

# Safety by Design

## Model clauses for due diligence arrangements and funding agreements



# Model clauses

## Due diligence

The following are example clauses you could use before proceeding to a formal funding agreement:

- 1 | [Entity] must complete the eSafety Assessment Tool for Start-ups and give the results to [venture capital firm].
- 2 | Any gaps will be resolved with [venture capital firm] before [insert any deadline and contingencies as required].

## Pre-conditions to funding agreements

The following are example clauses that could be used as a condition for funding:

### A. Policies

[Entity] will have the following policies and procedures in place before trading:

- 1 | A formal safety review process, including safety and vulnerability testing on all features.
- 2 | A direct reference to safety in your corporate values or mission statement.
- 3 | Internal policies that address how you deal with the full range of online harms (e.g. child sexual abuse and exploitation, image-based sexual abuse, bullying and harassment, violent and graphic content, suicide and self-harm, violent extremism/terrorism).
- 4 | Moderation practices to manage behaviour on your service. This could be in-house, outsourced, community driven or a hybrid approach.
- 5 | Processes to detect and flag up illegal conduct and content to prevent harm before it occurs.
- 6 | Systems to notify law enforcement, support services and illegal content hotlines of illegal activity.
- 7 | Enforcement processes to address breaches of your terms of service/community standards.

### B. Staffing/personnel

- 1 | [Entity] will have at least one person responsible for implementing Safety by Design measures. This person must report to the board on a quarterly basis and have reporting lines directly to [CEO].
- 2 | [Entity] will have [number] dedicated and trained staff responsible for responding to reports, complaints and violations relating to user safety.

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## Pre-conditions to funding agreements

### C. Training

- 1 | Induction and ongoing annual training for all staff on online harms and user safety.

### D. External communication

[Entity] will provide:

- 1 | Clear public guidance on how users should behave on your service.
- 2 | Tools allowing users to manage their own safety, including default safety settings set to the highest level.
- 3 | Tools enabling users to lodge complaints.
- 4 | A complaints-handling process with realistic timeframes for responses and an appeals process.
- 5 | Regular communication informing users about safety policies, features and advice on your service.

Please note: further information on Safety by Design, including an investment checklist and value proposition for the financial community, are available on the Safety by Design website

[esafety.gov.au/sbd](https://esafety.gov.au/sbd)

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