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 June 4, 2019:

Present:	*Lucius Gregory Meredith, Evan Jensen, Steve Ross-Talbot*
Absent:	*Vlad Zamfir*
Others Present:	*Lilia Rusu, Ian Bloom, Dan Salkov*

Meeting called to order at 11:58 PDT.

Development Update

The team is on track to launch Testnet-2 this month, which will enable the use of community validators, and the issuance of test_REV based on RHOC balances during a Genesis ceremony.

RChain Node (RNode-0.9.6) was released on May 29 and the team is scheduled to release RNode-0.9.7 this week, to include a change in the public/private key algorithm used for both consensus protocol and system contracts. This release will also implement *DeployID*, a string that will be generated at the creation of every smart contract, and can be queried for on the blockchain.

Discussion on Sale of RHOC

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The 20 Million RHOC allocated for sale to Co-op members has sold out, with the majority of purchases coming from Chinese members. The sale price of $0.0267/RHOC was set to match the Thrust Capital first tranche, of which Thrust has purchased $50,000 so far.

Thrust represents a class of investment fund focused on crypto projects and tokens. The Co-op has approached more conventional funds , such as Apis Capital, who are not willing to invest in smart contracting platforms like RChain until they see it running a decentralized application (Dapp) that is generating a profit. The Co-op will continue pursuing funds that specialize in blockchain projects, but will focus its capital raising efforts on our own community who has funded development so far. Greg Meredith would also like to approach more high wealth individuals and family funds who may be interested in supporting the Cooperative.

In response to the communities interest in purchasing more RHOC, the board has considered a phased sale during which the selling price of RHOC is tied to development milestones on the [Testnet Roadmap](https://rchain.atlassian.net/wiki/spaces/CORE/pages/678756429/RChain+public+testnet+information#RChainpublictestnetinformation-Roadmap)

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Resolution to sell 15 Million RHOC

Greg Meredith motioned to sell 15 Million RHOC in three tranches of 5M each, tied to phases 1 - 3 of TestNet. In phase 1 the RHOC will be available at $0.1/RHOC; in phase 2 $0.125/RHOC; and in phase 3 $0.15/RHOC. The proposal was seconded by Steve Ross-Talbot. All board members present voted unanimously to pass the resolution. A special meeting will be scheduled for June 11 for the board to approve the specifics of the term sheet.

Co-op Governance

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To reflect the growing engagement and financial support of the Chinese community, the board invites the nomination of Chinese members to serve as directors. Several prominent members have already been identified and Greg Meredith has suggested that a Chinese director be added to the board, on an interim basis, to serve until the next annual meeting of the membership in October. After vetting by board members, a proposal shall be made at a subsequent board meeting to appoint a Chinese interim director.

During last December's board meeting, it was resolved to establish a Governance Committee and to include in its makeup a mandatory seat for the VP of Governance. The committee's function would be to support the board in the creation of processes for member participation, including IoB #4 from the 2018 annual member meeting. The composition of the committee and it's charter were scheduled to be approved at a future meeting of the Cooperative's board of directors.

Steve Ross-Talbot has agreed to work with several members who have loosely formed a Working Group with the goal of formalizing and seating the Governance Committee. Evan Jensen commented that the Governance Committee will prepare, for the board's approval, the charters and procedures of all other Co-op Committees.

Discussion on Immersion Codec

Greg Meredith recommends no further Co-op payments for the Immersion Codec and will, at a later date, bring a resolution to the board concerning future work on the RSong player.

Discussion of Dev-Team Compensation in RHOC

Steve Ross-Talbot will investigate a tax efficient way of rewarding the Polish dev team in RHOC.

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Discussion of DFI Response

The Martin Davis firm is helping the Co-op to prepare answers to the Washington State Department of Financial Institutions concerning sale of RHOC in 2018. The firm has agreed to an "Ethical Wall" so that the data collected would not be shared with their managing partner, David Otto, in order to avoid potential conflicts of interest.

Discussion on KuCoin and Pithia

KuCoin is asking for a legal justification for barring the Pithia RHOC from their exchange, but the Co-op's council is concerned that this would signal that the Co-op is treating RHOC like a security. Greg Meredith suggests asking the exchange to remove RHOC from trading and allow holders to remove their RHOC balances. He has already begun working with KuCoin to get REV listed.

Tracking Stolen RHOC

By tracking the 11 Million RHOC that were stolen in Barcelona, and reporting on the movement of these funds, the thieves have been blocked from selling on an exchange and we anticipate that the RHOC will be recovered.

Resolution to Approve Past Minutes

Evan Jensen made a motion to approve all previous board minutes. Steve Ross-Talbot seconded the motion. All board members present voted unanimously to approve the past board minutes.

Meeting adjourned 1:32 PST.

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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.

These minutes were approved by the Board of Directors on June 11, 2019

DocuSigned by:

Lilia Rusu

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Lilia Rusu, Secretary

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