

TREASURY MANAGEMENT POLICY OF REGEN FOUNDATION

Updated:

May 12, 2021

1. Regen Foundation Token Endowment
 - (a) *This allocation is 5mm REGEN at Token Generation Event, and consists of locked tokens.*
 - (b) Treatment of Staking Rewards
 - i. Staking rewards are held in a discretionary pool, disbursements governed by the Foundation Board
 - ii. This policy will be revisited in 2022
 - (c) Delegation Policy
 - i. Regen Foundation will make staking decisions according to these criteria (in no particular order):
 - A. Community engagement
 - B. Testnet scores
 - C. Validator professionalism and security protocols
 - D. Reputation in the ecosystem
 - E. Engagement with the utility of Regen Ledger as a part of Validator Business Operations
 - ii. Initial delegations have been made in advance of mainnet, and redelegations will likely occur within a month of mainnet, once adequate empirical data is available to inform this process.
 - iii. In addition to the criteria listed above, Regen Foundation will endeavor to maintain a well distributed delegation strategy aimed to decentralize staking power and rewards across the broadest set of validators that can credibly meet the above criteria.
 - (d) Voting Policy
 - i. Regen Foundation will vote in alignment with its charitable cause, at its discretion
2. Community Staking DAO

- (a) *This allocation is 30mm REGEN at Token Generation Event, and consists of tokens to be enDAOed to locked pools.*
 - i. This pool is stewarded by the Foundation on behalf of future Community Staking Members
 - (b) Treatment of Staking Rewards
 - i. Staking Rewards are redelegated
 - (c) Delegation Policy
 - i. Two factors will affect delegation weight:
 - A. Ranking in the validator set by total stake (bell curve distribution)
 - B. Commission (equalized for)
 - ii. 5mm of this allocation will be delegated per month until 5mm REGEN remain undelegated.
 - iii. For more on the process of how this policy was developed, and for further details, see this post.
 - (d) Voting Policy
 - i. Regen Foundation will not actively vote with these tokens
 - ii. According to Tendermint consensus this means that the tokens will follow the Validator vote where the tokens are staked.
 - iii. Upon enDAOment the full rights accorded to the tokens will be under the control of the community staking DAO managing the private keys and they can vote as they see fit.
3. Regen Foundation Cash
- (a) Cash donations received by the Foundation are held as cash at our account with Amalgamated Bank
 - (b) Cash management strategies are expanded upon in our Financial Management Policy
4. Other Assets
- (a) As the Foundation encounters other asset classes, it will develop treasury management for these asset classes.