

The TealRock Project

DRAFT Whitepaper

We're collecting **potential partners and similar projects** in [this sheet](#).

Background

This concept was first presented at the [Regens Unite Conference](#) in Berlin on 17.9.2022.

TealRock is the working title for the project to create a new Blackrock - currently the world's largest asset manager - but with the **goal of channeling resources into truly purpose-driven companies** (Teal, co-operative, regenerative, steward owned, Zebras etc.).

At this point, this is an open, collaborative project to collect relevant information, feedback, and people who want to get involved in making this a reality.

So far, nothing is predefined, except for the goal. The current draft whitepaper envisions TealRock to become a DAO, but this, too, is open to discussion.

The project is based on three observations:

1. We're not on track. At the bottom line, the global economy is still causing substantial and increasing harm, threatening the very ecosystems we thrive in, spreading unacceptable inequality, exposing us to unhealthy levels and forms of stress, and extinguishing other species along the way. New technologies tend to be captured by large corporations to amplify their extractive practices and thereby net accelerate the harm.
2. Many truly purpose-driven organizations are struggling to find enough resources to work towards their visions, oftentimes resulting in founders and team members working under precarious, self-exploiting conditions.
3. While there are successful transformative projects, none of them is anywhere near the scale of Blackrock. In fact, even the biggest of them are at best moving millions, let alone billions, while Blackrock is moving trillions of US\$.

It's time to push Blackrock from its pole position and shift resources at a very large scale into the healthy, regenerative economy of the future.

- > Any **comments & suggestions** on this draft whitepaper are welcome.
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Summary

TealRock is a decentralized, co-operative asset management organization with the purpose of channeling resources into *regenerative companies* whilst offering low-risk asset types to investors.¹ It comprises a decentralized network of service providers that help make the participating companies successful.

In essence, TealRock redesigns the investment process: Instead of directly providing capital to companies or startups, funds are channeled to service providers (software developers, accounting agencies, legal advisors etc.) that offer *advance performance* to the companies. In return, TealRock takes a (virtual) share in each company, of which 50% are shared with the respective service providers. This way, the regenerative companies can fully focus on their core value creation, whilst maintaining lean operation structures and benefiting from specialized service providers who have a stake in their success.

People who want to invest can do this through “regenerative Exchange Traded Funds (reETFs)” in the form of digital tokens (the EPOS, see below). In the beginning, there will be just one type of EPOS, which covers all participating companies. Later, dedicated EPOS can be issued for different industries, regions etc.

TealRock is incorporated as a DAO with three types of tokens:

- The **EPOS** (Ecosystem Power Shares) are openly traded at exchanges in order to fuel resources into the system. They are issued by TealRock through a demand-balanced mechanism as described below. Investors can buy EPOS from TealRock and in return receive a dividend from TealRock's overall revenues.
- The **EBR** (Ecosystem Builder Rewards) are automatically issued with any investment by TealRock into a regenerative company. For each receiving company, a specific EBR is issued, which entails a dividend from this company. 50% of the EBR are issued to TealRock, the other 50% are issued to the respective service provider(s) who implement the investment.
- The **ECT** (Ecosystem Contributor Tokens) can be used within regenerative companies to reward contributions by founders, team members, and supporters.

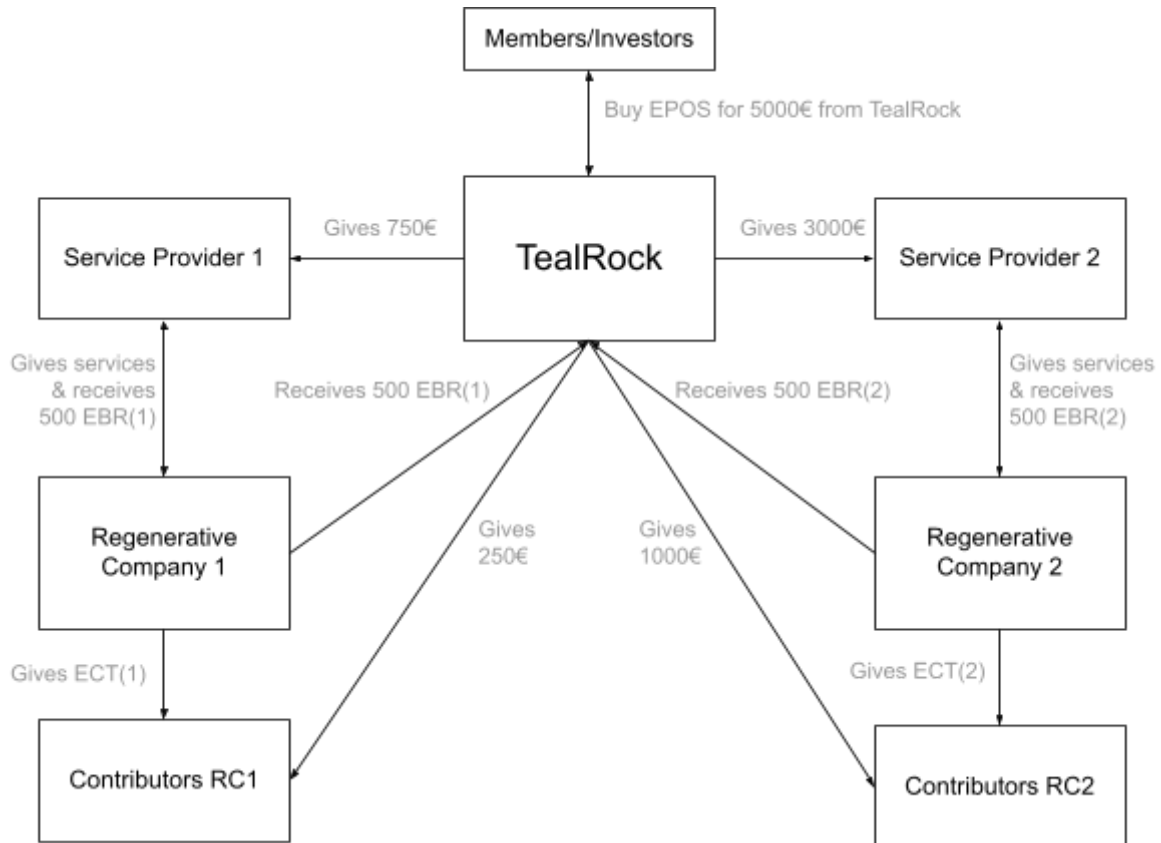
Of any investment by TealRock, at least 75% are transferred to service providers, while up to 25% can be directly transferred to active contributors through the ECT.

This reduces the risk for investors, who aren't depending on the success of any particular company, but rather on the work of a diverse network of experienced service providers. And each Service provider has an aligned interest in making the companies they work with successful.

¹ This umbrella term comprises any companies that contribute to the creation of a regenerative economy *by design* (including co-operatives, teal companies, steward owned companies, DAOs, “Zebra” companies etc. - as long as they have regenerative principles irreversibly inscribed into their “DNA”). It's not enough if a company commits to some good principles or adopts a “corporate social responsibility policy”. This is about truly future-oriented companies, which have regenerative ways of doing business built into their very ownership and organizational structures.

Example flow of investment and token

(With 2 Service Providers, 2 Regenerative Companies and 5000€ invested)



EBR(1) = The EBR issued for regenerative company 1 (RC1)

EBR(2) = The EBR issued for regenerative company 2 (RC2)

ECT(1) = The ECT issued for regenerative company 1

ECT(2) = The ECT issued for regenerative company 2

Core organizational parts

1. *The Regenerative Exchange Traded Fund (rETF)*

- The rETF provides funding to regenerative startups as well as to established regenerative companies wishing to scale their business by running their own platforms.

2. *The Network of Autonomous Service Providers (NASP)*

- The NASP is an open network of purpose-aligned, autonomous service providers who join TealRock in order to offer their services to participating regenerative companies.

3. *The Ecosystem Basic Income Fund (EBIF)*

- The EBIF channels funds to support a **basic income** for all contributors to any of the participating regenerative companies.

Core functions

1. *The Regenerative Exchange Traded Fund (rETF)*

- The rETF provides investment to regenerative companies through a continuous monthly funding stream that is adjusted every month on condition of reaching jointly defined milestones.
- At least 75% of each investment will be channeled through autonomous service providers (ASP) that agree to work with the respective regenerative company.
- ASPs automatically receive dedicated EBR, at a rate of 0,5 EBR per Euro payment received for their services to the regenerative company.
- Up to 25% of each investment will be paid out in form of stipends to contributors of the respective regenerative company.
- Tealrock automatically receives dedicated EBR, at a rate of 0,5 EBR per Euro payment received for their services to the regenerative company.
- The EBR entail a dividend of altogether 25% of the company's annual surplus.
- The EBR can be bought back by the regenerative company at any point for 3x the accumulated investment sum minus the accumulated dividends paid out through the EBR.

- Additionally, all participating regenerative companies are required to permanently dedicate 25% of their annual surplus to the EBIF.

2. The Network of Autonomous Service Providers (NASP)

- The NASP is an open network which any service provider² aligned with TealRock's purpose can join.
- For example, the Autonomous Service Providers (ASP) provide: Software development, SAAS, consultancy, accounting services, legal services, banking services, ownership sharing services, governance tools, membership management, controlling, marketing, member outreach, supply chain management, etc.
- The first 100 ASP who join in are considered co-founders of TealRock and receive a starting grant of 25,000 EPOS. ASP who join later receive smaller starting grants.

3. The Ecosystem Basic Income Fund

- The EBIF generates funds to support the provision of basic incomes to contributors of the participating regenerative companies. Only real human beings are eligible, with max. one full basic income per person.
- 25% of TealRock's surplus will be channeled into the EBIF (through EPOS issued to the EBIF).
- The basic incomes could possibly be distributed by subsidizing community-dedicated [Circles](#).
- The EBIF will provide the collective membership of the ecosystem with purchasing power, which potentially serves all participating regenerative companies. It will also help attract more people into the ecosystem.

² A Service provider can be any organization with a proven track-record in providing one or more of the relevant services and which itself fulfills TealRock's criteria for a future oriented company.

The EPOS (Ecosystem Power Source)

The EPOS tokens entitle to proportional dividends from TealRock's annual surplus.

EPOS are issued by TealRock through the following mechanism:

- In total, 100,000,000 EPOS are issued.
- 25,000,000 EPOS are allocated to the EBIF.
- TealRock offers a pre-sale of 10,000,000 EPOS at the following price scheme:
 - The initial price is 1\$ US for 1 EPOS.
 - After every 1000 EPOS sold, the price increases by 0,01\$ US.
 - In one transaction, a buyer can buy any amount of EPOS at the current price at the moment of purchase.
 - (For example, if I buy 10,000 EPOS at 1,50\$ US, I will pay 15,000\$ US. Thereafter, the price per EPOS will be at 1,60\$ US)
 - After 10,000,000 EPOS are sold by this scheme, they can be traded at registered exchanges.
- Additionally, 10,000,000 EPOS will be granted to Autonomous Service Providers (ASP) according to the following scheme:
 - The first 100 registered ASP receive grants of 25,000 EPOS each.
 - The next 10 ASP receive grants of 1,000 EPOS less and so forth.
 - Once the grants are at 1000 EPOS, every newly registered ASP receives a grant of 1000 EPOS until the full 10,000,000 EPOS of grants are distributed.
 - ASP can receive only one grant each and will lose their remaining EPOS, if they did not provide relevant services to a participating regenerative company for more than 1 year.
- The remaining 55,000,000 EPOS will be held in reserve by TealRock. Once trade is open, TealRock can sell a maximum of 10,000,000 EPOS of its reserves per year. It must always keep at least 25,000,000 EPOS in reserve.

A growth limit for TealRock

In order to avoid creating an ever-growing monster, TealRock has an inbuilt growth limit:

From the moment the price of EPOS reaches 1000\$ US, TealRock starts selling EPOS at a fixed price of 1000\$ US. For each EPOS purchased from TealRock, three new EPOS will be created: One will be transferred to the buyer, one will be kept in the reserves of TealRock, one will be allocated to the EBIF. TealRock will not sell EPOS from its reserves anymore.

Governance

1. Basic rules and decisions are taken by the General Assembly (GA)

There will be four stakeholder groups, each having a total of 25% of voting power:

Group 1: EPOS holders – any natural or legal person who holds at least 1 EPOS, with one person, one vote.

Group 2: Participating regenerative companies – one organization, one vote.

Group 3: ASPs – Votes proportional to the EBR they hold.

Group 4: TealRock employees – one employee, one vote.

- The GA's major powers are:
 - Defining the basic rules for TealRock's operations.
 - Taking major strategic decisions (as defined by the basic rules)
 - Appointing problems solving / mediation committees
- Votes can be delegated through liquid democracy systems

2. Operational decisions are taken by TealRock team

Operational decisions will be taken by the TealRock team, in line with the basic rules defined by the GA.

3. Investment decisions are taken by the Autonomous Service Providers together with the TealRock-Team

Investment decisions will be taken by the ASP, and confirmed by the TealRock Team. The ASP choose which regenerative company they want to work with and can assign hours to them up to the value of EPOS theyhold. Until the service is provided, the respective value of

EPOS will be blocked. All investment decisions are reviewed by the TealRock team to make sure it complies with TealRock's basic rules.

Interested in making this happen?

-> Please get in touch: felix@fdo.solutions

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