making outstanding contributions to the mission may be invited to participate on the Board of Directors of the not-for-profit Xalgorithms Foundation.

R&D Donors

R&D Donors provide grants and contributions supporting business and technical research towards the experimental development, deployment and use of an Internet of Rules.

R&D Donors making outstanding contributions may potentially be invited to participate on the Board of Directors of the not-for-profit Xalgorithms Foundation.

External Advisors

External Advisors are individuals whose intellectual and/or organizational contributions would result in significant benefits relating to the mission of Xalgorithms Alliance. They receive no compensation as External Advisors, but may be reimbursed for direct expenses required by their service.

An individual can be designated an External Advisor upon adding his or her signature to a

nomination form issued by the Board. This designation is retained at the discretion of the Board.

External Advisors can be invited by the Board to attend or speak at meetings of members, but they do not vote, and generally do not receive notice of or attend such meetings.

The Xalgorithms Community of Interest

Individuals interacting with Xalgorithms Alliance via communications channels hosted by Xalgorithms itself, constitute a voluntary, informal learning and knowledge-sharing community of interest. Participation through these channels occurs in their individual capacities, driven by their particular interests and views, which may or may not reflect any official stances of other organizations in which they happen to work.

Our shared interest is the development and evolution of an open standard way to publish and to fetch computational algorithms over the Internet, with particular attention to advancing the fairness and efficiency of markets through algorithmic commerce.

Board Members

Formal roles, rights and responsibilities of Board Members for Xalgorithms Foundation are described and established in the Foundation's bylaws. They receive no compensation as Board Members, but may be reimbursed for direct expenses required by their service.

Membership on the Board involves people in their individual capacities. Their guidance is shaped and inspired by their respective insights and views, which may or may not reflect the official stances of other organizations in which they happen to work.

Xalgorithms Working Groups

Xalgorithms Working Groups convene business, government, academic and/or not-for-profit organizations, as well as informal civil society communities and interested individuals, to solve a category of problems through use of the oughtomation method (i.e. "use cases"). Each Working Group operates for the purposes and within the scope documented in their written charter.

A Working Group under the Xalgorithms Alliance umbrella commences when its charter is supported in a resolution of the Board of Xalgorithms Foundation. A charter includes the following sections:

- Issue to be Addressed
- Outcome to be Pursued
- How Oughtomation Helps
- Contact Information
- Annex: Tentative First-Year Workplan

The governance style and expectations for Xalgorithms-hosted Working Groups is primarily modelled upon on the practices of IETF Working Groups:

- <https://www.ietf.org/how/wgs/>
- <https://www.ietf.org/about/participate/tutorials/process/working-group-leadership-training/>

The funds apportioned to Working Groups under the Xalgorithms umbrella are managed directly as project funds of the Working Groups themselves. This budgetary allocation is informal to ensure that urgent matters affecting the core system can be addressed as necessary (e.g. response to a major cybersecurity issue). Overall accounting and independent audit of the hosted working groups remains a function of Xalgorithms Foundation. Notwithstanding the above, the participating entities of any Xalgorithms-hosted Working Group have the prerogative to set up an account and autonomously manage funds in a manner that is independent of Xalgorithms Foundation.

An annually negotiated apportionment from each Working Group is allocated to Xalgorithms Foundation to fulfill its core functions, as follows:

- Serve as the responsible technical steward of the Oughtomation specification and reference implementations, hosting the core Oughtomation Working Group to design, produce, test, maintain and document the specification and reference implementations, and to ensure that they operate well as a loosely-coupled system to express, publish and fetch computational algorithms on the Internet.
- On request, provide administrative support to all Xalgorithms Working Groups;
- On request, provide research and communications support to all Xalgorithms Working Groups and their members.

ARTICLE 2: THE FREE/LIBRE/OPEN WAY

2.1 General Principles

Xalgorithms Alliance relationships and operations are simultaneously aligned with both the demand-side perspective of The Free Software Definition (i.e. user freedoms), and the supply-side perspective of The Open Source Software Definition (i.e. developer principles), as summarized in Table 1.

2.3 Contributor Agreement

The parties wish to ensure that contributions to Xalgorithms Alliance projects have acceptable licensing terms without requiring intellectual rights assignment. This section is adapted from the *Fedora Project Contributor Agreement, Version 2015-02-03*, and relies on its definitions. This text may be updated from time to time, as the original source evolves:

https://fedoraproject.org/wiki/Legal:Fedora_Project_Contributor_Agreement?rd=Legal:FPCA

2.3.1 Consistency of Intellectual Rights Title

Unless otherwise agreed in writing, each Contributor of works to Xalgorithms Alliance projects retains ownership of their respective title to any copyright, moral rights, industrial design, patent or trademark assets.

Table 1
Complementary Perspectives that Jointly Define
the *Free/Libre/Open Way (FLOW)* in Software

<u>Demand-Side Perspective:</u> <i>The Free Software Definition</i> (Free Software Foundation, 1996) https://gnu.org/philosophy/free-sw.html	<u>Supply-Side Perspective:</u> <i>The Open Source Software Definition</i> (Open Source Initiative, 1998) http://opensource.org/osd-annotated
<p>A computer program is distributed free/libre when <i>anyone who obtains it</i> retains the following freedoms:</p> <p>Freedom 0: Freedom to run the program for any purpose.</p> <p>Freedom 1: Freedom to study how the program works, and adapt it to one's needs. Unencumbered access to the source code is a precondition for this.</p> <p>Freedom 2: Freedom to copy the program and to redistribute copies.</p> <p>Freedom 3: Freedom to improve the program, and release any modified versions. Unencumbered access to the source code is a precondition for this.</p>	<p>A computer program is distributed open source when <i>anyone who distributes it</i> abides by the following principles:</p> <p>Permit free redistribution Publish source code Welcome derivative works Respect integrity of author's source code Ensure the license is technology-neutral Do not discriminate against persons or groups Do not discriminate against fields of endeavour Do not link with non-disclosure agreements Do not tie the license to a particular product Do not restrict other software's terms and conditions</p>

2.3.2 Intellectual Rights Permission Required for All Contributions

If the Committer is not the intellectual rights holder of a given Contribution that the Committer wishes to Submit to Xalgorithms Foundation (for example, if the Committer's employer or university holds copyright in it), it is the Committer's responsibility to first obtain authorization from the copyright holder and to Submit the Contribution under the terms of this Agreement on behalf of, or otherwise with the permission of, that copyright holder. One form of such authorization is for the copyright holder to place, or permit the Committer to place, an Acceptable License for Xalgorithms Foundation on the Contribution.

2.3.3 Licensed Contributions

If the Committer's Contribution is Licensed, the Contribution will be governed by the terms under which it has been licensed.

2.3.3. Default Licensing of Unlicensed Contributions

If the Committer Submits an Unlicensed Contribution to Xalgorithms Foundation, the license to the Xalgorithms Alliance Community for that Contribution shall be one of the Current Default Licenses, as determined by Xalgorithms Foundation. The following default licenses are used for the distribution of XA works:

Apache 2.0 or a more recent version: <https://www.apache.org/licenses/LICENSE-2.0>

AGPL 3.0 or a more recent version: <https://www.gnu.org/licenses/agpl-3.0.en.html>

LGPL 3.0 or a more recent version: <https://www.gnu.org/licenses/lgpl.html>

CC-by 4.0 or a more recent version: <https://creativecommons.org/licenses/by/4.0/>

On an ad hoc basis, other free/libre/open source licenses may, by public announcement, be used by Xalgorithms Foundation to align with the participation requirements other organizations, to meet particular requirements not accommodated in the above licenses.

Xalgorithms Foundation may also, by public announcement, subsequently designate an additional or alternative default license for a given category of Contribution (a "Later Default License"). A Later Default License shall be chosen from the appropriate categorical sublist of Acceptable Licenses For Xalgorithms Alliance.

Once a Later Default License has been designated, the Committer's Unlicensed Contribution shall also be licensed to the Xalgorithms Alliance under that Later Default License. Such designation shall not affect the continuing applicability of the Current Default License to the Committer's Contribution.

The Committer consents to having Xalgorithms Foundation provide reasonable notice of licensing of the Committer's Contribution under one or more of Current Default Licenses (and, if applicable, a Later Default License) in a manner determined by Xalgorithms Foundation.

2.3.4 Public Domain Works

Sections 2.3.1 through 2.3.3 of this Agreement do not apply to any Contribution to the extent that it is a work designated as Public Domain within its primary source jurisdiction.

2.3.5. Acceptance

Each Member of Xalgorithms Alliance must signify assent to the terms of this Agreement through specific electronic means established by Xalgorithms Foundation.

The default method is to send a copy of this Agreement, bearing a digital or written signature indicating the individual's or organization's acceptance of its terms, by email to info@xalgorithms.org or by postal mail to:

Xalgorithms Foundation
50 Hines Road, Suite 240
Ottawa, Ontario, Canada K2K 2M5

**ARTICLE 3:
MANAGEMENT OF CONFIDENTIAL INFORMATION AND PRIVATE INFORMATION**

3.1 Definitions

Although Xalgorithms Alliance aligns to the Free/Libre/Open Way (FLOW), nonetheless communication by Parties to this Agreement can sometimes include the exchange of information that is deemed confidential (“Confidential Information”) and/or private (“Private Information”).

- (a) Confidential Information (e.g. regarding opportunities, strategies, plans, improvements, direct extensions, and/or derivative ideas, products or services) derives its actual or potential market value from not being generally known or readily ascertainable within a given context. Confidential Information *loses its confidential status* if it becomes generally available to the public, or if it is required to be disclosed by law or by the applicable regulations or policies of any regulatory agency of a competent jurisdiction or any securities or stock exchange.
- (b) Private Information is information which has been provided for specific purposes by one or more individuals and which they can reasonably expect will not be made public. Private Information *retains its private status* even if it becomes generally available to the public, or if it is required to be disclosed by law or by the applicable regulations or policies of any regulatory agency of a competent jurisdiction or any securities or stock exchange.

3.2 Responsibilities

- (a) No information that has been identified as Confidential Information or Private Information should be included in communications within the context of Xalgorithms Alliance business under this Agreement other than within the expressed restrictions. All participants in such communications shall be informed that the revealed information is Confidential Information or Private Information, in which cases its disclosure must be limited to those amongst their colleagues, employees, employers, partners, agents, advisors, affiliates, representatives or stakeholders who need to know the Confidential Information or Private Information in connection with the described purposes or contexts.
- (b) No part of this Agreement or its Schedules contains Confidential Information or Private Information.

ARTICLE 4: RENEWAL, WITHDRAWAL, TERMINATION, ASSIGNMENT

4.1 Renewal

Members will be notified three months prior to the anniversary date of their Accession Agreement that they can renew with a payment prior to that date, or they may passively let their Membership lapse. A Membership that has lapsed may be reinstated, from the date of a new Accession Agreement.

4.2 Withdrawal

Prior to the anniversary date, any Member may withdraw from the Xalgorithms Alliance and terminate future payments.

A withdrawing Member is not entitled to the return of any cash, goods or entitlements previously contributed, unless otherwise agreed in writing with Xalgorithms Foundation. Nevertheless, taking into account particular circumstances, Xalgorithms Foundation may elect to refund all or part of the withdrawing Member's contributions in cash or in kind.

4.3 Termination

Based on a vote of 3/5ths (60%), the Xalgorithms Foundation Board may unilaterally terminate any Member under this Alliance Agreement.

- (a) Termination of Membership shall be accompanied by a letter of explanation signed by the Executive Director of Xalgorithms Foundation and within 30 days, the proportional reimbursement of funds based upon calendar time remaining prior to the anniversary date of the Alliance Agreement. The letter of explanation will be treated as confidential by Xalgorithms Foundation, except to the extent that the terminated party provides public access to any part of the letter.
- (b) In the event of a termination, the Parties shall endeavour to constrain any consequent disruptions to within the scope of their respective operations and teams, balancing their mutual obligations for transparency with overall business diplomacy.

4.4 Permanent Transfer or Temporary Assignment

Rights or obligations established under this Agreement may be permanently transferred or temporarily assigned to another Person only with a written and duly signed agreement between a representative of Xalgorithms Foundation and the Transferee/Assignee, whereupon the Transferor/Assignor will not be a Party to this Agreement.

4.5 Obligations that Survive Withdrawal, Termination, Transfer or Assignment

Upon the lapsing, withdrawal, termination, transfer or assignment of an Accession Agreement:

- (a) Even if a Party is deemed no longer a Party to this Agreement, nevertheless certain other formal business commitments relating to Xalgorithms Alliance and undertaken whilst party to this Agreement would survive (e.g. software licenses, other contracts, termination obligations).
- (b) Confidential Information of, and relating to, the former Parties to an Accession Agreement will persist until 2 years after the termination of this Agreement. Confidential Information more than 2 years old from the date of the most recent interaction between the Parties shall no longer be considered confidential.
- (c) Private Information shall remain restricted indefinitely.

ARTICLE 5: CERTAIN RULES OF INTERPRETATION

5.1 Jurisdiction

In this Agreement:

- (a) Currency - Unless otherwise specified, all financial amounts are denominated in the Canadian dollar.
- (b) Governing Law - This Agreement is a contract made under, governed by and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario.
- (c) Severability – Should any provision of this Agreement become invalid, illegal or unenforceable, that provision does not affect the validity of the remaining provisions of the Agreement. The Parties will promptly negotiate a valid and practicable provision that on the *cy près* principle, fulfills the business purpose of the original provision.

5.2 Notices

- (a) Any notice, consent or approval required or permitted to be given in connection with this Agreement (a “Notice”) must be in writing and is sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by e-mail or physical address, at the physical address or e-mail address of the applicable Party contained in the Registry of Members. A Notice issued to a physical address or an email shall be reciprocated by an acknowledgement of receipt by the addressee, except in extenuating circumstances.
- (b) Any Notice delivered or transmitted to a Party as provided above is deemed to have been given and received on the day it is delivered or transmitted if it is delivered or transmitted on a business day prior to 5:00 pm. local time in the place of delivery or receipt. If the Notice is delivered or transmitted after 5:00 pm. local time or if such day is not a business day, then the Notice is deemed to have been given and received on the next business day. Any party may, from time to time, change its address by giving Notice to the other Parties in accordance with the provisions of this Section.

5.3 Amendment

- (a) An amendment of this Agreement is binding on all parties without further action if both of the following steps are completed:
 - i. A written resolution detailing the amendment is approved by at least 60% of the Xalgorithms Foundation Board of Directors; and also,
 - ii. Written acknowledgement or acceptance of the amendment is received from the email listed on the currently active signed Agreement, or by some other easily accessible electronic method designated by the Board, from at least 60% of all current signatories of Xalgorithms Alliance Accession Agreements, who shall be deemed to represent Xalgorithms Alliance.
- (b) Forthwith following the effective date of an amendment to the Agreement, Xalgorithms Foundation will publish on its website at <http://www.xalgorithms.org> both the new copy of the Agreement, and a “change control” copy in which all amendments can be readily seen.
- (c) If any amendment to this Agreement lacks the written consent of some Parties, the Executive Director of Xalgorithms Foundation will forthwith send a notice to the email listed on the currently active signed Agreement including the URL(s) to both the new copy of the Agreement, and a “change control” copy in which all amendments can be readily seen.

ARTICLE 6: ACCEPTANCE

The parties may execute this Agreement in counterparts and this Agreement may be executed and delivered by electronic means, and all such counterparts together constitute one composite agreement.

6. Signatures

Acceptance Date

Signature

Name

Organization Name (if applicable)

Official Contact Email "FirstName LastName" <email>

Ratification Date (DD, MM, YYYY)

Joseph Potvin, Executive Director

Xalgorithms Foundation
50 Hines Road, Suite 240
Ottawa, ON, Canada K2K 2M5

SCHEDULE A

XALGORITHMS ALLIANCE FUNDING CONTRIBUTIONS

Categories

Xalgorithms Foundation is resourced solely through financial and in-kind grants and contributions in five categories:

- **Strategic Implementers** make a CAD\$100,000 annual contribution, and they also arrange for an equivalent in-kind commitment to joint research and development.
 - Core funding;
 - Sustained collaboration in business and technical research;
 - Vote and stand for election as member of the foundation Board.

- **Experimenting Implementers** make a CAD\$10,000 annual contribution, and they also arrange for an equivalent in-kind commitment to joint research and development.
 - Moderate funding;
 - Sustained collaboration in business and technical research;
 - Can be invited to vote on the composition of the foundation board.

- **Developers & Researchers** make a CAD\$500 annual contribution towards member services that directly or indirectly assist the participatory nature of Xalgorithms Alliance research and development.
 - Ad hoc collaboration in commercial and technical research;
 - Can be invited to vote on the composition of the foundation board.

- **R&D Donors** provide grants and contributions supporting business and technical research towards the experimental development and deployment of an Internet of Rules.
 - Grants and ad hoc contributions in support of business and technical research;
 - Can be invited to vote on the composition of the foundation board.

- **Board Members and External Advisors** provide in-kind consultative assistance towards the development and deployment of an Internet of Rules. They contribute no funds and receive no compensation. However they may be reimbursed for direct expenses arising from their service.

Payment Method

Payment can be made via direct deposit to:

Xalgorithms Foundation,
50 Hines Road, Suite 240,
Ottawa, Canada K2K 2M5
RBC Bank Account #1079433
Transit #00006, Institution #003,
Wire transfer: SWIFT #ROYCCAT2

Alternative payment methods can be arranged.

Charter Signatory Discount for the First Strategic Implementers

The first-year financial contribution of the first **Strategic Implementer** entity in each of the following categories is discounted by 40%. This is calibrated to offset the higher financial expenditure and personnel effort that is typically associated with being the first entity of a category to think through and arrange for participation in a novel and highly visible research and development initiative of this type.

- Government entity
- Banking/finance entity
- Commerce/trade entity
- Goods/services production entity
- Civil-Society entity

Subsequent signatories of the Xalgorithms Alliance Accession Agreement will learn and benefit from the substantial preparatory work that the first movers undertake.

This discount is not intended or expected to alter the first-mover's benefit/risk assessment.

SCHEDULE B

MEMBER INFORMATION OBTAINED WITH EACH ACCESSION AGREEMENT

This information is not Confidential or Private, and will be available on the Foundation's website:

Date of Accession to the "Xalgorithms Alliance Accession Agreement"

Acceptance of the provisions of the Accession Agreement

Name of Individual (individually or on behalf of an entity)

Entity Name (if the Member is an entity)

Legal address

This information will be managed as Private by default, and Members will have the option to reveal it:

Contact information for communications between the member and Xalgorithms Foundation