

MEMORANDUM

To: Crypto Task Force Meeting Log
From: Crypto Task Force Staff
Re: Meeting with a Representative of Demolytics LLC

On May 14, 2025, Crypto Task Force Staff met with a representative from Demolytics LLC.

The topic discussed was approaches to addressing issues related to regulation of crypto assets. The Demolytics LLC representative provided the attached document, which was discussed during the meeting.

Proposed Attendees:

- **Hester Peirce** – SEC Commissioner (Primary regulatory advisor)
- **Philip Bankier** – Founder & CEO, Hunter AI by Demolytics LLC

Meeting Agenda:

- 1. Introduction & Project Overview (5 minutes)**
 - Brief introduction of our project vision and core mission.
- 2. Token Economy & Regulatory Considerations (25 minutes)**
 - Detailed review of our token model, including the merit-based emission system.
 - Discussion on the planned token issuance and governance framework.
 - Examination of potential securities law issues relevant to our token economics.
- 3. Regulatory Alignment & U.S. Market Focus (10 minutes)**
 - Discussion on aligning our project with U.S. regulatory standards.
 - Request for insights and recommended adjustments to better align with the Task Force's guidance.
- 4. Open Discussion & Next Steps (5 minutes)**
 - Address any additional queries.
 - Outline actionable next steps and determine any further documentation or follow-up sessions.

Analysis to Inform the Discussion:

- **Token Economy Focus:** Our token model is central to our project's value proposition. We have designed a merit-based emission system intended to incentivize quality contributions, and we are eager to understand how this framework aligns with current U.S. regulatory expectations.

- **U.S.-Centric Approach:** Our founders are all U.S. citizens, and we are committed to avoiding offshore structures and geo-IP restrictions common in crypto projects. We believe this focus demonstrates our intent to operate within a transparent regulatory framework.
- **Regulatory Guidance Needs:** We seek specific feedback on our token issuance, emission allocation, and overall token governance model to ensure we do not inadvertently breach securities law. Early guidance in these areas is critical to our project's compliance and success.

We believe that this detailed agenda and analysis will facilitate a productive discussion and help ensure our project is built on a solid, compliant foundation.