

Hedera Council Meeting Minutes

Date: August 14, 2024
Time: 9:00 am EST
Location: Virtual

Independent Chair
Brett McDowell

Council Member Attendees

abrdn plc: Duncan Moir
Australian Payments Plus: Rob Allen
Avery Dennison: Pradeep Iyer
Boeing: Jon Bingaman
COFRA: Anil Nashier
Dell: David Fraterra
Dentons: Yi Jing Teo
Deutsche Telekom: Dirk Thatmann
DLA Piper: Kristi Swartz
EDF: Gilles Deleuze
IBM: Shyam Nagarajan, Sumabala Nair
IIT Madras: John Augustine
LGE: Joe Park, Paolo Lee
LSE: Jeremy Grant
Magazine Luiza: Simon Olson
Mondelez: Xiang Xu
Service Now: Shuchi Rana
Shinhan Bank: Minju Kim, Daseob Lee, Jun Lee
Standard Bank: Mz Omarjee, Wandile Malinga
Swirls, Inc.: Mance Harmon, Bill Miller, Arlan Harris, Natalie Furman
UCL: Paolo Tasca, Nikhil Vadgama
Zain: Richard MacNamara

Hedera Directors
Brett McDowell (Chair)
Tasker Generes
Brian Jeffords
Pradeep Iyer
Duncan Moir
Monique Morrow
Scott Thiel

Hedera Officers & Staff

Charles Adkins, President
Andrew Aitken, Chief Open Source Officer
Joe Bachle-Morris, Chief of Staff
Betsabe Botaitis, Chief Financial Officer
Alex Popowycz, Chief Information Officer
Nilmini Rubin, Chief Policy Officer
Tom Sylvester, General Counsel & Secretary
Kate Ball, Dir. of Legal Operations & Senior Counsel
Gregory Schneider, Deputy General Counsel
Vanessa Valentine, Manager of Committee Operations

Hashgraph

Eric Piscini
Lionel Chocron
Cate Papez

Members Not Present

BitGo	Tata Communications
Chainlink	Ubisoft
Google	Wipro
Hitachi	Worldpay
Nomura	

Summary of actions taken at meeting: None.

Actions taken or ratified by the Hedera Council by written consent (July 10, 2024 - August 14, 2024):

- The Council members approved the minutes for the Council meetings held on April 10, 2024, May 9-10, 2024, and June 12, 2024. (July 19, 2024).
- The Council members approved certain procedural rules for all task forces and other deliberative bodies formed by the Council or the Board. (July 19, 2024).

Actions taken by Hedera Committees (July 10, 2024 - August 14, 2024):

- Open Source Foundation Committee ("OSFCom"). The OSFCom, acting under delegated authority from the Council (May 10, 2024), voted that the Hedera Hashgraph LLC-owned hashgraph source code will be hosted and governed as a "Project" under the Linux Foundation Decentralized Trust (the "LFDT") in compliance with the approved Technical Charter. Per the Technical Charter, OSFCom also appointed

initial members to the Technical Steering Committee (“TSC”) and delegated authority to the initial members to fill the remaining seats. Although the OSFCom made significant progress discussing the Project name, it ultimately delegated authority to the TSC, with input from the Marketing Committee Chair, Hashgraph’s Chief Marketing Officer, and LFDT staff, to make the final decision regarding the name. (August 9, 2024).

- Technical Steering and Product Committee (“TechCom”).
 - TechCom voted to conditionally approve HIP 991 (Permissionless Revenue-Generating Topic IDs for Topic Operators). Such approval includes any small changes that may be required to successfully implement this HIP; any material changes must come back to TechCom for another vote. (August 1, 2024).
 - TechCom voted to conditionally approve HIP 980 (Enhance Mirror Node Entity Rest APIs with Timestamp Query Parameters). Such approval includes any small changes that may be required to successfully implement this HIP; any material changes must come back to TechCom for another vote. (August 1, 2024).
 - TechCom voted to conditionally approve HIP 993 (Improve Record Stream Legibility and Extensibility). Such approval includes any small changes that may be required to successfully implement this HIP; any material changes must come back to TechCom for another vote. (August 1, 2024).
 - TechCom voted to conditionally approve HIP 1008 (Enhance Mirror Node Contract Log REST API with Transaction Hash Query Parameter). Such approval includes any small changes that may be required to successfully implement this HIP; any material changes must come back to TechCom for another vote. (August 1, 2024).
 - TechCom voted to conditionally approve HIP 1010 (Update Token Custom Fee Schedules via Smart Contracts). Such approval includes any small changes that may be required to successfully implement this HIP; any material changes must come back to TechCom for another vote. (August 1, 2024).

Call to Order & Introductions

Brett M. called the meeting to order. An adjustment to the agenda was requested and, after being moved and seconded, the agenda was adopted.

Brett McDowell
Chair

General Interest

Miami Council Meeting in November

Charles A. updated the Council Members on plans for the Q4 in-person Council meeting to be held in Miami, FL, USA.

Charles Adkins
President

Network Utilization

CBDC Project

Simon O. shared an update on a collaborative effort between multiple Council member organizations and service providers regarding a CBDC project. Simon championed the joint effort as evidence of a healthy and collaborative Hedera ecosystem.

Simon Olson
Magalu

Token Economics Progress (CoinCom Report)

Dr. Paolo Tasca
UCL

Dr. Paolo T. updated the Council members on CoinCom's recent activities regarding token economics.

CoinCom continues to pursue its objective to develop and optimize a sustainable, dynamic token economics model for the Hedera network. To accomplish this objective, CoinCom has reviewed the node rewards model and node subsidy options. CoinCom will review hosting and data costs and conduct a price elasticity study to inform the model.

CoinCom previewed its plans to review network pricing, fee structure, and fee allocation between accounts. CoinCom will continue to update the Council on its progress against these objectives.

Industry Regulation Update (GovCom Report)

Kristi Swartz
DLA Piper

Kristi S. and Richard M. shared GovCom's progress against its 2024 objectives as well as regulatory updates from around the world.

GovCom identified several regions that are clarifying their regulatory stance on digital assets. Even in those areas facing regulatory uncertainty or more stringent oversight, government programs involving programmable payments, blockchain solutions for public services, and asset tokenization continue to advance. Kristi and Richard encouraged the Council members to review the June / July 2024 Hedera Policy Roundup newsletter, which also contains a list of upcoming public policy events in which Hedera is participating.

Richard MacNamara
Zain Group

Corporate Utilization Progress (CorpCom Report)

Rob Allen
Australian Payments Plus

Rob A. reviewed CorpCom's 2024 objectives and its progress, challenges, and goals with respect to each. CorpCom is currently working with Council members to collect data regarding enterprise utilization of the network. CorpCom will build a knowledge base of best practices for use case deployment and, using its corporate utilization dashboard, will identify and escalate hurdles to network utilization.

CorpCom continues to populate its enterprise readiness dashboard, which should lead to sponsored HIPs and ecosystem integration support for Council members. Rob highlighted recent success stories of completed ecosystem integrations. Finally, Rob reviewed CorpCom's upcoming enterprise showcase topics and encouraged interested Council members to join.

Network Technology

Shyam Nagarajan
IBM

Hedera Technology Improvements (TechCom Report)

Shyam N. discussed TechCom's progress in identifying and addressing challenges to node operations. TechCom is also working to identify and address challenges that Council members experience in managing node accounts. As a part of this effort, TechCom has been reviewing custodial options and exploring a dynamic address book that would enable node accounts outside of those currently in use.

Thus far in 2024, TechCom has made significant progress in reviewing data storage costs and strategizing options to accelerate network profitability. TechCom will work collaboratively with CoinCom to support network sustainability measures.

Q&A Regarding Open Source Foundation Decisions

Andrew A. discussed OSFCom’s decision to select the Linux Foundation Decentralized Trust (the “LFDT”) as the hosting entity for the Hedera Hashgraph, LLC-owned source code, as [announced](#) on September 16, 2024. Andrew A. also discussed the launch and implementation process.

Brett McDowell
Chair

Andrew Aitken
Chief Open Source
Officer

Network Governance

Progress on New Council Members and the Proposed “Innovation Program” (MemCom Update)

Simon O. updated the Council members on recent conversations with prospective members, which range from nonprofits to large enterprises. Simon acknowledged the challenges inherent in the enterprise approval process; however, he remains optimistic regarding the quality of candidates interested in Council membership.

Simon Olson
Magalu

Bill Miller
Swirls, Inc.

Charles Adkins
President

Simon and Charles discussed MemCom’s objective to explore ways in which interested companies, and possibly individuals, can participate in and engage with Council activities. MemCom will continue to update the Council members as this initiative materializes.

Adjournment

The Council members briefly entered into executive session, after which the meeting was adjourned.