

Hedera Council Meeting Minutes

Date: April 20, 2022
Time: 9:00 – 10:30am ET
Location: Videoconference

Attendees

Avery Dennison: Pradeep Iyer
Boeing: Brian Jeffords
DBS: Xiaomeng Liu
Dentons: Kenneth Oh
DLA Piper: Scott Thiel, Andrew Gastwirth
EDF: Paul Breslow
eftpos: Ben Tabell
FIS/Worldpay: Saiprasad Raut
Google: Simonas Baksys
IBM: Shyam Nagarajan
IIT (Madras): Prabhu Rajagopal, John Augustine
LG Electronics: Samuel Park
Magazine Luiza: Simon Olson
Nomura: Yu Ori
ServiceNow: Tasker Generes
Shinhan Bank: Andrew Kim, Daseob Lee, Tae-young Shin
Standard Bank: Gideon Rossouw
Swirls: Dr. Leemon Baird, Bill Miller, Arlan Harris
Tata Communications: Ankur Jindal
Ubisoft: Oscar Navarro, Nicolas Pouard, Guillaume Tormo
University College London: Paolo Tasca, Nikhil Vadgama, Riccardo Piselli, Juan Ibanez
Zain: Malek Hammoud

Hedera Staff/Contractors

Brett McDowell, Chair
 Mance Harmon, CEO
 Young Cho, CFO & Treasurer
 Tom Sylvester, General Counsel & Secretary
 Lionel Chocron, Chief Product Officer
 Christian Hasker, Chief Marketing Officer
 Samuel Brylski, Chief Compliance Officer & Regulatory Counsel
 Alex Popowycz, Chief Information Officer
 Atul Mahamuni, SVP Product
 Josh Planton, VTM Group
 Jessica Zuver, VTM Group

Guests

David Cramer, HBAR Foundation
 Don Thibeau, HBAR Foundation
 Shayne Higdon, HBAR Foundation

Members Not Present

Chainlink
 Deutsche Telekom
 LSE
 Wipro

Summary of actions taken at meeting

- Minutes. The Council members approved the March 9, 2022 meeting minutes and a revision to the February 26, 2020 meeting minutes.

Call to Order & Introductions

Brett McDowell
 Chairman

Brett M. formally called the meeting to order and welcomed Council members to the fourth Council meeting of 2022. Tom S. reminded the Council members of Hedera’s antitrust and market integrity policies.

After being moved and seconded, the Council members approved the agenda as presented for the meeting.

Approval of Council Minutes

Tom Sylvester
 General Counsel & Secretary

After being moved and seconded, the Council members approved the minutes from the Council meeting held on March 9, 2022.

After being moved and seconded, the Council members approved a revision to the minutes from the Council meeting held on February 26, 2020 to include the Hedera Council membership criteria, which had been recommended by the Membership Committee and approved by the Council members.

HBAR Foundation Quarterly Report

Shayne H. and Don T. shared that the HBAR Foundation has allocated \$179 million worth of grant funding to 61 projects and has paid \$49 million (comprised of fiat, HBAR and hUSD) in respect of those grants. They also noted that they have received 356 grant applications, which are in various stages of the review process.

They also reviewed Hedera network KPIs, noting that since August 2021 the number of Hedera network user accounts more than doubled and now exceeds 800,000. In response to questions about network TPS, Don T. noted that, at this time, a few applications are driving the vast majority of network transactions. He added that a few upcoming grant recipients have high TPS requirements, which the Foundation expects will lead to a higher TPS rate on the network.

David C. reviewed the Foundation's four funds—the Crypto Economy Fund, the Metaverse Fund, the Sustainable Impact Fund, and the Fintech Fund—and explained that the Foundation making progress in streamlining processes to speed up the review of grant applications.

The HBAR Foundation also provided an update the Council member recruitment pipeline, media coverage, and social media growth.

The group also reviewed the Foundation's efforts around Hedera ecosystem on-ramps, including an instance where a previous grant recipient did not move forward with utilizing the Hedera Token Service (HTS) due to a lack of HTS integration with specific exchanges. As a result, the Foundation is refocusing its efforts on streamlining HTS integrations and identifying projects that will utilize HTS, which should encourage more on-ramps to integrate HTS on their platforms.

Committee Updates

Andy G. shared his vision for Hedera's Corporate Use Case Committee ("CorpCom") and making it a forum for addressing Council member use case challenges and helping Council members launch POCs. He went on to review the proposed agenda for the CorpCom's kick-off meeting.

Brett M. and Simon O. summarized the history of the Membership Committee ("MemCom") and how it is being reactivated to review and vet potential new Council members. Simon noted that MemCom had a productive recent meeting reviewing prospective Council members and is set on selecting the best candidates for Council membership.

Dr. Leemon B. reviewed the decisions that the Technical Steering & Product Committee ("TechCom") had made since the last Board meeting. He reported that the Council has signed the first Update transaction for the network. TechCom is considering an in-person meeting in 2022 and will look to coordinate with any in-person meetings for the Council overall.

Dr. Leemon B. reported that the Treasury Management & Coin Economics Committee ("CoinCom") has remained focused on staking and reviewing the staking models presented by UCL. Dr. Leemon B. reviewed Hedera Improvement Proposals (HIPs) relating to staking that have been approved since the last Council meeting.

Tom S. shared that the Legal & Regulatory Committee ("RegCom") has been working on several matters, including Russia-related sanctions, public policy/legislation, a revised RegCom Charter, and staking and tax considerations. He noted that the Donetsk and Luhansk regions of Ukraine had been added to Hedera's prohibited jurisdictions list, and that individual Council members may decide whether to have their nodes apply geofiltering to have their nodes block network transactions from Russia.

Shayne Higdon
Executive Director,
HBAR Foundation

Don Thibeau
Chief Strategy Officer,
HBAR Foundation

David Cramer
Chief Operating
Officer,
HBAR Foundation

Andrew Gastwirth
Chair, CorpCom

Simon Olson
Chair, MemCom

Dr. Leemon Baird
Chief Scientist

Tom Sylvester
General Counsel &
Secretary

Task Force Planning

Brett McDowell
Chair

With the amended LLC Agreement having been approved, Brett M. reviewed a proposal to reinstate the Decentralization Task Force and create an Open Source Task Force.

Brett explained that the Decentralization Task Force would be focused on researching additional ways for Hedera to decentralize, such as through structuring the Council as a decentralization autonomous organization (DAO). He explained that the Open Source Task Force will focus on open sourcing the hashgraph code this year, and also research related issues such as the establishment of an open source foundation.

The Council members discussed various options and agreed to focus first on the Open Source Task Force.

Discussion of Board-administered grant funding

Brett McDowell
Chair

Brett M. shared that the Hedera Board had been discussing additional ways to support Hedera ecosystem growth, including enterprise use cases. He also discussed possibilities regarding an additional grant program focused on enterprise use cases.

Andy G. noted that for many Council members and their partners the use case development and POC stages are critical to getting commercially viable products to market. He added that CorpCom would be a venue for meaningful discussions, but that grant funding may be needed to help projects reach maturity and deployment readiness.

The meeting was adjourned.

Actions taken or ratified by the Hedera Council by written consent (March 10, 2022 – April 20, 2022)

None