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Blockchain Network

*A Sustainably Decentralized EOSIO Network*



## The Root of Telos

*The telos of an acorn is to become an oak tree.” –Aristotle*

*Telos* means “the ultimate purpose of a thing.” Aristotle used the example that, “The telos of an acorn is to become an oak tree.” I would like to share what, to me, is the *telos* of Telos. Here is what I hope the Telos network will become.

**Telos is about security, openness,  
transparency, and opportunity.**



Telos was announced on July 12, 2018, to give a meaningful vote to all token-holders and to add stronger security and governance.

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*I believe in the potential of EOS and of EOSIO software, and I wanted to deliver on the full promise I had originally been excited about.*

-Douglas Horn, Founder GoodBlock





# Telos

## Speed

A professionally run blockchain that makes DApp deployment quick and easy.

## Power

With their projected coin distribution, Telos will also be the most decentralized blockchain on the market.

## Participation

This fork will benefit the EOSIO ecosystem (and already has) by deploying common sense code changes that can be implemented on the EOS network.





## Who is Telos?

Telos is being built by over 100 contributors from around the world working to launch the Telos Blockchain Network as the second fork of EOSIO code (EOS being the first).

Telos will be the first version of EOSIO with a functioning ratification and amendment of governance documents, worker proposal system, arbitration system, RAM speculation mitigation, and readiness testing of block producers from launch. All with full EOS compatibility for DApps.

Telos is a true grassroots project that used no ICO or presale, to minimize the risk of being deemed a security. It is the world's most economically decentralized blockchain.



# Who is building the Telos Network?

Many highly accomplished contributors in the Telos Launch Group are working together across multiple fields to bring the Telos network to life. We have raised no money and received no pay; yet the Telos project has become a driving force in many of our lives.

We are excited.

We are contributing together.

We are unified in a vision of what Telos may soon become: The Blockchain for the People.

In addition to many non-BP community members, Telos Launch Contributors include:



EOS DETROIT



| TELOS labs |



MIAMI



Amplified  
Telos



# BENEFITS OF TELOS

Telos Innovations	Telos & DApps	Telos Governance
<ul style="list-style-type: none"><li>● Inverse-weighted voting</li><li>● BP flat pay</li><li>● BP rotation</li><li>● Small founders fee</li><li>● Low inflation</li><li>● Proprietary DApp deployment</li><li>● Community rewards</li><li>● Founders rewards</li></ul>	<ul style="list-style-type: none"><li>● Worker proposal system</li><li>● Free accounts</li><li>● Stable RAM</li><li>● BPs you can reach out to &amp; trust</li><li>● Speed of EOSIO software</li><li>● Diminished voting weight = less fluctuations on proposed referendum</li><li>● Tools for launch</li></ul>	<ul style="list-style-type: none"><li>● Referendum tool</li><li>● WPS voting</li><li>● Arbitration base layer</li><li>● Arb &amp; app finality</li><li>● BP transparency</li><li>● Importance of cap</li><li>● Telos Foundation</li><li>● B1 limited influence</li><li>● Predictability &amp; emerging markets</li></ul>





# Facts and Figures

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- Telos is a new blockchain code-forked from EOSIO open source software.
- Telos has improved upon token allocation with a more decentralized distribution by capping accounts at 40K tokens, altering only 0.67% of addresses.
- Telos infrastructure and governance will be run by high quality and trusted custodians individually referred to as a Block Producer.
- Telos has made several governance improvements including inverse-weighted voting and rotating block producers for enhanced security.
- Block producer compliance will be strictly code-enforced and non-performing BPs will be sidelined.
- The Telos Launch Group is comprised of over 100 volunteers, spanning Asia, Africa, South America, North America, and Europe.
- The Telos Launch Group is a decentralized coalition of over 15 working groups with specific missions including: governance, security, network maintenance, marketing and community outreach, DApps, development, and exchange onboarding.
- Telos has a fully functional testnet with 30 block producers and standby producers. Telos block producers represent 18 countries spanning five continents: the Netherlands, Spain, the United States, Ireland, Iceland, Romania, Puerto Rico, the United Kingdom, Germany, Russia, China, Japan, Sweden, Canada, Vietnam, Cyprus, Venezuela, Malaysia.

# Advantages of the Telos Blockchain

- Enhanced BP requirements
- Established and reliable governance
- Tools available at launch
- Inverse-weighted voting
- Low inflation
- Base layer arbitration
- Worker proposal system
- Fewer tokens on market
- Open or closed source apps
- Affordable and predictable RAM Market





# Telos for the Blockchain Community

Telos is the people's blockchain. We heard the call for a truly decentralized DPOS model, and Telos is providing significant improvements above EOS.

**Telos for Developers**

**Telos for Token Holders**

**Telos for Block Producers**

**Telos for The Future**





# Telos for Developers

The Telos Network exists to provide a reliable, affordable, and well-managed network for developers to release DApps. Telos offers the following advantages over the EOS Network:

- Proprietary DApps allowed
- Lower cost DApp deployment
- Fewer network pauses
- Enhanced security
- Public testnet operated by block producers
- Telos/EOS network compatibility





# Telos for Token Holders

Telos tokens (TLOS) have advantages over EOS tokens:

- **Meaningful voting for all**
- **Higher equity per token**
- **Developer focus builds value**
- **Lower inflation**
- **Key recovery for compromised EOS account holders ([Learn More Here](#))**
- **Arbitration to reclaim lost or stolen tokens**





# Telos for Block Producers

Block producers validate transactions, provide network security, and perform crucial governance roles on the blockchain. In order to attract the best possible block producers to the Telos network, we have enacted the following improvements:

- **Equitable payout model**
- **Inverse-weighted voting**
- **Smart contract-enforced block producer requirements**
- **Regular downtime for node maintenance**





# Telos for the Future

Telos extends the reach of the EOS/Telos system by giving developers more EOSIO chains to choose from. The EOSIO vision expects multiple DPoS chains that are interconnected through sidechains and bridgechains into a rich mesh of high-speed, decentralized value and information. Telos will also grow by pushing general compliance to provide enclaved compliance options for GDPR, HIPPA, and FinCEN.

- **Interconnected DPoS blockchains**
- **Cross-chain token transfers**
- **Horizontal scaling to multiple Telos sidechains**
- **Compliance solutions business**
- **Reliable, fair, and fast dispute resolution**

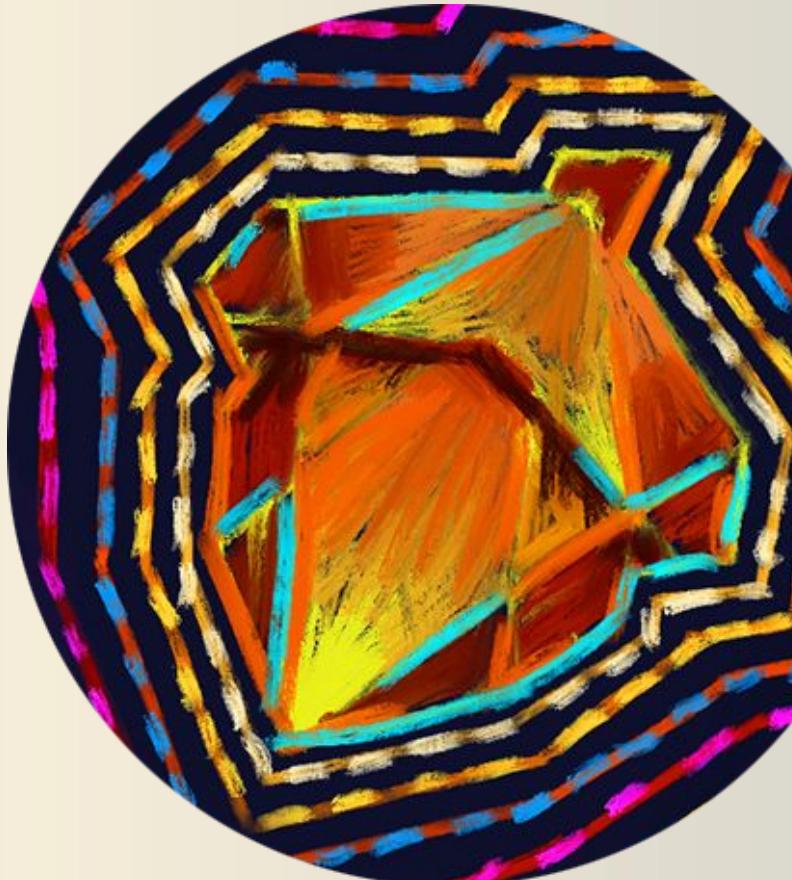




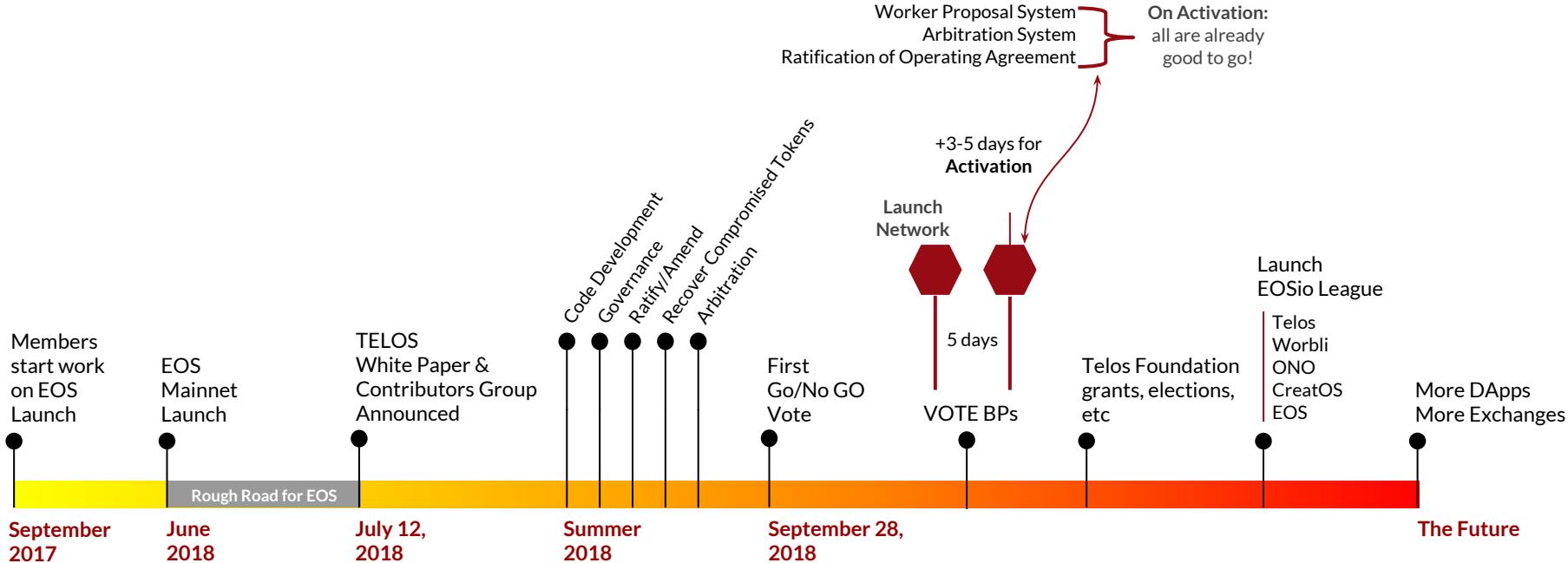
# The TLOS Token

The Telos token (TLOS) will not be offered for sale as an ICO or otherwise before the network launches. The TLOS tokens currently have no value and will only gain value if the Launch Group and Telos Foundation can create a valuable network. Telos will use the EOS June 1<sup>st</sup> 2018 Genesis Snapshot to create and distribute TLOS tokens with the following changes:

- Cap all addresses at 40,000 TLOS.
- Create a process for exchange addresses to petition the BPs to create TLOS tokens for their EOS snapshot owners by listing and distributing TLOS tokens (up to 40,000 per account holder).
- Provide new public keys to EOS token holders who can prove that their tokens were stolen or misregistered.
- Add 6M new tokens to form the Telos Founders Reward Pool, 1M new tokens to form a Telos Community Rewards Pool, and 6M TLOS tokens to the Telos Foundation, to support the needs that cannot otherwise be funded. The Telos Foundation pledges to never vote its tokens.



# TELOS TIMELINE





# The **Telos** Foundation

In Collaboration for the  
Telos Community

The **Telos Foundation** is structured as a decentralized autonomous organization (DAO).

The Telos Foundation exists to advance and promote the network, and to provide grants for groups that promote necessary network functions but are not supported by worker proposals.

The Telos Foundation will be lead by an elected executive board of directors and advisory team. Members of the Telos Foundation will vote on grants via smart contracts using the Telos Foundation Voting Token (TFVT) – a token of no value that simply confers voting rights to its holders. Voting tokens will be distributed throughout the Telos community during launch to encourage a wide range of voices in the voting process.

# The Community Speaks

Telos conversations and news can be found on over a dozen different channels from Twitter, Telegram, Reddit , Discord and Facebook, in numerous languages ...and growing!

*It's been just a short time since the Telos Foundation announced the commitment to building the network. Since then the blockchain and EOS community have come forward with excitement and support!*



*"@EOStheWorld @HelloTelos You guys are awesome! The bootstrap saved me a days work and turned it into 30 minutes."*

Telos New York, Twitter

[Twitter Link](#)

*"Given that Telos is 100% code-compatible with EOS for dapp deployments, while at the same time focuses on security, developers, and user acquisition, Telos is definitely on the Lumeos radar."*

Lumeos team, A decentralized infrastructure for data sharing.

[Medium Link](#)



*"Some great BP candidates are behind this project. It limits the power of whales, and gives a weighted vote to the little guy. Plus, the TELOS tokens are at 1/3 the supply of EOS -- so if you're one of the guys that has less than 40,000 EOS, you own a greater percentage of the resources. I'm excited for this."*

From Reddit user [gstevv](#)

[Reddit Link](#)



# Links to Resources

Telos Foundation Website: <https://telosfoundation.io>

Telos Downloads: <https://telosfoundation.io/downloads>



Medium: <https://medium.com/@teloslogical>



Twitter: <https://twitter.com>HelloTelos>



Telegram: <https://t.me>HelloTelos>



Facebook: <https://www.facebook.com/TelosFoundation.io>



YouTube: <https://www.youtube.com/c/TheTelosNetwork>

Contact the Telos Foundation at: [hello@telosfoundation.io](mailto:hello@telosfoundation.io)

# FAQs

From the Telos White Paper

**Q: What is Telos?**

**A:** Telos is a new blockchain network based on EOSIO software.

**Q: What is the difference between Eos and Telos?**

**A:** Eos and Telos are both networks running the EOSIO software. Any smart contract that runs on one system should run equally well on the other. Telos has modified the Eos genesis snapshot and some rules to make the network more responsible to the majority of token holders, to be more attractive to DApp developers, and to generally run more responsibly and sustainably.

**Q: What is TLOS?**

**A:** TLOS is the name of the token that reflects ownership in the Telos network. A TLOS token is like an EOS token except that there will be around 3X fewer TLOS tokens than EOS.

**Q: If I bought EOS tokens, will I get TLOS? A:** Yes, if you bought EOS and registered them, then your TLOS tokens will be available for voting at the network launch and for transfer or stake as soon as the network activates – up to 40,000 TLOS per address. If your tokens are on an exchange, the exchange must agree to list TLOS and distribute tokens to owners for you to receive them.

**Q: Are you taking away people's EOS tokens?**

**A:** No. EOS holders will have the exact same number of EOS tokens on the Eos network as they ever had. That is what they purchased from Block.one. Telos is a new project based on the Eos network. The Eos source code is open source and freely available to fork. We have decided to give an equal number of TLOS tokens to every EOS token holder on the genesis snapshot, but capping values at 40,000 TLOS per genesis address. This means that there will be no whales on Telos.

**Q: Is Telos an airdrop?**

**A:** Telos is a completely new network using the same EOSIO operating software as Eos mainnet with a few small modifications. It is not an airdrop. However, the distribution of TLOS tokens is similar to an airdrop in that anyone who owned Eos tokens will receive new TLOS tokens at their addresses based on our genesis token distribution algorithm.

**Q: What exactly is the Telos genesis token distribution algorithm?**

**A:** Simply, it is that all Telos genesis addresses will receive the same number of tokens as their corresponding Eos addresses held in the genesis snapshot—up to a maximum of 40,000 tokens. Except for a few special cases: Addresses proven to have been stolen, phished, or misregistered, thereby depriving their rightful owners of them will be restored to new addresses controlled by their rightful owners; and New genesis tokens will be created to compensate the ABPs and establish the Telos Foundation.

**Q: If you cap all accounts, how can EOS holders get TLOS from exchanges?**

**A:** The TLOS block producers have the ability to create new tokens by a vote of 2/3+1. The 6 ABPs agree to create new tokens for distribution for any exchange that can show EOS holdings on the snapshot and that agrees: to list TLOS; not to vote the exchange account; and to request and distribute only enough coins so that all EOS holders at the time of the snapshot receive their coins capped at 40,000 per account. The ABPs will have a process in place for exchanges to petition them to create TLOS tokens and promise to honor all valid petitions. (It will require a vote of 5 of the 6 block producers to accomplish this.) Once the Telos network activates and the elected block producers validate the network, it will take a vote of 15 of the 21 block producers to create new tokens for exchanges.

**Q: Why cap genesis addresses at 40,000 TLOS?**

**A:** The largest 1,050 Eos addresses control about 90% of EOS tokens and therefore completely control block producer selection, their voting, and ultimately the entire network. This makes the system dangerously centralized. By capping genesis addresses at 40,000 TLOS—approximately the 90th percentile of ownership—the Telos network will be one of the most evenly distributed major blockchains in existence. 162,930 addresses will have exactly as many TLOS as they did EOS. The total TLOS token supply will be lowered to approximately 200-400,000,000 TLOS tokens depending on how many exchanges petition to recreate their wallets. [\*\*Read More Here: Telos Token Distribution – Use of the EOS Genesis Snapshot & Why\*\*](#)

**Q: Can Telos addresses ever have more than 40,000 TLOS?**

**A:** Yes. The 40,000 TLOS cap only applies at the network genesis. Addresses may hold any amount of TLOS thereafter.

**Q: What is the difference between the Telos Network launch and activation?**

**A:** Telos Network launch is the process of beginning to run the Telos network to allow votes to be cast for block producers and for network validation. Activation is the point when TLOS holders can begin transferring or otherwise controlling their tokens beyond just voting.

**Q: If exchange addresses cannot vote, will my TLOS tokens be able to vote if they are currently on an exchange?**

**A:** Once tokens are off the exchange and on your own Telos address, you can vote them. Individual owners cannot vote their tokens held on exchanges. Preventing voting from exchange accounts keeps exchanges from voting with customer tokens, which is against the Telos rules.

**Q: Will this hurt the Eos network?**

**A:** The Eos network will succeed or fail based on its own merits. We hope it succeeds, as we are all deeply invested in this project. However, the Eos mainnet release has revealed problems with the system that will be difficult to resolve on the Eos blockchain. “Whales” have shown that they generally just vote for their own block producer partners and even game the rewards system to harm other block producers—this may also be expected once worker proposals emerge. The Eos network is under the control of a few whale accounts. We offer a fresh approach where all token holders’ voices matter. Telos also hopes to provide a testbed for new ideas that may eventually be adopted by the Eos mainnet. In this way we hope to strengthen Eos.

## FAQs - 5

**Q: If these changes will fix the network, why doesn't Eos make them?**

**A:** Block.one sold EOS tokens in their tokensale. They accepted money for tokens and made certain representations. They can't easily change the results of their sale—especially by reducing the tokens of their largest contributors, which is really the key change that fixes the system. Telos is a completely new system that never took money from nor made promises to anyone. We intend to build a network using the open source Eos software (that we all helped pay for) to create an entirely new network that better represents the true purpose of Eos.

**Q: Can I buy and sell TLOS tokens? What are they worth?**

**A:** TLOS tokens will not gain value until the Telos mainnet launches and they are able to be traded. In practical terms, TLOS will gain real value when exchanges accept them to trade against other cryptocurrencies. We expect that this will happen because exchange customers will demand that they be given access to their tokens. The technical requirements for listing TLOS will be identical to EOS so we expect little resistance on that point. Once tokens are freely trading on exchanges they will find their value based on supply and demand. The TLOS token supply will be between one-fifth and one-third that of EOS, and the Telos network should be as good as or better than Eos. Telos will also not have any “whale” addresses which often are responsible for price manipulations in other coins.

**Q: Are you selling TLOS tokens?**

**A:** We are not selling any TLOS tokens. We will use the Eos Snapshot with the following changes: 1) Capping all addresses at 40,000; 2) Creating a process for exchange addresses to petition the BPs to create TLOS tokens for their EOS snapshot owners by listing and distributing TLOS tokens (up to 40,000 per account holder); 3) Providing new public keys to EOS token holders who can prove that their tokens were stolen or misregistered; 4) Adding 6M new tokens to form a Telos Founders Reward Pool and 6M TLOS tokens to the Telos Foundation Ltd, to support network needs that cannot otherwise be funded. These tokens currently have no value and will only gain value if the ABPs and Telos Foundation can create a valuable network. The Telos Foundation pledges to never vote its tokens.

**Q: Who are you and why are you launching Telos?**

**A:** We are a group of Eos block producer candidates who have contributed to the system, run testnets, and taken part in the Eos Mainnet Launch Group that voted to unanimously launch the mainnet. We believe in the promise of Eos, but we have come to be concerned that the current system is deeply flawed due to the overwhelming power of Eos token holders with enormous holdings. We hope that Eos can overcome this problem, but in the meantime, we want to launch a new and more decentralized network using the Eos technology.

**Q: Can Eos block producers also be Telos block producers?**

**A:** Absolutely! We hope they will since they know how to run EOSIO nodes well. Anyone who meets the minimum requirements for a Telos block producer may submit themselves for voting.

**Q: Can developers make their code proprietary?**

**A:** Yes. If the developer has not accepted payment as a block producer, code reviewer, or worker proposal recipient in the past six months, they can designate the original code in a DApp as proprietary. Any underlying open source code that the DApp is built upon will remain open source, of course. By contrast, all smart contracts running on the Eos network must be open source according to the Eos Constitution.

**Q: What if Telos users don't want to use proprietary software on the blockchain?**

**A:** Each smart contract will designate if portions of its code are proprietary. Telos members will be able to choose whether or not they wish to work with proprietary smart contracts or only open source contracts.

**Q: How are Telos block producers paid?**

**A:** Telos will have 21 active block producers and up to 30 standby block producers sharing the 1% TLOS inflation. Each block producer will be paid the same flat rate and each standby will be one half of that rate. All will receive pay deductions for missed blocks.

**Q: Will the team launching Telos take a fee for its service?**

**A:** Launching the Telos network is an expensive and time-consuming venture. The people launching Telos include block producers, developers, social media marketers, arbitrators, and others working together in a largely decentralized way. Members of the Telos Launch Group will be compensated in the TLOS genesis file. A Telos Founders Reward Pool (TFRP) will be created in the Telos genesis file containing 6M TLOS (about 1.8% of the expected money supply). This fund will be distributed among members of the Telos Launch Group – an open-membership group established to create and launch the Telos network – based on tasks performed by members. The exact method of TFRP distribution is yet to be determined but will be formalized prior to network launch.

**Q: You say that Telos won't have any “whales” but aren't the TFRP recipients and Telos Foundation going to become whales? A:** The Telos Foundation will never vote its tokens. TFRP funds will be broadly distributed among contributors in a manner to be determined soon. Distributions over a certain amount will unlock evenly over a 3-year period similar to how Block.one's tokens vest. No TFRP recipient will be able to vote itself into the block producer ranks without the help of many TLOS token holders.

### **Q: Why are TLG members being compensated?**

**A:** Members of the Telos Launch Group are taking a central role in creating and launching the Telos network. They are bearing the costs and contributing the effort to bring the network to life. To compensate their work and defray cost they incur, they are being granted new genesis tokens on the Telos blockchain distributed from the Telos Founders Reserve Pool. These tokens are of zero value at the genesis and will only gain value if the TLG, Telos Foundation, and other participants can launch a valuable network. This approach is in line with bounty programs common in cryptocurrency launches. The total amount of compensation for the many founders/bounty recipients is ~1.8% of the expected Telos token supply, which is a low number for cryptocurrency projects where large amounts of work are required and no funding has been sought.

### **Q: What is the Telos Foundation?**

**A:** The Telos Foundation is the organization initially launching the Telos Network. Prior to the Telos mainnet launch, the Telos foundation will organize technical, informational, and marketing efforts to advance the Telos network. The Telos Foundation will manage the Telos genesis file subject to validation of the 6 ABPs. Immediately upon the mainnet launch, the Telos Foundation will cede its authority to the 6 ABPs to be governed by the Telos Constitution and voting rules. After mainnet launch the Telos Foundation will function as an independent promotion and funding body for the Telos network. Its function will be to pay for projects that are not selected for worker proposals or that cannot yet be funded due to inadequate funds. (Particularly early in the life of the network.) The Telos Foundation may apply for worker proposal funds to reimburse funds dispersed as the goal is to create an ongoing fund that is not depleted. It will also seek to stabilize RAM prices by regularly publishing a guidance price and buying below that price, selling above it, and offering RAM for sale or lease to bona fide developers seeking to develop on the network. The Telos Foundation is a decentralized organization that votes on its own issues via smart contract. It does not serve or seek any official governance position and will remain neutral on block producer candidates and proposals. Addresses owned by the Telos Foundation will never vote.