

The Internal Case for a Custody Project

A committee briefing for one real decision

A focused briefing to help a cross-functional committee define one custody workflow, its owners and the evidence required to evaluate it.



Conceptual illustration: five review perspectives, one shared decision.

OPENING CONTEXT

Give one custody workflow a decision frame

Use this briefing when a treasury, security, operations and engineering group needs to decide whether to move one digital asset workflow into a formal custody project.

The decision is smaller than building a digital asset strategy. Pick one workflow. In this illustration, the project is a controlled treasury transfer service for an institution that already holds digital assets and needs a repeatable way to move them between approved accounts and external recipients.

The scenario is illustrative. Replace it with your own assets, entities, jurisdictions and operating responsibilities.

Blockstream Enterprise provides isolated hardware security modules to protect private keys, configurable roles and permissions, segregated accounts, policy controls and a cryptographic audit trail for system updates. [1]

One workflow. Named owners. An agreed evidence gate.

This briefing organizes a decision. It does not decide legal custody, configure policy or certify residual risk.

Start with the decision the committee can make

The committee decides whether this workflow has a control design, an accountable operator and enough evidence to proceed to a scoped evaluation.

Ask the sponsor to put four items on the table. Trace the proposed implementation from request through approval, signing and network submission, and ask where changed conditions are checked.

Transaction flow	Show the intended flow from request through network submission.
Custody responsibility	Name the legal entity responsible for custody and the technology provider's role.
Signing controls	Define the controls enforced before signing.
Evidence gate	Agree on evidence and test results required before a pilot or production decision.

These product facts are inputs to the institution's requirements. They do not decide who is the legal custodian, which policies should be configured or whether the institution accepts the residual risk.

Translate the project across the room

Each team contributes to the same project scope and evidence gate. Use the questions below to expose a shared project model. A feature list does not answer them.

Treasury	Can an authorized operator propose a transfer without unilateral signing authority? What happens when the recipient, amount, timing or account changes?
Security	Where is signing material generated and held? What is the hardware security boundary? Which roles can propose, approve, administer or change policy? How will access be revoked and recorded?
Operations	Who watches requests, handles rejection and reconciles the result? Can a reviewer connect the request, approvals, signing event and network submission?
Engineering	Which systems connect to the workflow? What is the integration owner, deployment model and support responsibility? What can be tested with a representative asset and test environment?
Legal and compliance	Which entity holds the relevant obligations? What evidence is needed for the intended jurisdiction and asset? Which assurance terms require separate review of entity, period, scope and exclusions?

03 / ILLUSTRATIVE PROJECT

Scope one hypothetical project and its evidence

Illustrative scenario: a treasury team wants a repeatable approval path for transfers between two segregated accounts and a defined set of approved recipients. No production migration is included.

Business	Define the transfer class and measure any time effect in the institution's own workflow. Do not assume a return.
Security	No single operator both initiates and provides the required final authorization for the selected class. Test a recipient or permission change after approval.
Operations	Name the owner for monitoring, reconciliation, incident escalation, rejected requests and recovery or exit.
Engineering	Document account, recipient and transaction data sources, integration ownership and records needed to correlate request, policy, approval, signing and submission.
Legal and compliance	Record the contracting custody entity, asset scope, jurisdiction, review owner and the actual scope of any assurance material.

EVIDENCE TO BRING TO THE NEXT GATE

- Architecture and trust boundaries
- Role and permission map
- Policy-change workflow
- Controlled demonstration of the selected flow
- Correlated records
- Recovery or exit procedure
- Written owners for unresolved items

All accounts, roles, timing and decisions here are illustrations, not Blockstream defaults or a recommended policy.

Use a populated decision memo

The following memo shows the level of specificity a committee can review. Adapt it to the institution's actual workflow and authority.

Decision requested	Authorize a six week evaluation of a controlled treasury transfer workflow for two segregated accounts and approved recipients. No production migration is included.
Business case	Treasury needs a consistent approval path for recurring transfers. Any time saving or financial return must be measured in the institution's own workflow.
Security requirement	No single operator may both initiate and provide the required final authorization for the selected transfer class. Policy changes require a separately owned review. Observe what happens when a recipient or approver permission changes after approval.
Operations requirement	Operations owns request monitoring, reconciliation, incident escalation and the evidence record. Name an owner for rejected requests and a documented recovery or exit path.
Engineering requirement	Engineering owns the integration boundary and test fixtures. Identify systems supplying account, recipient and transaction data, plus records correlating request, policy, approval, signing and submission.
Legal compliance requirement	Record the contracting custody entity, asset scope, jurisdiction and review owner. Assess assurance material for its actual covered entity, service, period and terms.
Recommendation	Proceed only if the sponsor can name operating owners and the committee agrees on the evidence gate. Keep the project paused if legal responsibility, transaction scope or acceptance authority is unclear.

Leave with an owner and a next meeting

Schedule a 60 minute working session with treasury, security, operations, engineering and the custody responsibility owner. Bring one intended transaction flow. Leave with agreed requirements, a named evidence owner for each and one test the provider must demonstrate.

Send the completed memo to the people who can accept a control gap. Ask the provider to show the selected flow, including a changed condition between approval and signing. Record what was observed, the source and date of each artifact and the next decision. [1]

Use the completed memo to scope a technical discussion when the institution is ready to examine the proposed workflow and evidence gate.

[1] Blockstream Enterprise

<https://blockstream.com/enterprise/>

Product overview, checked 15 September 2026. Supports the cited HSM custody, policy and access controls, account controls and cryptographic audit trail for system updates. Confirm implementation scope and responsibilities for the proposed workflow.

Bring your workflow.

Use the Enterprise contact page to scope a technical discussion around your transaction flow and evidence requirements.

This document is an illustrative committee briefing. It is not a legal custody determination, a completed test report or a recommended policy configuration.