



THE
DIGITAL DOLLAR
PROJECT

The Digital Dollar Project, Inc. (DDP)
Operating Procedures

December 20, 2021

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1. Introduction

This document describes the rules, operations and processes of the Committees and Pilots of The Digital Dollar Project, Inc. (“DDP”) to be followed by DDP Participants..

The rules, operations and processes covered in this document do not address all details of the various activities that will take place in the Committees and Pilots. This document may change from time to time, by decision of the DDP Board of Directors (the “Board of Directors”), to address the changing needs of DDP and its Participants.

Joint Development Working Groups, as defined in the IPR Policy, may have such additional appropriate rules as may be included in the charters establishing such Working Groups.

2. Definitions

Defined terms used in this document shall have the following meanings:

“Antitrust Policy Statement” means an Antitrust Statement approved by the DDP Board of Directors for display at the commencement of any meeting held under these Operating Procedures.

“Bylaws” means the Bylaws of DDP.

“Chair” means the person appointed by the Board of Directors to chair that Pilot or Committee.

“Confidential Information” shall have the same meaning as set forth in the Bylaws.

“Event Participation” means any event where DDP is in attendance and using content created by DDP.

“Executive Director” means an employee employed to oversee the day to day operations of DDP.

“Initiator Entity(ies)” means the organizations that are named on an approved Pilot Charter as Pilot Participants (Appendix B).

“IPR Policy” means the DDP Intellectual Property Rights and Compliance Policy.

“Liaison” means an ambassador who is authorized by DDP and their employer to communicate and collaborate on DDP’s behalf with an external agency (public or private).

“Liaison Relationship” means a relationship with an external agency (public or private) in compliance with Section 10.1 below.

“Majority Vote” means the affirmative vote of more than fifty percent (50.0%) of those eligible to vote.

“Participant” means an entity that has executed a Participant Agreement with DDP, and whose participation has not been suspended or terminated by DDP.

“Participant Committees” means DDP committees made up of Participants.

“Participant Representative” means an individual employee of a Participant participating in one or more DDP activities.

“Participants Workspace” means the collaboration tools of DDP.

“Notice” means a written or electronic notice sent in the manner specified in Section 7.3 or otherwise as specified below to DDP to a Participant or Participant Representative at an address provided to DDP by such Participant or Participant Representative.

“Operating Procedures” means this document, as from time to time amended by the Board of Directors, and any additional documents designated by the Board of Directors as the rules and procedures for the operations and activities of Committees and Pilots of the Corporation.

“Participant Agreement” means an agreement signed by an organization to become a Participant of DDP and accepted by DDP.

“Pilot” means one or more defined project groups approved by the Board of Directors and comprised of Participants that have signed a Pilot Agreement, working collaboratively to drive specific work items in support of the DDP mission.

“Pilot Agreement” means the agreement signed by an organization to become a member of a named Pilot.

“Quorum” shall mean a majority of the Participants eligible to vote.

“Subject Matter Expert” means a person with expertise in a subject area, who has been approved by the Executive Director to assist a Pilot or Committee. The Subject Matter Expert must be a Participant or be under a nondisclosure agreement if such person is not an employee or a Participant, unless otherwise determined by the Executive Director, and shall have no voting rights in the Pilot.

“White Paper” means a report that informs readers concisely about a complex issue related to Pilot or Committee activity. This deliverable remains in Draft form until it has been approved by the Board of Directors as a Final White Paper.

3. Referenced Documents

“Antitrust Compliance Policy” means the Antitrust Compliance Policy of DDP.

Bylaws

IPR Policy

“Participant Agreement” means the DDP Participant Agreement.

In the event of any discrepancies, the Bylaws, the IPR Policy and the DDP Participant Agreement shall take precedence over the Operating Procedures.

4. Scope

This document applies to Committees and Pilots of DDP.

5. Pilots

Pilots will work collaboratively to drive specific work items in exploration and development of a Central Bank Digital Currency (“CBDC”) ecosystem and will share DDP’s views that the infrastructure underpinning the US dollar is a critically important public good and that upgrading

this infrastructure will provide current and future generations enhanced flexibility, optionality, stability, and prosperity.

Each Pilot will develop use-case specific white papers that will summarize and analyze the results of the value hypothesis explored. Pilots will similarly support the drafting of White Papers to ensure relevant learnings are accurately captured.. White Papers must be approved by the Board of Directors.

5.1. Formation

A Pilot may be formed upon the submission of a Pilot Charter and the approval of the Board of Directors.

The Formation of a Pilot shall follow the following procedure:

- a) To initiate a request for formation, one or more Participants serving as Initiator Entity(ies), must initiate a “Notice of Pilot Formation Workshop and Call for Participation” to be sent electronically to each Participant. The Charter will be developed and finalized at one or more workshop sessions.
- b) The Initiator Entity(ies) along with the Executive Director will deliver to the Board of Directors a completed Charter (see Exhibit B).
- c) Within two (2) weeks after its receipt of the formation request and Charter, the Board of Directors shall hold a meeting to discuss the proposed scope of the new Pilot. The Board of Directors may request additional information from the Initiator Entity(ies) to clarify the request before the Board makes its decision. If additional information is requested, the formation process will begin again as in section 5.1(a) with the receipt of such information.
- d) Thereafter, the Executive Director shall initiate a “Notice of Pilot Approval and Final Call for Participation” to be sent electronically to each Participant, and may appoint designees from the Advisory Council to serve as the Pilot’s Advisory Oversight Team.
- e) If the Board of Directors does not approve the establishment of the Pilot, it will inform the Initiator Entity(ies) about the decision, giving the reasons for the disapproval of the request. The Initiator Entity(ies) may re-submit the request after addressing any issues raised by the Board of Directors.
- f) Each Pilot Charter, as well as regular progress reports, meetings and agendas from the Pilot Chair, shall be made accessible to all Participants through the Participants Workspace.

5.2. Leadership

The Pilot Charter will identify the individuals to serve as Chair and, if applicable, a Vice-Chair of such Pilot from among the participating Participants.

Any Chair or Vice-Chair may cease to hold office before the expiry of such term for the following reasons:

- a) The Chair or Vice-Chair resigns via written notice;
- b) The Chair or Vice-Chair is removed by the Board of Directors;

- c) The Chair or Vice-Chair ceases to be a Participant Representative in the Pilot, for example, due to a change of responsibilities, change of employer or the Participant ceases to be a member of the Pilot;

If any Chair or Vice-Chair changes employment from one Participant to another Participant, he or she must get approval of the Executive Director in order to continue serving in such current capacity. If the Executive Director does not approve, then a new Chair or Vice-Chair as applicable must be appointed.

5.3. Composition/Joining A Pilot

Unless otherwise decided by the Board of Directors, all Participants are eligible to join all Pilots within the designated timeframe as outlined in the “Call for Participation” notices. Each Pilot Participant will be required to sign a Pilot Agreement and fulfill any and all responsibilities required of a Pilot Agreement as outlined in the Charter.

5.4. Disbanding

Each Pilot may be disbanded by the Board or Directors, and may additionally propose to disband itself at any time by a Majority vote of its Participants, and may want to do so when it has completed the work it has set out for itself, although continuing in existence is certainly permissible and may make it easier to make revisions.

6.0 Participant Committees

Each Participant Committee shall operate under a charter approved by the Board of Directors and shall operate under the following rules.

6.1 Formation

Participant Committees are formed by the Board of Directors. Initially a Technical Steering Committee may be established to review the technical aspects of Pilot Charter proposals and provide input to the Board of Directors and serve as a technical support body to the Pilots.

6.2 Leadership

Upon the formation of a Participant Committee, the Executive Director shall appoint the initial Chair of such Committee from among the Participants. If desired, the Executive Director may also appoint a Vice-Chair.

All leadership positions (officers) can only be held by a single individual. All officers are appointed for a term of one year after which time the Executive Director must either replace or reappoint said officer.

Any such officer may cease to hold office before the expiry of such term for the following reasons:

- a) The officer resigns via written notice;

- b) The officer is removed from office by the Board of Directors;
- c) The officer ceases to be an active participant in the Committee, for example, due to change of responsibilities, change of employer or the Participant ceases to be a participant of the Committee.

Any such officer may be appointed to any number of consecutive terms. If a Chair of Committee ceases to hold office, the Vice-Chair will assume the responsibilities of the Chair until a new Chair is appointed.

If any such officer changes employment from one Participant to another Participant, the officer must ask for a vote of confidence from the Board in order to continue serving in his current officer capacity. If the vote of confidence fails, then a new officer must be appointed.

6.3 Composition

Any Participant in good standing may join a Participant Committee.

7.0 Activities

7.1 General Voting Procedures

Subject to Section 7.2 as to Quorum, Pilots and Committees shall seek to make all decisions via consensus. If a decision cannot be made by consensus, the Chair may call for a vote. A Majority of affirmative votes of all Participants that have joined that Pilot or Committee present at that meeting will be required for any motion, act, or decision to be an action of the Pilot or Committee where a vote is called for.

Each Participant in the respective Pilot or Committee is entitled to one vote. It is the requirement of the Participant to determine which Participant Representative will cast the vote on behalf of that Participant. In the case of an electronic ballot, the first vote received by a Participant will be counted.

Any abstentions will not be counted as votes for or against a matter, however, the abstaining Participants will still be counted toward Quorum.

If there is a Majority of Participants present and the vote passes, the motion, act, or decision shall proceed.

If the Pilot or Committee determines the vote should happen at a future meeting, the meeting must be announced at least seven (7) days in advance and Participants be allowed to cast their vote by proxy, which must be sent in writing to the Chair in advance of the meeting.

If the Pilot or Committee determines the vote should happen electronically, a ballot will be set up and sent out to all Participants of that group. The wording of the ballot shall be decided by the Chair. All electronic ballots will remain open for seven (7) days.

7.2 Meetings

Any motion, act, or decision by consensus may only occur in which there is a Quorum for the meeting. It is the responsibility of the Participant Representative to join Pilots or Committees via the Participants Workspace and to maintain a current email address.

For purposes of counting attendance, “meeting” means every session for which a unique agenda is published, either for a face-to-face meeting, video platform or teleconference. Any multi-day face-to-face meetings shall count as one meeting regardless if multiple meetings are held over the week.

At the beginning of each meeting of a Pilot or Committee, the Chair must present a reminder of the Antitrust Policy and IPR Policy, and such other information as is appropriate and must encourage the meeting attendees to review the Governance Documents in full.

7.3 Notice of Meetings

Notice of any meetings must be provided by or at the direction of the Chair at least seven (7) days in advance for conference calls or twenty-one (21) days for meetings in person, with Notice given to all Participant Representatives of the respective Pilot or Committee.

A Pilot or Committee may decide to hold regularly scheduled meetings, in which case a single Notice of the schedule will be sufficient. For conference calls, the contact information for the call must be distributed no later than twenty-four (24) hours prior to each call.

Agenda items to be discussed at a meeting must comply with the Antitrust Compliance Policy. Items that do not require voting should be distributed at least twenty-four (24) hours in advance of the meeting, and items that require voting should be distributed at least seventy-two (72) hours in advance of the meeting. Discussion of a late submission of an agenda item is subject to the approval of the Pilot or Committee and the discretion of its Chair.

7.4 Records

The Pilot or Committee will appoint a secretary or other person to document and record minutes of meetings and other group’s activities. The appointed individual will work with the Chair to determine the requirements and structure needs for the records of the Pilot or Committee. All records will be kept on the Participants Workspace and available to Participants.

7.5 Status Reports

Each Pilot and Committee shall make at a minimum a status report at the Annual Meeting which will be made accessible to all Participants through the Participants Workspace. Beyond the annual status report, each Pilot and Committee is expected to keep the Participants updated on key activities and milestones.

Each Pilot and Committee is obligated to keep the Board of Directors aware of the group’s activities and progress.

From time to time the Board of Directors may request a status report or an update from a specific Pilot or Committee, and/or any Pilot or Committee may request time at an upcoming Board Meeting to provide a report or request input.

7.6 Subject Matter Experts

From time to time Pilots or Committees may want to have input from a Subject Matter Expert. The Pilot or Committee must have approval from the Executive Director to invite a non- Participant Subject Matter Expert to a Pilot or Committee meeting and the Subject Matter Expert shall enter into such agreement as the Board of Directors shall approve for use for such purpose an appropriate agreement, as necessary. Unless otherwise determined by the Executive Director, Subject Matter Experts shall have no voting rights in Pilots or Committees.

8.0 Development, Approval and Maintenance of Draft White Papers

8.1 Draft White Paper Development

8.1.1 Format of Draft White Papers

Draft White Papers shall be written and formatted according to available templates, which are stored in the Participants Workspace. Deviations from the template should be avoided where possible and must be approved by the Executive Director. If no template exists, the Executive Director will collaborate with the Pilot to create a template.

Pilots shall develop Draft White Papers using a draft-comment-revise cycle. All comments received toward a Draft White Paper shall be disposed of, either through acceptance, rejection, or deferral to a future version of the Draft White Paper. Disposition of comments should generally be performed via consensus; however, the Chair of a Pilot shall use the formal voting procedure, as set forth in Section 7.1, on any items where consensus is not clear.

8.1.2 Review Periods of Draft White Papers

When a Pilot decides via consensus that a Draft White Paper is stable and ready for the Pilot review process, the Chair of the Pilot will post the Draft White Paper on the Pilot's section of the Participants Workspace and will give Notice to all Participants. In that Notice, the Pilot Chair will ask for return of final comments toward the Draft White Paper within no less than two (2) weeks from the date of Notice.

NOTE: Determine any IPR Review / Patent Disclosure Statement period

After the Pilot resolves all comments toward the Draft White Paper and conforms to documentation rules, the Pilot will vote, as set forth in Section 7.1 of these Operating Procedures, to advance the document to the Board of Directors. Upon approval, the Pilot Chair will present the Draft White Paper to the Chair of the Board of Directors.

8.1.3 Final White Papers

Upon approval of Board of Directors the Draft White Paper will be subject to an editing and formatting cycle prior to being released as a Final White Paper.

8.2 Maintenance of White Papers

Once approved by the Board of Directors, responsibility for maintenance of a Final White Paper is assigned according to the following rules:

- a) If the Pilot that has developed the Final White Paper is still active, the responsibility for maintenance lies with the Pilot.
- b) If such Pilot has already been disbanded, the Board of Directors shall have responsibility for maintenance of a Final White Paper.

8.3 Storage and Access to Draft White Papers and Final White Papers

All Draft White Papers (in any revision) as well as other working documents of a Pilot should be stored on the Participant Workspace. All Draft White Papers and other working documents of a Pilot shall only be accessible to the Participants, the Board of Directors, the staff of DDP and authorized representatives of DDP. **Participants may not distribute to non-Participants any Confidential Information, which includes, but is not limited to, Draft White Papers.**

All Draft White Papers, including their amendments, that have been adopted by DDP will be made available to all Participants through the Participant Workspace.

All ballots and their results will be stored and published through the Participant Workspace, visible to the Board of Directors.

It is up to individual participants to ensure their internal confidential information is not uploaded to the Participant workspace as all Participants will have access to that information.

9.0 Public Statements

Any public statement shall be approved by the Executive Director in collaboration with the Board of Directors. The Executive Director, and if applicable, the Pilot Chair, will determine if and when a public statement will be published to the DDP website and/or released to the media or public. Public statements may be published to Participants only, may be partially published to the public website or fully published. The DDP communications staff will manage the process of publishing public statements.

10.0 Liaison Relationships

10.1 Liaison Request(s)

All liaison relationships must be approved by the Executive Director. That approval may take the form of a written Memorandum of Understanding (MOU). This policy applies to both inbound and outbound requests.

11.0 Maintenance of these Operating Procedures

The Board of Directors maintains these Operating Procedures. Any revisions to these Operating Procedures must be approved by Super Majority Vote.

Exhibit A: Operating Procedures Revision History

Revision	Release Date	Summary of Changes
Version 1.0	12/21/2021	Initial version

Exhibit B: Pilot Charter Template

Form to be used when proposing a new Charter.

Formal title of Pilot:	
Pilot Chair and Vice Chair Candidates (named individual person): <u>Chair</u> name: TBD organization: TBD e-mail: TBD <u>Vice Chair</u> name: TBD organization: TBD e-mail: TBD	Pilot Participants: (may add others later) 1 2 3 4 5

Pilot timeline:

<u>Milestone name</u>	<u>Target date</u>
• BoD Approval of Pilot	
• Internal Announcement to Participants	
• Pilot Participation Agreements signed	
• Public Press Release	
• Onboarding to Pilot Confluence Instance	
• Anticipated Pilot Kickoff	
• Midproject Check-in with ED	
• Final Pilot Readout	
• Stable Draft White Paper Shared with ED	
• Pilot Approval of Draft WP	
• Request for Feedback on Draft WP	
• BoD Approval of WP	
• WP to be published as version:	
• Pilot Closeout Completed	

Pilot details:

<p>Pilot Objectives</p> <ul style="list-style-type: none"> • What does the pilot intend to accomplish or prove? • How does the pilot define or measure critical success factors? • What are the key questions the Pilot seeks to answer? • How does the pilot intend to impact the public good, through policy outcomes or other measures?
<p>Pilot Activities</p> <ul style="list-style-type: none"> • What key activities does the Pilot require? • What does the Pilot need to accomplish to be successful? • How does the pilot intend to capture and share data?
<p>Target Constituents</p> <ul style="list-style-type: none"> • Which constituent group does the Pilot intend to explore? • How will Pilot Participants engage with target constituents? • What considerations are most important to target constituents?
<p>Required Participants & Responsibilities</p> <ul style="list-style-type: none"> • Who are the key participants in the Pilot program? • What responsibilities does each Participant have? • Which key resources are we requiring from partners? • What activities are out of scope?
<p>Technical Requirements</p> <ul style="list-style-type: none"> • Technical requirements • Vendor list
<p>Pilot Budget (create simple form)</p> <ul style="list-style-type: none"> • Revenue • Expenses • Proposed plan to secure revenue
<p>Resource Requirements</p> <ul style="list-style-type: none"> • What additional resources will pilot participants need to complete the pilot? • What are the internal resources each Participant is committing to bring?