

**BY-LAWS**  
**OF**  
**PROJECT HYDRO**  
**(An Open-Source Decentralized Platform)**

**DEFINITIONS**

**“The Founding Protocol Team”** - the initial Protocol Team members

**“Protocol Team”** – the group of developers, product managers, and businesspeople in charge of executing the Project Hydro Roadmap, and working on underlying protocol level infrastructure

**“Community”** – holders of the HYDRO utility token

**“Decentralization Ambassadors (DA or DAs)”** – elected representatives of the community whose purpose is to expand the Project Hydro ecosystem beyond the underlying protocol level infrastructure and increase the Third-Party Development, Users, and Integrators

**“Initial Decentralization Ambassadors (Initial DA or Initial DAs)”** - the first eight (8) DAs elected by the Founding Protocol Team

**“Coordinator DA”** - a sub-officer of the Vice President, appointed by the Vice President as needed to perform various duties related to HR, organizing meetings, maintaining communications channels, and any other tasks as designated by the Vice President

**“DA Department”** - a specialized division of Project Hydro as illustrated [here](#)

**“Department Leader”** - a DA with additional duties and responsibilities for a specific DA Department, in addition to their general DA responsibilities

**“Third-Party Developers”** – an individual, group of people, or a business entity involved in the software development lifecycle that builds infrastructure on top of the underlying protocol level infrastructure, including mobile apps, APIs, connectors, and dApps

**“Users”** – end consumers of the technology built by the Protocol Team or Third-Party developers

**“Integrators”** – businesses, organizations, or institutions that use the underlying protocols created by the Protocol Team, or any technology built by Third-Party Developers

**“Officer’s Term”** – a period of six (6) months, starting on the 1st day of the month following the election of the officer

**“Probation”** – temporary suspension from DA voting whilst an investigation into their actions is carried out

**“Terminable Event”** - an act of malicious intent against the Project, against the Community, or against any associated organizations, such as theft, bribery, or libel, as solely defined by the Protocol Team or DA President

**“Hydro Request for Comment (HRC)”** - new idea that is open to the Hydro Community for comments and responses, submitted on the [Hydro Community GitHub](#), via an Issue on the Community-Brainstorming repository

**“Hydro Community Development Program (HCDP)”** - The Protocol Team has created the HCDP program to encourage Third-Party Developers, or other development-related entities, to contribute to the growth of the Project’s ecosystem and sustainability

**“Unanimous Vote”** – 100% of all voters vote in the affirmative with a Quorum present

**“Super-Majority Vote”** - >75% of all eligible voters vote in the affirmative with a Quorum present

**“Majority Vote”** - >50% of all eligible voters vote in the affirmative with a Quorum present

**“Quorum”** - >66% participation of actively serving DAs, or Protocol Team members

**“Urgent Expenses”** - expenses from the Hydro Treasury, that meet all requirements and guidelines of the By-Laws, that are required to be paid within 48 hours

## **Article I - FORMATION**

I.1 Name. The name of the decentralized organization is “Project Hydro” and is hereinafter referred to as the “Project”.

I.2 Purpose. The Project has been formed for the following purpose: To engage in any lawful act or activity for which decentralized blockchain organizations may be formed.

I.3 Legal Jurisdiction. The Project is a decentralized organization, not subject to the laws of any legal jurisdiction.

## **Article II - PROJECT SEAL**

II.1 Project Seal. The on-chain project seal shall have inscribed thereon the name of the Project, the year of its organization and the words, “Project Seal, Hydro”.

## **Article III - PROTOCOL TEAM**

III.1 Founding Protocol Team. The Founding Protocol Team shall initially be the following:

[Andrew Chorlian](#)

[Noah Zinsmeister](#)

[Mike Kane](#)

[Matthew Kane](#)

[Anurag Angara](#)

[Shane Hampton](#)

III.2 Principal Place of Business. The Founding Protocol Team and Protocol Team can be located at any location globally, as agreed to by Protocol Team members.

III.3 Token Allocation of Founding Protocol Team. The Founding Protocol Team will be allocated tokens at the sole discretion of Mike Kane, Executive Director of the Founding Protocol Team. Additional Protocol Team members that are added, per procedures in Article III.4, will be allocated tokens by Unanimous Vote of the Protocol Team.

III.4 Adding To Protocol Team. New Protocol Team members can be added at any time, through a nomination process on the Hydro Community GitHub page. There must be a Unanimous Vote of the Protocol Team to pass.

III.5 Minimum Protocol Team Members. There must be a minimum of four (4) actively serving Protocol Team members at all times.

III.6 Proposing Core Protocols. Community members, Third-Party Developers, or DAs, can propose new protocols or core products by submitting an HRC. Any HRC can be added to the Project Roadmap by Unanimous Vote of the Protocol Team.

## **Article IV - DECENTRALIZATION AMBASSADORS**

IV.1 Election of Decentralization Ambassadors. Initial DAs will be elected solely by the Founding Protocol Team, by Unanimous Vote. Thereafter, 50 DAs, totaling fifty (50) in total when combined with Initial DAs, will be elected by Majority Vote of existing DAs. The Initial DAs are the following:

[Awosika Israel Ayodeji](#)

[Harsh Rajat](#)

[Kodra Robert Peter](#)

[Lenny Mauricio Gomez](#)

[Mark Robert Anstead](#)

[Murtaza Talha Altinkaya](#)

[Saurav Kumar](#)

[Timothy Peter Allard](#)

(a) Hydro DAs will be selected through an application process as defined in the document “[Recruitment & Selection Process](#)”, which shall be posted on The Project’s public repository, currently Github. Any changes to the selection process will require an announcement on Slack, or the main communication channel used by DAs, and if any objections are raised within 24 hours of notifying DAs of the proposed change, a vote will be held, requiring a Majority Vote of DAs to accept the proposed DA selection process changes.

IV.2 Removal of Decentralization Ambassadors. If a DA fails to uphold his or her commitment to the Project or the Community, or if said DA is deemed by another DA to have neglected such commitments, the DA may be investigated and/or removed according to the process outlined below:

(a) A Super-Majority Vote of Protocol Team members can confirm a Terminable Event, removing a DA from his or her DA role. Said DA will be immediately locked out of voting, will be revoked of all access and credentials, and shall not receive future token allocations, unless reinstated as a DA per procedures in Article IV above.

(b) If a DA (“The Accused”) is deemed by another DA or by a member of the Protocol Team (“The Accuser”) to have neglected duties and/or failed to uphold the mission of the Project, The Accuser may contact a Coordinator DA, who will initiate an internal review process among the Coordinator DAs to determine whether The Accused is guilty of neglect, malintent, or other like behaviors based on the monthly report and other materials, messages or other communications within or outside the Hydro communications channels. If found guilty by the Coordinator DAs, the Coordinator DA(s) shall initiate a 30-day Probation period, at the beginning of which The Accused will be notified of their Probation via email. During the Probation period, the Token Allocation, as described in VII.9, will be placed on hold for the previous month. If, during the Probation period, The Accused is cleared of charges through a Majority Vote of DAs, initiated by a Coordinator DA at the end of the Probation period, the withheld Token Allocation will be sent to The Accused. If The Accused has been previously placed on Probation twice, the third decision by the Coordinators regarding whether The Accused is guilty shall serve as a final decision in The Accused’s removal as a DA. Such decisions by the coordinators shall be

recorded in text and given to the Secretary with a brief summary and reasoning for the decision within seven (7) days of the decision being made.

IV.3 Total Number of DAs. The 50 DA maximum amount can only be changed by Unanimous Vote of the Protocol Team. DAs can be removed according to the process outlined in Article IV.2.

IV.4 Election of Department Leaders. One Department Leader shall be elected for each DA Department. The Department Leader of a DA Department shall be elected and removed by a Majority Vote of the DAs, and require the written consent of the Vice-President to assume the role of Department Leader upon completion of the vote. DAs may vote at any time to elect or remove leaders.

(a) If the Vice President deems a certain DA Department as in need of additional Department Leaders, multiple Department Leaders may be elected. The decision by the Vice President to allow multiple Department Leaders must be recorded in writing and given to the Secretary before another Department Leader is elected.

IV.5 Duties and Responsibilities of Department Leaders. Department Leaders shall assume the following additional duties and responsibilities on top of their general DA responsibilities: maintaining a roadmap for their DA Department (for which a public version shall be posted for the community to view), maintaining a tasklist of possible DA Department projects for DA Department DAs to choose from, monthly reporting of DA performance within their DA Department to Coordinators, and attending additional meetings with other Department Leaders and/or Officers.

(a) If a Department Leader is deemed to have neglected their responsibilities, the Department Leader's role as Department Leader may be revoked with a Unanimous Vote of the Protocol Team.

IV.6 DA Meeting. A DA meeting shall be any meeting, by voice, video, chat, or in person, that meets Quorum and is held with proper notice as described in Article IV.7.

IV.7 Notice. Written notice of the DA Meeting or any special meeting of community members shall be given to each DA not less than seven (7) nor more than sixty (60) days prior to meeting, except as otherwise required by statute, and shall state the time and place and, in the case of a special meeting, the purpose(s) of the meeting. Notice need not be given, however, to any DA who submits a signed waiver of notice, before or after the meeting, or who attends the meeting in person or who by proxy without objecting to the transaction of business.

IV.8 Place of Meetings. Meetings of DAs for any purpose may be held at such place or places, as assigned by the DA Secretary. See Article V.6 for additional information in appointment of this position.

IV.9 Annual Meeting. The annual meeting of DAs for the purpose of appointing Officers and for the transaction of such other business as may come before the meeting, shall be held on the

anniversary date of the Project's start date, or at such other time as may be fixed by the DA Officers. The election of the Officers shall be an item on the agenda of the annual meeting of DAs.

IV.10 Special Meeting. Special meetings of DAs may be called at any time by the Officers or by the President, and shall be called by the President or Secretary at the written request of Protocol Team members. See Article V.3 for additional information in appointment of this position.

IV.11 Action by DAs Without a Meeting. Any action required or permitted to be taken at a meeting of DAs may be taken without a meeting. The written consent of the DAs, which may be executed in counterparts, and reaching or exceeding Quorum, shall be filed with the minutes of the Project.

IV.12 Presiding Officers at Meetings. The President and the Secretary of the Project shall act as President and Secretary of each DA meeting unless the President and or Secretary of the Project are not present at the meeting or a majority DA vote is otherwise held prior to the meeting.

IV.13 Voting. Holding HYDRO tokens does not entitle any Community member to any pro-rata right to vote on any subject brought to the floor in a DA meeting.

IV.14 Token Allocation. DAs will be allocated 444,444 tokens, on the last day of every month, for up to two (2) calendar years after their election. Token amounts can only be changed by Unanimous Vote of the Protocol Team.

IV.15 HCDP. The DAs will oversee this program, with the following responsibilities:

(a) Creating Tasks. The DAs can create any task that in their judgment increases the Project's ecosystem and/or sustainability. All tasks will be added to the [Hydro Community GitHub](#) page, or the current public repository used.

(b) Assigning Tasks. The DAs can assign tasks to Third-Party Developers that meet criteria described in the task. DAs or Protocol Team members can overrule any task assignment by Super-Majority Vote of either DAs or the Protocol Team separately. The tasks shall be assigned according to process as defined in the document "[HCDP Assignment Process](#)" which shall be posted on The Project's public repository, currently Github. Any changes to the assignment process will require an announcement on Slack, or the main communication channel used by DAs, and if any objections are raised within 24 hours of notifying DAs of the proposed change, a vote will be held, requiring a Majority Vote of DAs to accept the proposed HCDP assignment process changes.

(c) Allocating HYDRO Tokens to Tasks. All token allocations must be approved in writing, by the Treasurer and passed to the Secretary within seven (7) days of the task being approved. DAs or Protocol Team members can overrule any token allocation by Super-Majority Vote of either DAs, Protocol Team.

(d) Restrictions. DAs cannot assign tasks to themselves, other DAs, blood relatives, collectively known as (“Related Persons”), or anyone that will violate the [DA Ethics Policy](#). If, in the sole judgment, by Unanimous Vote of the Protocol Team, it is deemed that a DA, or Related Person, is uniquely qualified for task, then it can be assigned.

IV.16 Majority Rules and Election of Officers. At a duly called meeting at any meeting of DAs with a quorum once present, a majority of the votes cast, whether in person or represented by proxy, shall decide any question or proposed action brought before such meeting, except for the election of Officers, who shall be elected by a Super-Majority Vote. If, during a vote for the election of Officers, a split vote occurs, where a vote was carried out and for a certain Officer position there was no Super-Majority in favor of said Officer position, the Officer position shall be filled from the candidates according to a Majority Vote of the Protocol Team. Officers may hold their positions for multiple, and/or consecutive Officer’s Terms.

IV.17 Consent in lieu of a Meeting. Except for the election of Officers, DAs can, without a meeting, undertake any business that would otherwise require a meeting if authorized by the written consent of DAs holding a majority of voting power. Written consent in lieu of a meeting shall take the form of a document signed by a majority of the DAs setting forth the action taken. If the consent is less than majority, notice of the action taken shall be provided to DAs who have not consented in writing.

IV.18 Consents to Meetings. The actions undertaken at a meeting of DAs that was not properly called and noticed shall nevertheless be valid if (a) a quorum was present in person or proxy, and (b) each of the DAs entitled to vote and who were not present in person or by proxy sign a written waiver of notice or a consent to the holding of such meeting and the approval of the actions taken thereto.

All such waivers and consents must be filed in the projects records and made part of the minutes of the Project’s meetings, and stored in an on-chain contract. A DA’s attendance of a meeting which was not properly called and noticed shall constitute a waiver of notice unless an objection is made on the record at the meeting.

IV.19 Adjourned Meetings. Any meeting of DAs may be adjourned to a designated time and place by a vote of a majority in interest of the DAs present in person or by proxy and entitled to vote, even if less than a quorum is present, or by the President if a quorum of DAs is not present. No notice of such adjourned meeting need be given, other than by announcement at the meeting at which adjournment is taken, and any business may be transacted at the adjourned meeting which might have been transacted at the meeting as originally called. However, if such adjournment is for more than thirty (30) days, or if after such adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each DA or record entitled to vote at such meeting.

IV.20 DAs of Record.

(a) The DAs shall fix a date by which all the DAs of record at the close of that business day are entitled to exercise their rights. Those DAs are entitled to notice of or to vote at any meeting of DAs or any adjournment thereof, or to express consent to any project action without a

meeting. Such a record date shall not precede the date upon which the resolution fixing the record date is adopted by the Officers, and shall not, with respect to DA meetings, be more than thirty (30) days nor less than seven (7) days before the date of such meeting, or, with respect to DA consents, more than seven (7) days after the date upon which the resolution fixing the record date is adopted by the Officers.

(b) If the Officers do not fix a record date, the record date for the determination of DAs entitled to notice of or to vote at a meeting of DAs shall be as of the close of business on the day next preceding the day on which notice of such meeting is given, or, if notice is waived as provided herein, on the day next preceding the day on which the meeting is held. The record date for determining DAs entitled to express consent to project action in writing without a meeting, where no prior action by the Officers is necessary, shall be the close of business day on which the first signed written consent setting forth the action taken or proposed to be taken is delivered to the Project. The record date for determining DAs for any other purpose shall be at the close of business on the day the resolution of the Officers relating thereto is adopted.

## **Article V - OFFICERS**

V.1 Election. At its annual regular meeting, the DAs shall elect a President, Vice-President, a Treasurer, a Secretary, and such other officers or agents as it shall deem necessary or desirable. One person may hold two (2) or more offices. Any officer may be removed by the DAs, or Protocol Team, with or without cause at any time, by Super-Majority Vote.

V.2 Vacancies. Any vacancy occurring among the officers, however caused, may be filled by the Protocol Team for the unexpired portion of the Officer's Term.

V.3 President. The President shall be the head DA and, subject to the control of the Protocol Team, shall in general supervise and control all of the business and affairs of the DAs. Unless otherwise directed by the Protocol Team, all other officers shall be subject to the authority and supervision of the President. The President may enter into and execute, in the name of the Project, contracts or other instruments in the regular course of business, or contracts or other instruments not in the regular course of business which are authorized, either generally or specifically, by the Protocol Team. The president shall be responsible for reviewing the Treasurer's books on a monthly, or more frequent, basis, and shall report any questionable expenses or relevant behavior to the Protocol Team and DAs. The President is initially elected as [Robert Kodra](#).

V.4 Vice President. If any are elected, the Vice President(s) shall perform such duties and have such authority as may be delegated to them from time to time by the President or by the Protocol Team. In the absence of the President or in the event of his death, inability, or refusal to act, the Vice President(s), in order assigned, shall perform the duties and be vested with the authority of the President. The Vice President shall have the ability to appoint as many Coordinator DAs as he or she deems necessary, and may appoint any current DA as Coordinator DAs at any time. Furthermore, the Vice President may revoke the Coordinator DA



responsibilities as a Coordinator DA at any time. All such decisions must be recorded and sent to the Secretary. The Vice President is initially elected as [Joel Kite](#).

V.5 Treasurer. The Treasurer shall share responsibility in the charge and custody of and be responsible in part for all funds and token repository of the Project as described in Article IX.2, shall keep regular books of account for the DAs and shall perform such other duties and possess such other powers as are incident to the office of Treasurer or as shall be assigned by the President or by the Protocol Team. A running list of expenses made shall be published and access granted to DAs and The Protocol Team on a monthly, or more frequent, basis. The Treasurer shall be responsible for any interaction with auditors, accountants, or other outside financial advisors. The Treasurer is initially elected as [Saurav Kumar](#).

V.6 Secretary. The Secretary shall cause notices of all meetings to be served as prescribed in these By-Laws or by statute, shall keep or cause to be kept the minutes of all meetings of the DAs and of the Protocol Team, shall have charge of the corporate records and seal of the Project and shall keep a register of the post office address of each stockholder. The Secretary shall perform such other duties as are consistent with the office of Secretary or as assigned by the President or the Protocol Team. The Secretary is initially elected as [Jason Garland](#).

## **Article VI - EXECUTION OF DOCUMENTS & EXPENSES**

VI.1 Protocol Team Treasury. There is no initial allocation of HYDRO tokens to the Protocol Team Treasury. Tokens can be added to the treasury by amending the By-Laws, per Article IX.1.

VI.2 DA Treasury. The initial allocation will be approximately 10% of the total supply of the HYDRO token. All expenses must be approved, in writing, as described below in Article VI.2 (a) and Article VI.2 (b). Any expense can be rejected by the DAs or Protocol Team by Majority Vote as described in sections VI.2 (a-c).

(a) Any expense totaling less than \$500 USD, or equivalents, may be accepted through written approval of at least two of the following: the President, a Protocol Team member, and the Treasurer. If the President is not available (as determined by a Protocol Team member or the Treasurer), the Vice President may approve the payment on behalf of the President.

(b) Any expense totaling more than \$500 USD, or equivalents may be accepted through the approval of all three of the following: the President, a Protocol Team member, and the Treasurer. In this situation, if the President is not available (as determined by a Protocol Team member or the Treasurer), the Vice President may approve the payment on behalf of the President.

(c) Any proposed non Urgent Expense must be shared, by the DA or Protocol Team member that is proposing the expense, with the DAs for a period of 24 hours, after which, if no objection is raised, the expense will pass to the President, Treasurer, and Protocol Team member(s) as described above in Article VI.2 (a) (b) for review. The expenses must be shared in a manner such that all DAs have access to view the expense amount, the reasoning, and the intended recipient. If a DA objects to a expense within the 24-hour period, the DA may initiate a vote, upon which a

voting period lasting 24 hours shall commence, and the expense shall be approved only with a majority vote, with no quorum needed, among the DAs that participate in the vote.

(d) If an expense is deemed and Urgent Expense, as decided by the President, the Treasurer, and two members of the Protocol Team, the above parties may forego sharing the expense with DAs for review as described above in Article VI.2 (c).

(e) If any DA suspects that (a) an expense was made with malintent, (b) that there are mistakes in the Treasury books, or (c) that an expense was approved or made in opposition to the by-laws, a review process will begin immediately regarding the expenses and the Vice-President or Protocol Team members may pause further expenses until the expense in question is accounted for, or until action has been taken to remedy the situation. If any expense is to be found to be a Terminable Event, the procedures outlined in Article IV.2 (a) and/or Article IV.2 (b) above will be followed.

VI.3 Commercial Transactions. All token transfers via invoice, notes, drafts and other commercial transactions of the Project shall be signed by the President or any Vice President of the DAs or by such other person or persons as the Protocol Team by Majority Vote may from time to time designate.

VI.4 Other Instruments. All contracts, documents, and instruments shall be executed by the President or any Vice President of the DAs, and, if deemed necessary or advisable, by the Secretary, or such other person or persons as the Protocol Team by Majority Vote may from time to time designate.

## **Article VII - FISCAL YEAR**

VII.1 Fiscal Year. The fiscal year of the Project shall be the same as the calendar year unless the Protocol Team shall otherwise direct by Unanimous Vote.

## **Article VIII - TOKEN DISTRIBUTIONS**

VIII.1 Token Distributions. The DAs may not distribute, burn, destroy, or re-allocate tokens in the DA Treasury, outside of daily operations as discussed in this document, without Unanimous Vote of the Protocol Team.

## **Article IX - AMENDMENTS**

IX.1 Amendments. These By-Laws may be altered, amended or repealed and new bylaws may be adopted by both a Super-Majority Vote of the DAs and Super-Majority Vote of the Protocol Team, if notice of the proposed alteration or amendment be contained in the notice of meeting, or by Super-Majority Vote of the Protocol Team, unless the resolution of the DAs or Protocol Team adopting the By-Laws expressly reserves to the DAs or Protocol Team the right to amend it, at a regular meeting or at a special meeting called for that purpose.