

Hedera Council Meeting Minutes

Date: October 8-9, 2022
Location: Dubai, UAE

Attendees

abrdn: Duncan Moir
Avery Dennison: Pradeep Iyer, Renato Jovic
Boeing: Brian Jeffords
Dentons: Kenneth Oh
DLA Piper: Scott Thiel, Andrew Gastwirth, Tim Popplewell, Michelle Lee
EDF: Jordan Murkin
eftpos: Ben Tabell (*by video*)
FIS/Worldpay: Saiprasad Raut, Nabil Manji, Che Cabrerros
Google: Rich Widmann (*by video*)
IBM: Shyam Nagarajan
LG Electronics: Kabjin (Tony) Jang, Se Han (Paolo) Lee
LSE: Thamim Ahmed
Magazine Luiza: Fabio Murakami, Simon Olson (*by video*)
Service Now: Tasker Generes, Nicola Attico
Shinhan Bank: Minju Kim (*by video*)
Standard Bank: Ian Putter
Swirls: Bill Miller, Arlan Harris, Mance Harmon (*by video*)
UCL: Paolo Tasca, Nikhil Vadgama, Jiahua Xu, Juan Ibanez
Zain: Malek Hammoud, Richard MacNamara

Hedera Staff

Brett McDowell, Chair
Betsabe Botaitis, Chief Financial Officer
Samuel Brylski, Chief Regulatory Officer
Alex Popowycz, Chief Information Officer (*by video*)
Nilmini Rubin, Chief of Staff & Head of Global Policy
Jenna Salter, Executive Administrator
Tom Sylvester, General Counsel & Secretary

Guests:

Monique Morrow, Hedera Board member
BCW Consulting: Jeff Tchui, Kyle Baron, Pankaj Virulkar, Jason French, David Guan
Hashgraph Association: Kamal Youssefi, Stefan Deiss
HBAR Foundation: Shayne Higdon, David Cramer
Swirls Labs: Leemon Baird, Christian Hasker, Lionel Chocron (*by video*)

Members Not Present

Chainlink
DBS
Deutsche Telekom
IIT (Madras)
Nomura
TATA Communications
Ubisoft
Wipro

Summary of actions taken at meeting:

- **Minutes.** The Council members approved the September 14, 2022 meeting minutes.
- **“Buyable tokens” HIP.** The Council members directed the Technical Steering & Product Committee not to approve HIP 498 and to investigate alternative implementations of the feature.
- **Open source governance.** The Council members approved the Open Source Task Force’s recommendation for (i) an open source project scope focused on the Hedera mainnet implementation and complementary projects and (ii) an open source governance structure based on a Linux Foundation/Cloud Native Computing Foundation model.

Call to Order & Introductions

Brett M. called the meeting to order. 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 September 14, 2022 Council meeting and, after being moved and seconded, the Council members approved the minutes.

Tom Sylvester
General Counsel &
Secretary

Use Case Review - BambuMeta**Christian Hasker**
SwirlsLabs

Christian Hasker demonstrated [BambuMeta](#), a web3 customer engagement service.

Reviewing “State of Hedera”**Brett McDowell**
Chair

Brett M. reviewed Hedera’s purpose, mission, and core values, reminding the Council members that the Hedera Council had been formed to act as the decentralized governing body for a public distributed ledger based on the hashgraph consensus algorithm. The Council members discussed how the Hedera network compared to other layer-1 DLT networks and the importance of interoperability between networks.

Brett M. then led the Council members through a SWOT exercise, with a focus on network use and enterprise adoption.

Use Case Review - TOKO & ServiceNow**Andrew Gastwirth**
DLA Piper

Andrew G. and Nicola A. presented the Token Automation solution based on ServiceNow’s [Now Platform](#) and the TOKO tokenization engine. The application is currently being used at DLA Piper to track SLA real-time tokenized budgets between departments, legal entities, and external vendors.

Tasker Generes & Nicola Attico
ServiceNow**Use Case Review - Avery Dennison & Atma.io****Pradeep Iyer & Renato Jovic**
Avery Dennison/
Atma.io

Renato J. gave a demonstration of the [atma.io supply chain tracking platform](#), which assigns unique digital IDs to items allowing for end-to-end transparency. The platform tracks, stores, and manages events associated with each individual product and logs activity on the Hedera network. Renato also discussed how the newness of DLT technology often results in longer lead times for enterprises to be able to launch their DLT use cases.

Use Case Review - LG Electronics**Kabjin (Tony) Jang**
LG Electronics

Kabjin J. provided an overview of LG Electronics’ development of the LG Art Lab, which is an NFT platform for LG’s smart TVs, and Wallypto, LG’s Hedera-based crypto wallet.

Strategic Questions**Brett McDowell**
Chair

Brett M. led the Council members through a discussion of strategic questions, including obstacles enterprises face in using public DLT networks, such as holding cryptocurrency that is used to pay for network transactions. The Council members also discussed the structure of grant programs to help enterprises develop Hedera network use cases, including an enterprise accelerator pilot program.

Executive Session - HIP 498

The meeting then went into executive session to discuss Hedera Improvement Proposal 498 for “buyable tokens.” During the executive session, the Council members agreed to direct the Technical Steering & Product Committee not to approve HIP 498 and to investigate alternative implementations of the feature.

Open Source Task Force**Brett McDowell**
Chair

Brett briefed the Council members on the work of the Open Source Task Force. He reminded the Council members that the primary goals of open sourcing the hashgraph software code were to increase developer interest and community engagement.

After being moved and seconded, the Council members approved adopting the Open Source Task Force's recommendation for an open source governance model as presented in the meeting (i.e. a project scope focused on the Hedera mainnet implementation and complementary projects and a governance structure based on a Linux Foundation/Cloud Native Computing Foundation model).

The Council members discussed the timeline for the open-source governance plans, noting that the project will take time to implement.

“Hybrid” ledgers and CBDCs

Brett McDowell
Chair

The Council members discussed enterprise interest in hybrid “public/private” ledgers, and how such a hybrid model may support central bank digital currencies.

Treasury Management

Brett McDowell
Chair

Brett M. led the Council members in a discussion of Hedera's long-term goals for management of the Hedera treasury of hbars. The Council members discussed treasury management strategy, including pricing plans, ecosystem grants, and the importance of developing reliable network utilization forecasts.

Personnel from the HBAR Foundation and the Hashgraph Association then joined the meeting.

Enterprise Accelerator Pilot Grants

Tom Sylvester
General Counsel &
Secretary

Tom S. provided an overview of the proposed Enterprise Accelerator Pilot program application form and grant approval process.

Committee Updates

Corporate Utilization Committee (“CorpCom”)

Andrew Gastwirth
DLA Piper

Andrew G. updated the Council members on CorpCom's 2022 achievements, including use case identification, the work on developing an enterprise accelerator pilot program, and a focus on reference architecture development.

Treasury Management & Coin Economics Committee (“CoinCom”)

Leemon Baird
Swirls Labs

Leemon B. discussed CoinCom's 2023 goals, including those relating to staking, node rewards, treasury management reporting, and Council members receiving and using hbar.

Technical Steering & Product Committee (“TechCom”)

Leemon Baird
Swirls Labs

Leemon B. reviewed recent milestones such as staking and smart contract “rent,” and reviewed 2023 goals relating to HIPs, node hosting, and increased coordination between TechCom and CoinCom.

Membership Committee (“MemCom”)

Bill Miller
Swirls

Bill M. presented MemCom's work on defining the characteristics of strong Council member candidates. He also reviewed current Council membership in terms of Hedera's diversity goals in terms of industry and geography and suggested expanding MemCom's current scope of responsibilities to include current member engagement.

Legal & Regulatory Committee (“RegCom”)**Rich Widmann**
Google

Rich W. reviewed RegCom’s recent work in analyzing regulatory developments and noted that RegCom is working on building risk frameworks to effectively mitigate risks.

Day one of the meeting was then adjourned.

Day 2 - October 9, 2022

Brett M. called day two of the meeting to order and explained that the day’s focus would be on programs and entities focused on developing the Hedera network ecosystem.

Enterprise Accelerator Pilot**Lionel Chocron**
Swirls Labs

Lionel C. and Jeff T. provided an overview of a proposal for an Enterprise Accelerator Pilot program, the details of which will be further defined and announced at a later date.

Jeff Tchui
BCW Consulting**HBAR Foundation****Shayne Higdon &
David Cramer**
HBAR Foundation

Shayne H. provided an overview of the HBAR Foundation, including its mission to empower digitally native communities to control their own assets, identities, data, and marketplaces through Hedera technology. He reviewed some of the HBAR Foundation’s achievements since launching operations in January 2022, including supporting layer 2 interoperability projects, sustainability projects, and use cases. He explained that, while the HBAR Foundation has allocated \$360 million in value to 167 grants, only \$125 million has been disbursed, and that 92% of the remaining disbursements are performance-based. Shayne also discussed strategic and operational initiatives for 2023, including a new enterprise fund and venture capital ecosystem support.

The Hashgraph Association**Kamal Youssefi**
Hashgraph Assn.

Kamal Y. provided an overview of the Hashgraph Association, which offers a global innovation program that works with startups, enterprises, and governments to enable their use of the Hedera network. He reviewed the Association’s charter, governance structure, and the program’s structure and roll-out. He explained that they offer a number of program modules, including business strategy, legal and compliance, solution engineering, and security and risk review.

Research & Education**Nikhil Vadgama**
UCL

Nikhil V. of UCL presented plans for supporting research and education about distributed ledger technology.

The meeting was adjourned.

Actions taken or ratified by the Hedera Council by written consent (Sept. 14, 2022 – Oct. 8, 2022)

<u>Date</u>	<u>Type</u>	<u>Action</u>
October 6, 2022	Council Governance	Council members elected abrdn plc to the Hedera Council.