

Exhibit 1

Minutes of the

North Carolina Innovation Council

Wednesday, February 1, 2023

The North Carolina Innovation Council [IC] convened in virtual format via Webex, on February 1, 2023, at 3:00 pm for its regular council meeting.

Chairman Katherine Bosken called the meeting to order and asked for the roll to be called. The following participants were in attendance:

Appointed Members		Government Members	
Lawrence Baxter	X	Commissioner Katherine M.R. Bosken [NCCOB]	X
Tariq Bokhari	X	Robert Croom [NCDOI Designee]	X
Leonardo Diosdado	X	Bill Toole [NC SOS Designee]	X
Stephanie Dunn	X	Phil Woods [NCDOJ Designee]	X
Douglas Hague	X		
Vijay Srinivasan	X		
Agnes Gambill West			

Counsel for the IC, James Bernier, was also present.

After determining that a quorum was present, Chair Bosken read the conflict of interest statement, and issued a call for conflicts. Hearing none, Chair Bosken moved on to Agenda item II and asked for comments regarding the November 30, 2022 minutes. No comments were offered.

Vice-Chair Baxter moved to approve the minutes; Councilmember Woods seconded, and the motion carried unanimously.

Before moving on in the agenda, Chair Bosken called attention to the next four [4] scheduled meetings of the NC Innovation Council: **March 8, April 12, May 10 and June 14, 2023**, from 3:00 - 4:30 pm via Webex. Councilmember Hague noted that Barbara Howard is unavailable March 8th and therefore unable to take meeting minutes. Counsel for the IC, James Bernier, also noted his unavailability for the May 10th meeting, but offered another representative from his office to attend in his absence. Chair Bosken asked that Mr. Bernier coordinate with her regarding his substitute.

Moving on to agenda item III [Discussion of Statutory Revisions] Chair Bosken turned the meeting over to Councilmember Hague who led the discussion on this item on behalf of the working group. Unlike the November 30 meeting of the IC that included discussion of the rules and statute reviews, today's discussion will focus solely on the statute to be submitted. The working group listened to all of the feedback from the IC and incorporated changes based on the will of the council.

Councilmember Hague then shared the revised statute [v7] with the IC and quickly walked the Council through each of the revisions. Several changes were made to clean up and/or clarify the language within the statute while other, more substantive, changes reflected the will of the council as discussed in previous meetings. Regarding section § 169-7 (a), the working group debated whether or not to add reporting requirements to the statute and ultimately decided to keep the language straightforward and without the addition of specific metrics.

Chair Bosken raised a question regarding the requirement to post a consumer protection bond, § 169-7 (b), specifically whether or not this bond was for the benefit of consumers. This is the original language to the statute. Councilmember Woods expressed the intent of the CPB is to make consumers whole that might suffer harm as a result of a participant's implosion. Mr. Bernier added that CPBs are actual types of bonds and should be obtainable by participants.

The final revisions to the statute included two additions [§ 169-13 and § 169-14] providing for the creation and appointment of an Executive Director. The budget for this position will be included in the appropriations bill so no funding information is included in these sections.

Having concluded his review of the statute revisions, Councilmember Hague requested questions/comments from the IC. Following a brief discussion, Chair Bosken offered her praise to the working group for the energy and effort they put into revising the statute in such a way as to make it unobjectionable to the legislature and aligned with the rules document prepared earlier by the working group.

Chair Bosken asked for any additional comments and/or questions on the draft changes before putting it to a vote. Hearing none she asked for a motion to approve the draft changes. Councilmember Hague motioned and Vice-Chair Baxter seconded. The motion passed unanimously.

Chair Bosken began the discussion of how to get the revised statute in front of the legislature. Councilmember Bokhari offered to coordinate this effort and described his plan for communicating with specific members of the legislature. Chair Bosken asked for any objections to Councilmember Bokhari's proposed procedure or for Chair Bosken and Councilmember Bokhari drafting a letter to the General Assembly. No objections were noted but Councilmember Crooms informed the group, out of an abundance of caution, that the deadline for reviewing agency bills is February 8th. Councilmember Bokhari acknowledged this impending deadline and will proceed accordingly.

Chair Bosken clarified that she will sign the letter to the General Assembly in her capacity as Chair of the NC Innovation Council and not as Commissioner of Banks.

Chair Bosken asked Councilmember Hague if he was ready to move onto the rules. Councilmember Hague reported that the working group was primarily working to align the document [presented at the November 30, 2022 meeting] with the required style format. Councilmember Croom indicated that there's still a fair amount of work left with the rules. Councilmember Hague asked the IC members to send questions and/or feedback on those presented rules to the working group.

Chair Bosken indicated that the highest priority right now are the statutory revisions and getting a staff member on board for the Council. She recommended tabling the rules until the March 8th meeting or later. Councilmember Hague agreed but expressed eagerness to complete the rules so that the IC can begin accepting applications. Chair Bosken will tentatively put the rules discussion on the agenda for March 8th.

Having concluded this item of business, Chair Bosken moved onto agenda item IV, the review of expressions of interest received via the website for the NC Innovation Council. In an effort to protect participant confidentiality, Chair Bosken did not include any of these in the report outs for this meeting. Chair Bosken then proceeded to review each expression of interest submitted via the website.

Following this review the Council engaged in discussions regarding the process/procedures for reviewing these expressions of interest. Councilmember Bokhari wondered if a subcommittee

was needed to review the viability of each submission before presenting to the full IC. Chair Bosken noted that these were questions that will eventually be handled by the executive director. She also introduced the possibility of using executive session as a means of discussing these expressions of interest confidentially.

The Council continued to discuss the value of having some process or subcommittee in place to make sure the draft rules are working the way they were intended. It was clarified that such action would not be to make decisions on the submissions but to just go through the process of how that decision would be made. Other points of discussion included how to respond to participants who expressed interest and how to handle confidential and/or proprietary information.

At this point in the meeting, Chair Bosken requested a point of privilege to take another call. Leadership of the meeting was passed to Vice-Chair Baxter. Discussion continued as before. Vice-Chair Baxter proposed inviting the participants to the March 8th meeting. Councilmember Toole reiterated Chair Bosken's concerns regarding confidentiality and asked Mr. Bernier if the IC has the authority to go into a closed session for the purpose of reviewing confidential information. Mr. Bernier confirmed this authority and explained the process for doing such. This then led to discussion of how the next meeting will proceed. One possibility is to start with a closed session and then come back into open session to discuss the rules. Technical aspects of going into and out of closed sessions [via virtual platforms] was also discussed. There are several options for securely handling these technical aspects. Mr. Bernier prefers using virtual rooms for closed and open session. In this way the main meeting room always stays open. Minutes for closed sessions are maintained but kept appropriately brief and generally only record motions made for going into closed session and at what time.

Vice-Chair Baxter requested that Chair Bosken be informed that the next meeting will involve a closed session. Kristen Rice, General Counsel for the Commissioner of Banks and sitting in for Chair Bosken, clarified the structure of the next meeting. The March 8th meeting will begin in open session with the call to order and then proceed with a motion for closed session.

Vice-Chair Baxter opened the floor for additional thoughts and comments. Hearing none, Councilmember Bokhari moved to adjourn and Councilmember Croom seconded the motion. The motion was carried unanimously. The next meeting will be scheduled for March 8, 2023.