

**RCHAIN COOPERATIVE**

**RESOLUTIONS BY THE BOARD OF DIRECTORS AT A DULY CALLED MEETING**

The undersigned, being all of the members of the Board of Directors of RChain Cooperative, (the “**Board**”), a Washington cooperative (the “**Coop**”), pursuant to RCW 23.86, hereby approve and adopt the following resolutions at a duly called special meeting (the “**Resolutions**”) held telephonically on February 22nd, 2019:

*Present:* Ian Bloom, Barry Cynamon, Evan Jensen, Lucius Gregory Meredith,  
Mark Pui, Kenny Rowe

*Absent:* Vlad Zamfir, Kevin Goldstein (BC proxy), Steve Ross-Talbot (MP proxy)

*Others Present:* Chris Boscolo, Lilia Rusu

*Meeting called to order at 12:07 PST.*

**RSong SPV Plan**

Greg Meredith recommended incorporating RSong as a Washington State B Corporation. He recommended that the corporation be formed before investors begin providing opinions on how it should be organized. He specified that it would be recognized on the RSong books that the Coop is providing significant assets to RSong.

Evan Jensen mentioned problems from prior efforts by the Coop to set up external entities when the leadership of the two entities did not see eye to eye. Barry Cynamon asked about the personnel and leadership of RSong. Greg Meredith responded that Fabian Alsultany would lead RSong, with Ned Robinson moving over and Darryl Neudorf also joining the staff.

Evan Jensen reiterated his concern about another external entity, citing friction with Reflective Ventures and Pithia. Greg Meredith said it would be different with the SPV 100% owned by the Coop.

Ian Bloom asked about the costs of incorporation and of the staff moving over to RSong. Evan Jensen asked about the long term play for the vehicle. Greg Meredith says that in the next

six weeks we can sign up artists and catalogue. He stipulates that he has a broad range of artists lined up and has been waiting for the right moment to leverage that.

Ian Bloom mentioned that the RSong SPV plan sounds like a life raft. Greg Meredith responded saying it is exactly that. Greg said he would like to wait until Kevin Goldstein and Steve Ross-Talbot have had an opportunity to review the proposal before making a decision. Barry Cynamon requested that Greg put the details of the plan in writing, and Greg agreed to do so.

### **Interim COO**

Ravi Srivatsav introduced himself and said he would like to have a meeting with Kenny to get onboarded and figure out the top things that people should be focused on and then make sure that each person is focused on the top priority for them. Ravi said the outcome of those meetings would be a document with recommendations for the Board. Greg added that Ravi brings a network of potential investors as well.

Evan Jensen asked Ravi what he considers the top priority for the next couple months. Ravi says that the key is getting RSong launched to show that a distributed app can be run on RChain at the launch of mainnet.

Both Ravi Srivatsav and Greg Meredith cited marketing and PR as key shortcomings of RChain. Ravi mentioned that each negative piece in the media should be met with a response.

Greg Meredith asserted that he has the right under the Bylaws to appoint Ravi as the COO and to have Ravi work with Kenny and the team to begin the transition. There was no dispute relative to that correct assertion.

### **Sadis & Goldberg**

Greg Meredith said he would be more comfortable working with Miller Nash, which he felt was a better fit as a Washington-based law firm. Greg and Evan Jensen and Ian Bloom discussed prior experiences with Perkins-Coie and their relationships with various individual attorneys in a discussion regarding which firm to retain.

### **Reflective Ventures and Pithia**

Greg Meredith said that we need legal advice. He suggested adopting a carrot and stick approach. There was a discussion of some history. Greg expressed that his priority is getting the portfolio companies on the platform.

### **West Seattle House**

Ian Bloom brought up the sale of the house. Barry Cynamon motioned to accept the offer that the Coop had received. Kenny Rowe seconded the motion. Barry Cynamon (plus Kevin Goldstein), Kenny Rowe, Mark Pui (plus Steve Ross-Talbot), Ian Bloom, Evan Jensen, and Greg Meredith voted in favor. There were no votes against. The motion carried unanimously. Following the motion, the Board discussed the espresso machine in the house, and the Board agreed that a reduction in the sale price of up to \$5,000 would be acceptable in order to allow the Coop to retain the espresso machine.

### **RChain Governance Process**

Several board members spoke out in favor of the governance process proposal, and the board agreed to discuss the governance process proposal at the March 5 meeting.

### **Budget Cuts**

Barry Cynamon asked for an update on the 20% budget cuts Greg Meredith committed to during the Feb 5 meeting. There was some discussion of possible sources of savings. Kenny Rowe pointed out that no material moves had been made. Greg said he would set those cuts in motion.

### **Funding / Runway**

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Barry Cynamon asked if other board members had considered issuing new RHOCs to raise money if the members voted to support that. Evan Jensen said he is very uncomfortable with the idea of issuing RHOCs. Kenny Rowe advised that there is no runway beyond April. In the ensuing discussion, it came to light that the Coop did not ever file a Form 1024 application for 501(c)(12) status. It was agreed that the Coop should apply to the IRS for a payment plan. Barry Cynamon asked if it is better to file sooner than later, and Greg Meredith said the optimal date is April 15. Barry asked what kind of runway we are looking at and suggested that we reach consensus in order to inform the membership. Kenny walked through specifics, and the directors discussed the financial situation at length.

### **Bankruptcy**

Barry Cynamon mentioned that it is the responsibility of the Board to consider bankruptcy. Evan Jensen asked what is the drop-dead date or dollar balance at which point the Board has to enter into a bankruptcy proceeding. The Board members discussed avenues for investment and how best to involve the membership in such an important decision. Wide ranging discussion of options followed. Greg Meredith asked if the Board was prepared to direct him to file for bankruptcy. Barry said that he believed it was reasonable to leave that decision until the March 5 meeting, but that Greg should line up whichever law firm he felt was best and make sure that their ability to guide us through a bankruptcy proceedings was a consideration and that they were aware the need might be forthcoming shortly.

FINALLY RESOLVED, that any or all actions heretofore taken by any director of the Company with respect to any matter referred to or contemplated by the foregoing resolutions be, and hereby is, ratified and confirmed as the act and deed of the Company.

*Meeting adjourned at 14:49 PST on February 22nd, 2019*

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THEREFORE, the undersigned directors hereby approve these resolutions as of the date set forth below.

**DIRECTORS:**

_____ Lucius Gregory Meredith Director	Date: _____
_____ Vlad Zamfir Director	Date: _____
_____ Ian Bloom Director	Date: _____
_____ Kenny Rowe Director	Date: _____
_____ Evan Jensen Director	Date: _____
_____ Barry Cynamon Director	Date: _____
_____ Kevin Goldstein Director	Date: _____
_____ Mark Pui Director	Date: _____
_____ Steve Ross-Talbot Director	Date: _____

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