

Hedera Council Meeting Minutes

Date: September 14, 2022
Time: 6:00 – 7:30pm ET
Location: Videoconference

Attendees

Avery Dennison: Pradeep Iyer
Boeing: Brian Jeffords
Dentons: Kenneth Oh
DLA Piper: Scott Thiel, Mark Radcliffe, Andrew Gastwirth
EDF: Paul Breslow
eftpos: Ben Tabell
FIS/Worldpay: Che Cabrerros
Google: Simon Baksys, Rich Widmann
IBM: Shyam Nagarajan
Magazine Luiza: Simon Olson
Nomura: Yu Ori
Service Now: Tasker Generes
Shinhan Bank: Daseob Lee, Minju Kim, Tae-young Shin
Standard Bank: Ian Putter
Swirls: Dr. Leemon Baird, Mance Harmon, Bill Miller, Arlan Harris, Atul Mahamuni
UCL: Paolo Tasca, Nikhil Vadgama

Hedera Staff/Contractors

Brett McDowell, Chair
Betsabe Botaitis, Chief Financial Officer
Samuel Brylski, Chief Regulatory Officer
Alex Popowycz, Chief Information Officer
Nilmini Rubin, Chief of Staff & Head of Global Policy
Tom Sylvester, General Counsel & Secretary
Kate Ball, Director of Legal Operations & Senior Counsel
Young Cho, Swirls Labs
Christian Hasker, Swirls Labs
Cate Papez, Swirls Labs
Max Tassano, Simatree
Jessica Zuver, VTM Group
Cameron Fruehe, VTM Group

Members Not Present

Chainlink
DBS
Deutsche Telekom
IIT (Madras)
LGE
LSE
TATA Communications
Ubisoft
Wipro
Zain

Summary of actions taken at meeting:

- Minutes. The Council members approved the July 13, 2022 and the August 10, 2022 meeting minutes.
- Board Compensation Policy. The Council members approved the proposed Board Compensation Policy.

Call to Order & Introductions

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

Brett McDowell
Chair

Approval of Council Minutes

Tom S. reviewed the minutes from the July 13, 2022 Council meeting and, after being moved and seconded, the Council members approved the minutes.

Tom Sylvester
*General Counsel
& Secretary*

Tom S. reviewed the minutes from the August 10, 2022 Council meeting and, after being moved and seconded, the Council members approved the minutes.

Discussion of October Council Meeting**Brett McDowell**
Chair

Brett M. discussed the next Council meeting, which will take place in person in Dubai, United Arab Emirates from October 7-9, 2022. This meeting represents the first in-person meeting since February of 2020.

Brett M. reviewed the proposed schedule and collected feedback from Council members regarding optimal meeting times, lengths, and participants.

Board Compensation Policy**Tom Sylvester**
General Counsel
& Secretary

Tom S. reviewed the proposed Board compensation policy, which would compensate a Board member up to \$250,000 worth of HBAR a year upon satisfying performance obligations relating to meeting attendance and other forms of participation.

Council members discussed the incentive structures generated by the proposed compensation policy, with a focus on encouraging participation and consistent transaction signing.

After being moved and seconded, the Council members approved the proposed Board compensation policy.

Treasury Management & Coin Economics Committee Report**Dr. Leemon Baird**
CoinCom Chair

Dr. Leemon B. shared an update on the development of the network's staking feature. Since the last Council meeting, CoinCom approved the increase of the staking reward rate from 0 hbars/day to (1 billion hbars/365) per day (with a cap of 6.5% per year) once certain factors are satisfied.

Dr. Leemon B. also referenced the recent announcement by Coinbase to support HBARS.

Technical Steering & Product Committee Report**Dr. Leemon Baird**
TechCom Chair &
Chief Scientist

Since the last Council meeting, TechCom approved the revised Node Policy and approved Hedera Improvement Proposal (HIP) [542](#) for payer-sponsored auto-account creation with Hedera Token Service (HTS) assets. Dr. Leemon B. shared that community engagement has been high in requesting HIPs and features.

Dr. Leemon B. discussed the status of Hedera's network nodes, noting that there are currently twenty-six nodes, twenty-one of which are being run by Council members. It is expected that additional Council members will take over operation of their nodes in Q4.

Legal & Regulatory Committee Report**Mark Radcliff**
Co-Chair,
RegCom

Mark R. shared that RegCom has been tracking a very active regulatory environment and that jurisdiction over digital assets between the SEC and CFTC remains ambiguous. Due to President Biden's Executive Order in March of 2022 requesting clarity from agencies, regulatory direction may be coming in the near future.

Rich Widmann
Co-Chair,
RegCom

Rich W. discussed the Office of Foreign Asset Control's actions against Tornado Cash and the unique nature of the sanctions involving software. Rich W. stated that RegCom will spend time reviewing this issue and any potential implications.

Membership Committee Report**Simon Olson**
Co-Chair,
MemCom

MemCom discussed potential nominees for Council membership, along with their prospective use cases.

Bill Miller
Co-Chair,
MemCom

Corporate Utilization Committee Report**Andrew
Gastwirth**
Chair, CorpCom

Andrew G. shared that CorpCom is seeing consistent turnout and especially strong movement with ESG-oriented solutions and litigation funding, among other use cases. CorpCom's biggest challenge is expanding its capability to consider more use cases efficiently. Andrew G. stated that the recently-approved Enterprise Accelerator Funding Committee—made up of Andrew G., Sai R., Shyam N., and Brett M.—will streamline the approval process and that CorpCom is already seeing improvements in the process through which use cases are funded.

He also stated that CorpCom, working in conjunction with Swirlds Labs, remains committed to standardizing the core building blocks for use cases to get more use cases to market. CorpCom has gotten and continues to get feedback from outside experts to improve this process.

Adjournment**Brett McDowell**
Chair

After a brief summary of the topics to be covered at the October Council meeting, the meeting was adjourned.

Actions taken or ratified by the Hedera Council by written consent (Aug. 10, 2022 – Sept. 14, 2022)

None.