

**Hedera Council Meeting Minutes****Date:** September 13, 2023**Time:** 6:00 p.m. EST**Location:** Virtual (Zoom)**Council Member Attendees****abrdn plc:** Duncan Moir**Avery Dennison:** Pradeep Iyer**Boeing:** Brian Jeffords**Dell:** David Fraturra, Steve Todd**Dentons:** Kenneth Oh, Yi Jing Teo**DLA Piper:** Andy Gastwirth, Kristi Swartz, Ian Jebbitt**EDF:** Julien Pestourie**eftpos:** May Lam, Tim Johnson**FIS/Worldpay:** Saiprasad Raut**IBM:** Bhargav Perepa, Shyam Nagarajan, Suma Nair**LSE:** Thamim Ahmed**Magazine Luiza:** Simon Olson**Nomura/Laser Digital:** Akira Iwasaki, Yu Ori**ServiceNow:** Tasker Generes, Shuchi Rana**Shinhan Bank:** Daseob Lee, Minju Kim**Swirls, Inc.:** Dr. Leemon Baird, Mance Harmon, Arlan

Harris, Natalie Furman

**UCL:** Nikhil Vadgama, Paolo Tasca**Hedera Staff**

Brett McDowell, Chair &amp; President

Andrew Aitken, Chief Open Source Officer

Betsabe Botaitis, Chief Financial Officer

Sam Brylski, Chief Regulatory Officer

Alex Popowycz, Chief Information Officer

Nilmini Rubin, Chief Policy Officer

Tom Sylvester, General Counsel &amp; Secretary

Ian Utile, Chief of Staff

Kate Ball, Dir. of Legal Operations &amp; Senior Counsel

Gregory Schneider, Deputy General Counsel

Vanessa Valentine, Mgr of Committee Operations

Brad Wells, Director of Compliance Operations

**Swirls Labs**

Young Cho, Swirls Labs

Lionel Chocron, Swirls Labs

Christian Hasker, Swirls Labs

Cate Papez, Swirls Labs

**Independent Director Attendees**

Monique Morrow

**Members Not Present**

Chainlink

LGE

COFRA

Standard Bank

DBS

TATA Communications

Deutsche Telekom

Ubisoft

Google

Wipro

IIT (Madras)

Zain

**Summary of actions taken at meeting:** None**Actions taken or ratified by written consent (Aug. 9 - Sept. 13, 2023):** None**Call to Order**

Brett M. called the meeting to order.

**Brett McDowell**  
Chair & President**Report from London Leadership Team Meetings**

Brett M. discussed the recent leadership meeting in London with Hedera's directors, committee chairs, and officers. The multi-day meeting featured a review of 2023 activities and plans for 2024. Brett M. noted the high level of engagement from Council members in developing plans for 2024, and shared his view that the leadership team is heading into 2024 with a great deal of optimism for the future of Hedera network.

**Brett McDowell**  
Chair & President

Brett then invited all committee chairs to update the Council on activities and lessons learned from 2023, priorities for 2024, and strategic plans or insights from the London meetings.

**Marketing Committee**

Shuchi R. and Ian J. discussed MarCom's activities since its inception in May 2023. They noted that MarCom has focused on increasing awareness of the Hedera network, growing and energizing

**Shuchi Rana**  
ServiceNow

the community, and growing the developer ecosystem. MarCom has reviewed 2023 marketing campaigns, measured these campaigns against budgets and expected benefits, and developed insights into past challenges and areas of opportunity. MarCom discussed its strategic direction and plans to steer marketing efforts in 2024. Notably, MarCom will ensure that Hedera's marketing efforts closely align with its target audience and that marketing themes reflect the Council's articulated priorities.

**Ian Jebbitt**  
DLA Piper

*Membership Committee*

**Simon Olson**  
Magalu

Simon O. shared that MemCom remains committed to its mission of recruiting high-quality Council members and supporting those prospective members through the application process. He noted that MemCom continues to have strong prospects in the membership pipeline and is working on the best way to reduce risks or pain points that such prospects encounter in evaluating Council membership.

MemCom is currently examining whether to expand its charter to work with existing and new members to identify specific areas of interest and build an engagement plan around those interests. Ultimately, MemCom envisions its role as supporting the full membership lifecycle of Council members and contributing to a highly engaged Council.

*Technical Product & Steering Committee*

**Dr. Leemon Baird**  
Swirlds, Inc.

Dr. Leemon B. discussed TechCom's roadmap themes, which include decentralization, modularization, EVM smart contract equivalence, open source, next generation tokenization, community HIPs, network innovations, and decentralized identity. He shared that the planned modularization and smart contract equivalence workstreams are scheduled to be completed in 2023.

*Treasury Management & Coin Economics Committee*

**Dr. Leemon Baird**  
Swirlds, Inc.

Dr. Leemon B. discussed several 2024 priorities, including node reward models, dynamic token economics models, network pricing studies, and analyzing the optimal allocation of network fees to support node rewards, staking rewards, and Council operations. He highlighted the newly approved terms of the node subsidy set forth in the Node Policy, which permits node subsidies in USD but gives Hedera discretion to offer future subsidies in HBAR. He also discussed node fees, which flow directly to the node operator assuming the operator has taken control of its node account. Leemon also noted that Hedera's Finance team has been working directly with Council members to better understand how enterprise corporations can accept, book, and manage hbars consistently with enterprise accounting requirements.

**Paolo Tasca**  
UCL

*Corporate Utilization Committee*

**Andrew Gastwirth**  
DLA Piper

Andy G. discussed CorpCom's 2023 achievements, which include themed meetings with high attendance and engagement, well-received demonstrations, collaboration with MarCom and other committees, participation in community events such as Hedera hackathons, and the cultivation of a growing network of presenters and contributors. Andy G. also discussed CorpCom's plans for 2024, which include making use case presentations available to larger audiences, encouraging Council members to submit HIPs based on use case integrations, and developing ambassadors to reach a broader audience.

**Saiprasad Raut**  
FIS/Worldpay

*Regulatory & Policy Committee*

**Kristi Swartz**  
DLA Piper

Kristi S. discussed RegCom's shift in 2023 to focus on public policy, which has helped RegCom engage a larger number of Council members. In 2024, RegCom will continue to engage Council members by encouraging public policy representatives to participate in meetings and producing content for prospective and existing Council members. RegCom plans to disseminate an internal newsletter to Council members, produce a policy whitepaper for dissemination to policy makers and/or the public, and continue to explore collaboration opportunities with other committees. RegCom recommends that the Council continue to identify and engage high-quality independent leaders to participate in Hedera's decentralized governance activities, reduce conflicts of interest, and diversify skill sets.

**Discussion of Role Separation**

**Brett McDowell**  
Chair & President

Brett M. discussed the Board's decision to further strengthen Hedera governance by [separating the roles of Chair and President](#).<sup>1</sup> He explained that his service as President was always meant to be a short-term role to help with the transition after the spin-out of Swirlds Labs. The Board re-elected Brett to serve as Chair for an additional two-year term (2024-25) and created a search committee to lead the process to identify and appoint the next president. Council members discussed the qualities in a president that they thought would best serve the Hedera Council. Council members were encouraged to nominate individuals from their networks who may be a good fit for the role.

**Updates to Board Oversight Committee and Recruitment Rewards Policy**

**Tom Sylvester**  
General Counsel &  
Secretary

Tom S. reminded the Council of the proposal from the August Council meeting to form a Council committee with the authority to review and make decisions on policies or initiatives that could impact Director compensation. Tom S. invited Council representatives to join the committee and noted that a draft charter would be circulated to interested representatives for their input.

Tom S. also shared that the Board recently approved a Council recruitment reward policy to incentivize Council recruitment. In approving this policy, the Board considered the benefits of engaged Council member representatives identifying prospective members within their networks who would meaningfully contribute to the Hedera Council. The Board also examined prior recruitment efforts and the significant time invested by individuals to discuss Council membership with prospective members, make introductions to appropriate parties, provide support in use case development, and navigate the membership approval process, among other efforts.

Under the recruitment reward policy, eligible individuals (or approved entities) who identify and navigate a prospective member through the Council recruitment process will be eligible to receive a reward of \$50,000 worth of hbar if such recruited prospect formally joins the Council. Eligible individuals include employees of Hedera Council members, directors, and any external parties approved by the Board (the Board administers the policy).

Hedera employees and individuals whose salaries are indirectly paid for by Hedera (including, for example, employees of the HBAR Foundation, the Hashgraph Association, the DLT Science Foundation, and certain Swirlds Labs employees) are not eligible for recruitment rewards.

As MemCom will be closely involved with implementation of the recruitment reward policy, the legal team will circulate the policy to all Council members and present the policy and implementation procedures at an upcoming MemCom meeting.

**Adjournment**

The meeting was adjourned.

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<sup>1</sup> The separation of the Chair and president role was announced in a [blog post](#) on September 14, 2023.