



Hedera Council Committee Policy

Version 2.0 | Effective as of January 1, 2025

Capitalized terms not defined herein shall have the meanings ascribed to them in the Hedera Council LLC Agreement, as may be amended from time to time.

1. Purpose & Limitations.

- a. The purpose of this Hedera Council Committee Policy (the “**Policy**”) is to clearly articulate the roles, responsibilities, and operational logistics of Hedera Council committees to enable the committees to contribute their expertise and make recommendations to the Council on decisions relating to the Hedera network.
- b. This Policy is intended to supplement, and not supersede, relevant portions of the Hedera Council LLC Agreement and the Hedera Council Ethics & Integrity Policy. In the event of a specific conflict, the terms set forth in the Hedera Council LLC Agreement or Hedera Council Ethics & Integrity Policy, as applicable, shall control.
- c. Committees shall provide recommendations to the Council but shall have no authority to bind the Council members other than as provided in the Hedera Council LLC Agreement, in a committee’s duly adopted charter, or as specifically delegated to a committee by the Council or Board.

2. Administration & Amendment.

- a. The Council may, upon the approval of at least a majority of the Council Members, amend, suspend, or discontinue this Policy in whole or in part at any time. Amendments shall be effective upon written email notice to Council Representatives (as defined in the Hedera Council LLC Agreement), as maintained in the Hedera Council instance of www.causeway.com (“Causeway”¹). Nothing set forth in this Policy shall entitle any individual serving in the referenced positions to any specific term, compensation, or role for any specified period of time.
- b. The Council Secretary shall be the “**Administrator**” of this Policy. The Administrator shall have the full authority to administer the Policy and to interpret and construe the Policy in accordance with its terms. The Administrator is authorized to adopt such rules, regulations, forms, and guidelines for administering the Policy and delegate such responsibilities under the Policy as it deems necessary or appropriate.
- c. The Administrator has the authority, in the Administrator’s reasonable discretion, to make administrative revisions to the Policy without requiring the prior approval of the Council members. The Administrator shall notify the Council members of any such administrative revisions.

¹ References to Causeway in this Policy shall be interpreted to apply to any subsequent Hedera instance of an analogous governance portal if adopted by the Administrator.



3. Committee Creation & Charters.

- a. Committees may be created or dissolved by a majority of the Council members. As of the effective date of this Policy, the Council has four active committees:
 - Technical Steering and Product (“**TechCom**”)
 - Membership (“**MemCom**”)
 - Network Utilization Committee (“**UseCom**”) (formerly CorpCom)
 - Coin Economics & Treasury Management (“**CoinCom**”)
 - b. To create a new committee, a majority of the Council members must approve the committee’s charter and elect at least two committee members per the terms set forth herein. Committee charters may supplement or supersede specific terms of this Committee Policy if approved by a majority of the Council members. Approved committee charters shall be published to Hedera Council’s website.
 - c. To be effective, a committee charter must contain the following:
 - i. Purpose statement;
 - ii. Description of committee composition and operating procedures; provided that if none are listed in a committee charter than the default composition and procedures set forth in this Policy shall control;
 - iii. A list of responsibilities, and if applicable, delegated authority from the Council;
 - iv. A roster of Committee Members (defined herein), maintained by the Administrator; and
 - v. A statement that any committee decision, action, policy, or plan that would involve the spending of Council funds (cash or HBAR) shall also require Board approval.
 - d. Committee charters may be amended by a majority of Council members; provided, that the Secretary may make editorial or administrative amendments to a charter. The Secretary may also update the Committee charters from time to time to incorporate any responsibilities or authority that has been explicitly delegated to the committee by the Council or Board, or to maintain the Committee charters consistently with any revisions to the LLC Agreement or the Policy.
- 4. Committee Composition.** The following rules shall be in effect for all committees unless specifically stated in a committee charter.
- a. Election/Removal.
 - i. Committees shall have three voting members (the “**Committee Members**”) who shall be elected by the Council members pursuant to the election process defined in the Hedera Council Election Policy. A Committee Member may be removed by a majority vote of the Council members.
 - ii. Committees may operate with two members, provided that the Administrator and Council Chair shall use reasonable efforts to facilitate an election to fill any committee vacancies. The election to fill any such vacancy shall be filled pursuant to the Hedera Council Election Policy.
 - b. Committee Members. Committee Members shall be individual persons affiliated with a Council member. For purposes of this Policy, an individual is considered “affiliated” with a Council



member if the individual is a current employee, officer, director, or authorized agent² of the Council member.

- c. **Terms.** Committee Members will serve one-year terms, which shall typically be January 1 - December 31 unless otherwise determined by the Administrator. If a Committee Member is elected to fill a vacancy and is seated before the committee's first meeting of the year, the Committee Member shall be deemed to serve the term beginning January 1 of the applicable year. There is no limit to the number of terms a Committee Member may serve.
- d. **Leadership.** Each committee, via consensus of the voting members, shall elect a Committee Chair. If the committee is unable to achieve consensus by January 31 of the applicable calendar year (or, if the Committee Members' one-year terms begin on a date other than January 1, within thirty days of the date on which the Committee Members' terms begin), the Council Chair or Administrator shall facilitate a Council vote to elect the Committee Chair from among the Committee Members. In the absence of a duly elected Committee Chair, the committee shall assign the duties of the Committee Chair to an officer, the Council Chair, or other designee.

5. Committee Operations.

- a. **Committee Attendees.**
 - i. *Council Representatives, Directors, Affiliated Individuals.* All Council Representatives (as defined in the Hedera Council LLC Agreement) and Directors may attend Committee meetings as non-voting participants. In addition, the Committee Chair may permit any other natural person who is an employee, officer, director, or authorized agent of a Council member but is not a Council Representative to attend committee meetings as a non-voting participant. Council Representatives, Directors, and other approved affiliated individuals should contact the Administrator or Administrator's designee to request access to the committee workgroup and/or the committee meeting schedule.
 - ii. *Invited Experts & Guests.* The Committee Chair may invite any entity or natural person who is unaffiliated with a current Council member to join any committee meeting or series thereof as a non-voting participant (either as an invited expert or guest) (any such approved participant, collectively with the Council Representatives, Directors, and other approved affiliated individuals, the "**Committee Attendees**"). Prior to provisioning access to any committee meeting or materials for the invited expert or guest, the Committee Chair must consult with the General Counsel to determine whether the invited expert or guest is sufficiently bound by written confidentiality, compliance, and related obligations as determined by the General Counsel. The Committee Chair shall inform the Administrator of the scope of access to be provisioned to invited experts or guests (e.g. meeting invitations, committee materials, access to Causeway).
 - iii. The General Counsel may exclude any or all Committee Attendees from any committee meeting if necessary in the General Counsel's discretion to preserve the attorney-client privilege or otherwise limit access to highly confidential or proprietary information.
- b. **Meeting Notices & Logistics.**
 - i. Committees are expected to meet at least quarterly, with additional meetings called as needed by the Committee Chair.

² For purposes of this Policy, an individual is an "authorized agent" of the Council member if the individual is authorized in writing to act on the Council member's behalf in committee activities.

- ii. The Committee Chair must provide at least seven (7) days' notice for committee meetings to the Committee Members. In the extraordinary event that a committee meeting must, in the Committee Chair's discretion, be called without seven (7) days' notice, the Committee Chair shall provide as much notice as possible to the Committee Members (which must be at least 48 hours) while detailing the reasons for the extraordinary meeting and any expected voting to take place. The Committee Chair shall use reasonable efforts to provide as much notice as possible of committee meetings to Committee Attendees.
- iii. Committees are expected to meet virtually or telephonically. Meetings scheduled in person shall not be eligible for expense reimbursement under the Hedera Council Travel & Expense Policy absent the Administrator's prior written consent.
- iv. The Administrator or Administrator's designee shall support regularly-scheduled committee meetings by tracking committee decisions and action items, maintaining the committee Causeway group, and assisting with committee administrative matters. The Administrator shall use best efforts to support additional or extraordinary meetings.

c. Agendas & Meetings.

- i. The Committee Chair shall be responsible for setting the agenda for each committee meeting. Committee Chairs shall use reasonable efforts to circulate the agenda, which must describe the business expected to be transacted at the meeting, at least 48 hours before the scheduled meeting,
- ii. Committee Chairs shall preside over the deliberations of the committee meetings. Committee Chairs shall have the responsibility and authority typically associated with the role of chair of a deliberative body (*see, e.g.*, Robert's Rules of Order Newly Revised (RONR)).

d. Acts by a Committee.

- i. At all meetings of a committee, attendance at the meeting of at least two Committee Members shall constitute quorum.
- ii. For any vote by a committee, each Committee Member shall have one vote.
- iii. Committee Chairs shall strive to reach unanimous decisions and shall facilitate discussion to attempt to resolve any disagreements between the Committee Members.
- iv. Committees may act during any meeting in which at least two of three Committee Members are present or via electronic ballot sent to all Committee Members.
- v. Except as specifically provided in a committee charter or in specifically-delegated authority from the Council or Board, the vote of two Committee Members shall constitute an act of the committee.
- vi. Any committee decision, action, policy, or plan that would involve the spending of Council funds (cash or HBAR) shall also require Board approval.

e. Acts Exercising Delegated Authority. Committees shall have no authority to bind the Council members other than as provided in the Hedera Council LLC Agreement, in a committee's duly



adopted charter, or as specifically delegated to a committee by the Council or Board. In the event that a committee is delegated authority by the Council or Board and votes to exercise such delegated authority, any such action(s) shall be reported to the Council members and incorporated into the Council meeting minutes.

- f. Committee reports and objectives. Committees shall also set annual objectives, to be approved by the Council Members, and shall provide quarterly reports to the Council Members. Committee Chairs shall provide additional reports to the Council as requested by the Council Chair.
- g. Third-Party Firms. Subject to Board approval, committees may engage independent firms and other experts or consultants as the committee determines advisable or necessary to carry out its responsibilities.

Document Change Log

Version	Date	Author	Change Description
1.0	July 25, 2023	Tom Sylvester	Council members approved the Hedera Council Committee Policy via e-ballot.
1.1	August 19, 2023	Tom Sylvester	Updated per authority granted to the Secretary at the Council meeting dated August 9, 2023.
1.2	January 22, 2024	Kate Ball	Updated per authority granted to Secretary at the Council meeting dated November 8, 2023 and administrative edit.
2.0	February 17, 2025	Kate Ball	Amended and restated pursuant to the Council members' directive during the Council meeting held on November 15, 2025, to be effective as of January 1, 2025.