



## **ACCORD PROJECT**

### **VENTURE AND TOKEN SALES WORKING GROUP CHARTER**

#### **1. Background**

##### **a. Description and Goals**

- i. The purpose of the Accord Venture and Token Working Group is to produce specifications and open source tools to improve the practice and options available for startup funding. Key to this end is to make investment documents “smart” and supporting frameworks for digital token sales.

##### **b. Potential areas of focus and issues to address:**

- i. Integration and work with distributed ledger technology-based initiatives for equity issuance and trading (e.g., Delaware Blockchain Initiative)
- ii. Interface with regulatory bodies (legal, accounting, taxation, etc) to determine best practices and impact on affect token sales
- iii. Integrating issuer and investor data into investment documents
- iv. “Smart” common terms in documents such as term sheets, stock purchase agreements, and certificates of incorporation
- v. Automating anti-dilution calculations and cap table updates via API
- vi. Development of a compliant and secure framework, workflow/process, and underlying documents for assessing and funding token sales
- vii. Comparison of numerous frameworks, structures, and regulatory approaches to token sales
- viii. Automation of cross-jurisdiction compliance for token sales, including KYC/AML

#### **2. Governance**

- a. Accord Project documents: <https://github.com/accordproject/docs>

##### **b. Organization**

- i. Chair
  - Wulf Kaal, PhD, Associate Professor and Director of the Private Investment Fund Institute, University of St. Thomas
- ii. Current Membership
  - Seedcamp
  - Lakestar
  - Draper Esprit
  - Chapter One Ventures
  - Fuel Ventures
  - Additional TBA

**c. Decisionmaking**

- i. The Chair shall be responsible for carrying out the activities of the Working Group.
- ii. The Chair and each member have equal voting rights unless otherwise agreed or indicated by Accord Project rules.
- iii. The Chair may establish groups or committees of members subject to approval by the Accord Steering Committee, including a management committee made of the only members entitled to vote.
- iv. Proposals for deliverables, the establishment of sub-groups and committees, and other activities, are to be made by the Chair and voted on by members, and documented and stored appropriately in the Accord Project's Confluence space (see below).
- v. A quorum of 50% or greater (including the Chair) of members entitled to vote is required for any vote.
- vi. Any tie breaking vote, where needed, may be made by the Chair.
- vii. Any modifications to this Charter relating to governance may be made by the Chair subject to approval of the Accord Steering Committee.

**d. Regular Working Group Meetings**

- i. Meetings will take place at least every two months. The date for the next meeting will be set at the previous meeting.
- ii. Various methods of meeting (e.g. video conferencing, in-person) may be used by a given Working Group. Multiple methods of meeting may be used, as determined by the WG. For example, a Working Group may have an in-person meeting every two months supplemented by conference calls.
- iii. Eligibility to participate: only Working Group members (including a proxy if an organizational member), or others as pre-approved by the Chair.
- iv. Agenda and logistical information (e.g. dial-in information) to be distributed by email at least one week in advance by the Chair and based on prior consultation with Working Group members.

**e. Infrastructure and Communications**

- i. WG Website
- ii. Slack
- iii. Confluence
- iv. Conference Calls

**f. Events**

- i. Conferences, meetups, and outward facing events intended to include participation by non-members of the Accord Project to be determined by Accord Steering Committee and Working Group Chair in consultation with

Working Group members.

### **3. Deliverables**

#### **a. Documents**

- i. Primers
- ii. Problems
- iii. Specifications
- iv. Workflow diagrams
- v. Surveys and studies
- vi. Reports and analysis

#### **b. Code and Technology**

- i. Technical Specifications
  - Accord Protocol specifications for smart private equity fundraises
  - Accord Protocol specifications for smart token sales
- ii. Software
  - Open-source venture docs for equity fundraises
    - Smart Convertible Note
    - Smart Preferred Shares
    - Smart SAFE
    - Modular 'Smart Clauses'
  - Open-source venture docs for token sales
    - Smart SAFT and other token frameworks
    - Modular 'Smart Clauses'
    - Executable on Ethereum, Chain, Hyperledger Fabric

### **4. Sample of Potential Partner Organizations and Initiatives**

- a. Angellist
- b. Protocol Labs
- c. CoinList
- d. Crypto funds (Metastable; Auryn Capital; BlockTower Capital; Bitwise Asset Management)
- e. Crypto Valley Association
- f. SEC Cyber Unit
- g. U.S. National Venture Capital Association
- h. British Private Equity & Venture Capital Association
- i. Investeurope.eu
- j. Tokenization initiatives (e.g., Tokend)
- k. Web3 Foundation
- l. Delaware Blockchain Initiative
- m. Kauffman Foundation
- n. NY Venture Capital Association