

**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 regular meeting (the “**Resolutions**”) held telephonically on March 5th, 2019:

*Present:* Ian Bloom, Barry Cynamon, Evan Jensen,  
Lucius Gregory Meredith, Mark Pui, Steve Ross-Talbot

*Absent:* Vlad Zamfir

*Others Present:* Lilia Rusu, Daniel Salkov (Governance Committee observer),  
Dror Dayan (Governance Committee observer), Ravi Srivatsav

*The Board accepted the resignation of Kevin Goldstein on 2/25.*

*Meeting called to order at 12:05 PST.*

*Steve Ross-Talbot agreed to chair the meeting and try to get through a lengthy agenda within the scheduled two hours.*

**Leadership Transition**

Greg Meredith said that after the Mercury backlog was completed, he would move over to focusing on the delivery of Venus. In particular, he said, he would aim to deliver as much of the LADL algorithm as possible, especially behavioral types for Rholang. Greg said that he would step away from day-to-day operations and would instead spend his time in the park with his thoughts, doing rocket science.

Steve Ross-Talbot asked about the timing Greg contemplated under that plan, and Greg responded roughly seven months. Greg informed the Board that him stepping away from

day-to-day operations sooner would not speed up development, because he is not very involved in coding at this point, and the team would not benefit from additional support from him. Greg reminded the Board of the transition plan the Board had approved at its November 6, 2018 meeting. Greg pointed out that Ravi would be appointed VP of Engineering under that plan. Steve and Mark Pui said they were not familiar with the plan, and Greg was very surprised. Barry Cynamon mentioned that there was not much a plan, and that most of what was in writing at the time of the November 6 meeting had already been verbalized by Greg. Steve and Mark asked for a link to the plan, and Barry sent it to them by email and posted the contents in the Zoom chat.

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## Management:

### Restructure the management of the Cooperative by December 19th 2018

#### To Do:

- After mainnet is launched and after Mercury backlog is completed and before Venus feature development begins in earnest, Greg Meredith will step down as President and transition to another relationship with the Cooperative in support of the development of Venus to be negotiated
- Kenny Rowe will be interim President when Greg Meredith steps down
- Board will initiate a process of phasing out the office of president in favor of a council of VPs:
  - Engineering
  - Marketing
  - Token Economics/Finance
  - Governance

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Greg asked if the board wanted him to step down as President. Greg said that he would be happy to step down and walk away from the project if the Board would like to take a vote on the matter. Barry said he would like Greg to step down as President and not walk away from the project. Many voices spoke at the same time. Steve restored order and the conversation moved on.

Greg reported that Ravi Srivatsav had entered a contract with the Cooperative to become the Chief Operating Officer with a salary of \$1. Greg proposed appointing Ravi to the Board. Ian Bloom asked if Ravi was a member of the Cooperative. Ravi went to complete his enrollment as a Cooperative member, and it was agreed that the matter would be taken up later in the call.

### **Development Update**

Greg Meredith reported on the timing of development and noted that the RHOC to REV conversion should be complete by mid-May, with support on the key exchanges. Greg predicts that the protocol software will be feature complete in 1.5 sprints (2 weeks per sprint) and that the hardening phase that will follow will be shortened by closed system iterations facilitated by Whiteblock.

### **Legal Counsel**

Greg Meredith mentioned that the original proposal from Miller Nash had a hefty retainer attached to a wide scope of services, and that he and Ravi Srivatsav had decided it was best to start with a smaller project and a smaller retainer to evaluate the quality of their services. Greg proposed what he described as a crawl-walk-run strategy. Greg said he wanted to direct Miller Nash to work on incorporating the RSong SPV, which he thought would take 2-3 days and \$1,500-\$3,000. He pointed out that he could do it himself in a few hours. Barry Cynamon asked for more details on the plans for the SPV itself. Greg said that the key was giving Miller Nash a small project to see if we could work effectively with them. When asked what would happen the engagement went poorly, Greg said that the Coop would work with Perkins Coie instead in that case.

Evan Jensen made a motion to direct Greg to accept the (narrower scope) engagement letter from Miller Nash and move forward with incorporating the RSong SPV. Greg seconded the motion. Greg, Evan, Mark Pui, Ian Bloom, and Steve Ross-Talbot voted in favor. None opposed. Barry abstained. By a vote of 5-0, with one abstention, the motion carried.

### **RSong SPV**

Greg Meredith mentioned that there was a ton of interest from investors in the Rsong SPV. Greg shared his screen and posted a business plan from the RSong SPV. Barry Cynamon

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encouraged him to lead the Board through the plan. Greg mentioned that it was a rough draft, with a newer draft to be available on Thursday. Mark Pui asked Greg to share the updated version of the plan on Thursday. Greg said that he would. Barry pointed out that there were five authors listed on the plan and asked about the resources being diverted to work on the SPV. Greg said that it was no more than 5% of the Coop operating budget.

Greg said that he had new information about the deal to monetize the Immersion license. He provided an explanation for why it might be the case that it had slowed down and how it might be possible to get it back on track.

### **Pithia**

Greg Meredith reported that he had been a party to discussions with Ed Eykholt and Navneet Suman. Greg mentioned four options that Pithia had offered in those discussions: litigation, helping Pithia sell their tokens, timelock or some other kind of lock on the tokens, change of control.

Mark Pui said that he had also been in contact with Ed, and that he had an opportunity in one day to speak with Lawrence Lerner. Mark said he wanted to find out if Lawrence was entrenched in a single position or if he was open to a range of potential outcomes that could be beneficial to all parties. Greg expressed reservations about Mark speaking with Lawrence. Barry Cynamon asked Greg why he thought it was problematic, and Greg said his view was based on his experience negotiating with Lawrence extensively from April 2018 to August 2018, when Greg inked the deal. Mark asked if it was possible for the Board to support him in having the conversation with Lawrence. Greg expressed ongoing reservations. Greg said that there was a lot of history. Barry pointed out that it might be advantageous for the discussion to be led by somebody without history. He added that three people founded Holdings, and two of those people were on the call. The Board agreed that Mark should meet with Lawrence and then reconnect with Ravi and Greg to determine how to proceed.

### **Reflective Ventures**

The Board agreed that it was important to respond to Greg Heuss's most recent communication and to pursue the best possible resolution. The Board agreed that Mark would be

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the primary interlocutor to confer with Miller Nash as it pertained to the matter with RV to the extent any legal advice became necessary.

### **Ravi Transition**

Greg Meredith made a motion to appoint Ravi Srivatsav as an interim board member to occupy the seat left vacant by Kenny Rowe's resignation. Ian Bloom seconded the motion. Greg, Ian, Mark Pui, Steve Ross-Talbot, and Barry Cynamon voted in favor. By a unanimous vote, the motion carried.

### **Tax Planning**

The Board discussed the Cooperative's potential tax liabilities. Greg Meredith proposed to change the Coop tax year to end in October and to file the Form 1024 to pursue 501(c)(12) status. Barry Cynamon suggested reaching out to Jonathan Van Loo and Hunt Jackson to make sure the Board understood where it could seek advice pertaining to reasonable efforts to manage tax liability and to set up a payment plan as necessary.

### **Governance Committee**

Dror Dayan summarized the ToD draft proposal. Steve Ross-Talbot suggested that the directors each read it carefully, and we discuss it at our next board meeting. Steve emphasized the importance of board members being transparent with members. Ian Bloom pointed out that the proposal is about members pushing issues up to the board, not the reverse. Barry Cynamon said that he had read the proposal and supported it. Evan Jensen suggested that the Governance Committee take responsibility for assembling the Items of Business for the annual member meeting. Steve suggests that we pick up the discussion at the next meeting.

### **Pay Developers in Advance**

Barry Cynamon explained the proposal, the reason for it, and the risks associated with adopting the plan. Steve Ross-Talbot made a motion to pay developers in advance in two week periods. Greg Meredith seconded the motion. All present voted in favor. By a unanimous vote, the motion carried. Mark Pui volunteered to notify Kate Gonsalves.

### **Report of the AFC**

Mark Pui pointed out that the Audit and Finance Committee had prepared a report for the Board to accompany the financial statements it had prepared. Barry Cynamon proposed running the report by Miller Nash to get their opinion before we decide which contents to share and how.

### **Crypto Assets**

Mark Pui pointed out that Kate Gonsalves had asked if the Board wanted her to liquidate ETH and BTC into USD. Mark mentioned that he had already recommended this previously. Greg Meredith pointed out that some contracts were still being paid in cryptocurrency. Barry Cynamon asked if Greg could estimate 60 days worth of expenses in cryptocurrency and direct Kate to liquidate the rest. Greg agreed that he would do that. Mark volunteered to notify Kate of the decision.

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 14:04 PST on March 5th, 2019*

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

**DIRECTORS:**

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Lucius Gregory Meredith  
Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Vlad Zamfir  
Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Ian Bloom  
Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Evan Jensen  
Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Barry Cynamon  
Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Mark Pui  
Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Steve Ross-Talbot  
Director

Date: \_\_\_\_\_