// ICO TOKEN TRANSPARENCY FILING
--- DIGITAL ASSETS
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Blockworks

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B1

Tea Protocol

ICO Token Transparency Filing

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Project & Team

1. Description of Project

Instructions: Provide a concise narrative that clearly states:

- (a) **Problem the project solves** — the problem the project is solving,
- (b) **Operational priorities** — Provide a high-level description of how the project expects to support ongoing development and operations over time
- (c) **High-level project overview** — how the project works at a high level,
- (d) **Primary token functions** — the primary functions of the token (e.g. gov participation),
- (e) **Control surface reliance** — if any, briefly describe the anticipated or possible evolution of the protocol's governance/control model

Answer:

(a) Problem the project solves

Tea addresses the fragmented value layer around open-source software. Open source runs modern software, but the systems for understanding dependency importance, verifying provenance, allocating support, and rewarding maintainers remain fragmented, manual, and often dependent on sporadic donations or subjective grant processes.

Tea is designed to make open-source work more visible, verifiable, governable, and supportable. It connects dependency intelligence, provenance, claims, staking, governance, and programmable reward mechanisms so value can move through the software graph with more context and less guesswork.

(b) Operational priorities

Tea Association is a Swiss association established to govern the Tea Network. Its operational priorities are to support the long-term development and operation of the network as economic and governance infrastructure for open source.

This includes maintaining the OP Stack Layer-2 network, supporting CHAI / Proof of Contribution and teaRank, enabling developer onboarding through GPG-based identity, coordinating ecosystem and community programmes, supporting compliance and security work, and progressively moving more governance activity in a decentralized fashion. The operating model is intended to support sustainable network growth rather than traditional commercial revenue generation.

(c) High-level project overview

Tea Network is an Ethereum-aligned OP Stack Layer-2 focused on open-source software. The protocol uses CHAI / Proof of Contribution to analyse open-source package dependency data and generate teaRank, a measure of a project's impact and importance within the software graph.

Through the Tea Network , maintainers, developers, supporters, enterprises, crypto-native users, and agent-driven workflows can participate in open-source value exchange. The system is designed to support project identity, provenance, build validation, claims, staking, governance, and programmable rewards. GPG-based wallets allow developers to interact using existing developer identity infrastructure, helping reduce friction for non-Web3-native open-source contributors.

(d) Primary token functions

TEA is the native utility asset of the Tea Network. Its current and planned functions are operational within the network and community ecosystem.

At launch, TEA is used to pay gas for on-chain activity, including package registration, staking, and reward distribution. It is also used for staking to support open-source packages, signal trust in projects, and influence teaRank-related mechanisms. TEA acts as the settlement asset for rewards routed to verified open-source maintainers and contributors based on software usage. Over time, staked TEA is expected to support governance participation, including voting on ecosystem parameters, potentially treasury use, emissions allocation, validator incentives, and other protocol decisions. Future utilities may include repo-level sub-tokens, expanded staking, and project-level governance through brew.fun.

(e) Control surface reliance

Tea's governance and control model is expected to evolve progressively. The project is not presenting governance as empty community language; the relevant control surfaces relate to claims, stewardship, value exchange, dependency intelligence, support allocation, treasury use, and protocol parameters.

At launch, certain operational and security-sensitive functions may remain under Association-led or multi-sig / timelock controls, particularly around treasury management, protocol operations, and upgrade execution. Over time, the intended direction is to transition more control to a decentralized native body called the teaDAO, allowing staked TEA / stTEA holders to participate in proposal creation and voting. The longer-term model is a shared value layer for open source that humans can govern directly, while agents can use the same rails to inspect provenance, dependency importance, claims, and governance signals in a more accountable way.

2. Known Project Team

Instructions: For each existing entity: Labs/DevCo (e.g., Founder, CEO, CTO, COO), Foundation (e.g., President, Executive Director, CFO, COO), and DAO / onchain governance leadership (if applicable) list the:

- (a) full names,
- (b) official titles,
- (c) and prior experience of key team members.

For any non-existent entity, explicitly mention it does not exist. External links may be included but they will not factor into the score.

Answer:

Labs/DevCo

Full Name	Official Title	Prior Experience
Timothy Lewis	PKGX CEO	Co-founder / CEO of Tea Protocol; public sources describe him as an engineer, founder and advisor across technology and finance, with prior ventures including Ikigai Asset Management and Developer's DAO.
Bernardo Herzer	PKGX Board Member	Entrepreneur and inventor with prior experience as CEO / Founder of LEHR, Inc., EnviroGard LLC and Onyx LLC, focused on environmentally friendly technology. Extensive business operations experience.

Foundation

Full Name	Official Title	Prior Experience
Raphael Baumann	Chairman, Tea Association	Swiss attorney and notary in Zug; Partner at PST Legal & Consulting; experience in FinTech, blockchain / DLT, blockchain-based business models, start-ups, venture capital, corporate and commercial law, and notarial services.
Gavin Sambles	Executive Director, Tea Association	Board member / executive director with prior experience across product, operations and healthcare / diagnostics. Previous roles including COO & Founder at Maion, Global Product Director at 2San, and Director of ExperienceLab within Serco.

DAO/Onchain Governance

Full Name	Official Title	Prior Experience
Does not	Does not exist	No separate DAO/onchain governance leadership

exist		currently exists because teaDAO is not yet fully activated.

3. DAO Structure

Instructions: Provide a structured description of the DAO's governance, powers, and economic rights. If a DAO does not exist, state so. Address the lettered items below. Even if there is no DAO, there must be an answer to (d).

- (a) **IP ownership & control** — State what IP the DAO owns or controls (e.g., codebases/repos, trademarks/brands). Note any license if relevant.
- (b) **Contract/admin powers** — List on-chain or administrative authorities and limits: pause/upgrade roles (e.g., multisig pause), governance-executor authorities, and the method of authority for each (e.g., veto, majority, super-majority).
- (c) **Locked-token rights (conditional)** — If locking/staking for additional rights exists, explain the additional rights and what tokenholders can and cannot decide. If no locking mechanism exists, leave absent.
- (d) **Value accrual & holder rights** — If any, describe the current rights of tokenholders over revenue distribution and the treasury.
- (e) **Dissolution authority** — State who can dissolve/wind up the DAO and by what mechanism (e.g., on-chain vote threshold, board resolution of a legal wrapper).

Answer:

Current position: teaDAO is not yet an activated, independent onchain DAO. In the interim, the **Tea Association**, a Swiss nonprofit association based in Zug, is the legal and operational steward for many of the functions that a mature DAO would ultimately perform, including governance preparation, treasury stewardship, protocol operations, ecosystem funding, compliance, and progressive decentralisation.

Tea's approach is deliberately risk-assessed and operationally pragmatic. A hastily launched DAO, without tested governance flows, clear control boundaries, security guardrails, and an informed participant base, could create decision-making paralysis or expose the wider community to harmful, extractive, or poorly informed proposals. The Association therefore acts as a stabilising steward while DAO governance is mobilised and matured responsibly.

(a) IP ownership & control

The DAO does not currently own or control disclosed IP directly because it has not yet been activated.

The underlying Tea technology was developed by **PKGX.dev**, a U.S. development company, and licensed to the **Tea Association** under an IP agreement.

(b) Contract / admin powers

Because teaDAO is still being mobilised, current contract and administrative powers sit with **Association-led operational governance**, supported by multi-sig and timelock controls.

Area	Current / intended authority	Method and limits
Treasury and protocol operations	Tea Association	Association-led stewardship as Swiss nonprofit custodian of the TEA ecosystem.
Smart contract administration	Multi-sig / timelock	Staking, reward, and governance contracts are non-custodial, and controlled by multi-sig with timelock.
Treasury multi-sig	Onchain Den multi-sig	Gnosis-compatible 3-of-5 structure using hardware wallets (varied manufacturers), with geographically distributed signers and varied access platforms.
Supply adjustment	Future teaDAO governance	Any optional annual supply adjustment of up to 2% is expected to require teaDAO governance and execution through multi-sig / timelock controls.
Future DAO powers	stTEA-based governance	Once activated, stTEA holders are expected to participate in proposals and voting on protocol parameters, treasury use, emissions, validator incentives, and future upgrades.

This staged model is not intended to preserve centralised discretion indefinitely. It is intended to avoid transferring sensitive control surfaces before the DAO can exercise them responsibly. Treasury deployment, protocol upgrades, reward parameters, supply mechanics, and emergency controls all require mature governance.

(c) Locked-token rights

The teaDAO design includes a staking / locking model through **stTEA**. When participants stake TEA, they receive non-transferable stTEA on a 1:1 basis, which represents voting power in Tea governance. The governance model may also take account of contribution-based reputation, so active contributors can have influence alongside token stake.

(d) Value accrual & holder rights

TEA is framed as a **utility token**, not an equity or profit-sharing instrument. Tokenholders are not described as having legal rights to dividends, profits, redemption, or direct revenue

distributions from the Tea Association. The Association is a nonprofit steward, with no shareholders or investors, operating for the public-good mission of rewarding open-source developers.

Value accrual is intended to operate through **network utility and ecosystem reinvestment**. TEA is used for gas, staking, reward distribution, and governance participation. A portion of network gas will be recirculated to the DAO treasury and community reward mechanisms, supporting open-source maintainers, contributors, grants, and ecosystem development.

Accordingly, once teaDAO matures, tokenholders should be understood as having governance influence over treasury deployment and ecosystem parameters, not direct proprietary rights over treasury assets or Association revenue.

e) Dissolution authority

No fully activated teaDAO dissolution mechanism is currently disclosed as the DAO is not operational at time of writing.

The Tea Association remains the current legal steward. Any dissolution or winding-up of the Association would be expected to follow its constitutional documents and applicable Swiss association law.

Any future DAO wind-up, treasury disposition, or dissolution process should be introduced only through a documented, legally coherent, and risk-assessed governance framework, with appropriate quorum, threshold, timelock, and community-protection safeguards.

4. Primary Foundation

Instructions: For the Primary Foundation do the following independently. If an entity does not exist, state that explicitly. Items (a)–(f) apply only if that entity exists; state explicitly that the entity doesn't exist.

- (a) **Entity** — type and jurisdiction.
- (b) **IP ownership & control** — what IP the entity owns/controls (repos/code, trademarks/brand; license optional) and an explanation of any subsidiary entities.
- (c) **Powers over DAO, treasury, protocol-controlled resources, and token administration** — If any, describe the current powers over DAO governance, treasury actions, protocol-controlled resources (e.g. revenue), token administration, or reward parameters, and the method/threshold for each.
- (d) **Powers over DevCo** — explain whether the foundation can exert direct or indirect influence over decision-making of the DevCo.

- (e) **Contract/admin powers** — pause/upgrade/governance-executor authorities and the method/threshold for each (e.g., veto/majority/super-majority; “3/5 multisig”).
- (f) **Current economic arrangements and distribution policies** — Describe any current governance-approved, contractual, or programmatic mechanisms, if any, by which protocol-controlled resources, treasury assets, fees, revenue, rewards, or token distributions may be directed to this entity, its equityholders, contributors, or other participants. If no such mechanism currently exists, state that explicitly. Do not discuss hypothetical future dividends, repurchases, or distributions unless formally adopted.

Definitions: The primary Foundation and DevCo can be explained as those entities which are directly involved in the issuance of the native token at launch.

Answer:

(a) Entity — type and jurisdiction

Entity	Type	Jurisdiction
Tea Association	Swiss nonprofit association	Zug, Switzerland

Tea Association governs the Tea Network and exists to steward the ecosystem in support of its public-good mission: rewarding open-source software maintainers based on real-world usage.

(b) IP ownership & control

Tea Association owns or controls the core Tea Protocol IP through the IP / Asset Purchase Agreement and MSA framework. The transferred assets from PKGX (the development company) include the Tea Protocol software, GitHub repositories, documentation, Tea marks, domains, social channels, Chai Database, Tea Web3 Protocol Technology, and website/source code. Future SOW deliverables and modifications to the acquired software are also owned / controlled by Tea Association, subject only to PKGX’s retained ownership of pre-existing materials and the licence granted to Tea Association where those materials are needed to use the deliverables.

(c) Powers over DAO, treasury, protocol-controlled resources, and token administration

Tea Association is currently on point for many functions that a mature DAO would ultimately perform. This is because teaDAO has not yet been activated. The Association’s role is therefore best described as risk-assessed operational stewardship during DAO mobilisation, rather than permanent centralised control.

Area	Current position	Method / threshold

DAO governance	teaDAO not yet active; Association is working toward decentralised governance	Future teaDAO framework intended to enable proposal submission and voting
Treasury actions	Tea Association currently stewards treasury and ecosystem operations	Onchain Den multi-sig, Gnosis-compatible, 3-of-5
Protocol operations	Association-led operational governance during launch/mobilisation	Multi-sig and operational controls
Token administration	TEA is an immutable ERC-20 with EIP-2612 permit support and no transfer taxes, rebases, or hidden mechanics	Any optional annual supply adjustment of up to 2% requires teaDAO governance and multi-sig / timelock execution
Reward / staking / governance contracts	Audited, non-custodial, controlled through multi-sig with timelock	Multi-sig + timelock
Future upgrades	Limited to peripheral contracts such as rewards, staking, and governance executors	Audited proxy patterns, onchain transparency, multi-sig / timelock controls

This staged model is intentional. A poorly executed or hastily launched DAO could create decision-making paralysis, unclear accountability, or expose the protocol and community to harmful or extractive proposals. Tea Association therefore acts as a stabilising steward while DAO governance, treasury controls, participant readiness, and operational flows mature responsibly.

d) Powers over DevCo

Tea Association does not have direct corporate control over PKGX Inc. The IP agreement does not give Tea Association rights to appoint or remove PKGX directors, control its board, or direct PKGX's general business decisions.

However, Tea Association has contractual influence over PKGX in relation to the Tea Network. Under the asset purchase agreement, PKGX transfers the specified Tea Network software and IP to Tea Association, and the parties also enter into a Master Services Agreement for additional software and business development services.

The agreement also preserves separation between the parties: PKGX and Tea Association act as independent contractors, and neither party can bind the other.

Summary: Tea Association can influence PKGX only through the IP transfer, MSA, delivery obligations, warranties, indemnities, and agreed contractual controls.

(e) Contract / admin powers

As detailed under answer 3 (b)

(f) Current economic arrangements and distribution policies

Tea Association has **no shareholders or equityholders**. It is described as a Swiss nonprofit association and does not raise or hold private investment capital.

Current and disclosed distribution / funding arrangements include:

Resource / allocation	Current disclosed policy
CoinList sale proceeds	Used to support mainnet launch, governance, and ecosystem operations
Ecosystem & Governance allocation	Held for teaDAO treasury and strategic ecosystem partnerships
Incentives & Airdrops allocation	Rewards to maintainers, users, and early supporters
Protocol development allocation	Supports core contributors and ongoing protocol evolution
Treasury funds	Expected to be unlocked through community governance proposals
Gas recirculation	A portion of network fees is expected to be returned to the DAO treasury to fund open-source rewards

The disclosed model is utility- and ecosystem-based: protocol-controlled resources are intended to support network operations, open-source rewards, governance, grants, contributor incentives, and long-term ecosystem development.

For completeness, Tea Association has separate contractual arrangements with PKGX arising from the transfer of the Tea Protocol assets and related service arrangements. Those arrangements are described under 5(f) Primary Dev Co - Current economic arrangements and distribution policies. They do not give PKGX any ownership interest in Tea Association, any direct entitlement to DAO treasury assets, or any independent right to control protocol revenue, gas-fee recirculation, reward pools, emissions or governance-controlled distributions.

5. Primary Dev Co

Instructions: For the Primary DevCo do the following independently. If an entity does not exist, state that explicitly. Items (a)–(f) apply only if that entity exists; state explicitly that the entity doesn't exist.

- (a) **Entity** — type and jurisdiction.
- (b) **IP ownership & control** — what IP the entity owns/controls (repos/code, trademarks/brand; license optional) and an explanation of any subsidiary entities.
- (c) **Powers over DAO, treasury, protocol-controlled resources, and token administration** — If any, describe the current powers over DAO governance, treasury actions, protocol-controlled resources (e.g. revenue), token administration, or reward parameters, and the method/threshold for each.
- (d) **Powers over Foundation** — explain whether the DevCo can exert direct or indirect influence over decision-making of the Foundation.
- (e) **Contract/admin powers** — pause/upgrade/governance-executor authorities and the method/threshold for each (e.g., veto/majority/super-majority; "3/5 multisig").
- (f) **Current economic arrangements and distribution policies** — Describe any current governance-approved, contractual, or programmatic mechanisms, if any, by which protocol-controlled resources, treasury assets, fees, revenue, rewards, or token distributions may be directed to this entity, its equityholders, contributors, or other participants. If no such mechanism currently exists, state that explicitly. Do not discuss hypothetical future dividends, repurchases, or distributions unless formally adopted.

Definitions: The primary Foundation and DevCo can be explained as those entities which are directly involved in the issuance of the native token at launch.

Answer:

(a) Entity — type and jurisdiction

Entity	Type	Jurisdiction
PKGX Inc.	Corporation	Puerto Rico

PKGX Inc. is identified as the "Seller" under the Asset Purchase Agreement, with Tea Association as the Swiss "Buyer."

(b) IP ownership & control

PKGX originally developed and owned the Tea Protocol technology. Under the Asset Purchase Agreement, PKGX agreed to transfer to Tea Association all right, title, and interest in the specified Tea Protocol software and IP before the Genesis Event.

The transferred assets include the Tea Protocol, GitHub account and repositories, documentation, trademarks / marks, domains, social media accounts, marketing tools, the Tea Chai Database, Tea Web3 Protocol Technology, and the `tea.xyz` website / source code. No PKGX subsidiaries to disclose.

(c) Powers over DAO, treasury, protocol-controlled resources, and token administration

Tea's DAO model is evolutionary. In the initial phase, Tea Association performs many of the governance and operational functions that are expected to devolve progressively to teaDAO as the DAO framework matures. Against both the current Association-led model and the future DAO model, PKGX does not have direct powers over DAO governance, treasury actions, protocol-controlled resources, token administration, or reward parameters.

PKGX's role is delivery-focused. Under the SOW, PKGX acts as Tea Association's primary delivery and execution partner for technical, operational, security, launch-readiness, marketing, and post-launch support work.

PKGX may prepare token distribution registers and treasury / operational wallet architecture, but these are service-provider deliverables, not independent control rights over treasury or token administration.

(d) Powers over Foundation

PKGX does not have direct corporate control over Tea Association. It has no disclosed right to appoint or remove Tea Association board members, control its governance, or bind the Association.

PKGX may have contractual influence through the Asset Purchase Agreement and MSA, including delivery obligations, warranties, indemnities, public-announcement consent rights, and agreed service arrangements. However, the agreements preserve separation: the parties are not affiliates and act as independent contractors.

(e) Contract / admin powers

PKGX does not have unilateral pause, upgrade, governance-executor, treasury, or token-admin powers.

PKGX supports implementation, deployment, monitoring, incident response, audits, launch coordination, and post-launch support under the SOW. These are delivery obligations performed for Tea Association, not independent protocol-control rights. Changes to scope, timeline, or deliverables require written approval by both parties.

(f) Current economic arrangements and distribution policies

The current disclosed mechanisms benefiting PKGX are contractual arrangements arising from the transfer of the Tea Protocol assets, associated service arrangements, and historical token

delivery obligations. They should not be understood as giving PKGX any ownership interest in Tea Association, any direct entitlement to protocol revenue, any right to DAO treasury assets, or any independent control over token administration, reward pools, gas fees, emissions, governance decisions or protocol-controlled resources.

Mechanism	Description
Asset purchase consideration	PKGX is entitled to receive 10% of the total TEA token allocation created at Genesis as consideration for transferring the specified Tea Protocol software, intellectual property and related assets to Tea Association.
MSA / SOW fees	PKGX may receive fees for software, technical, operational, launch-readiness, marketing, business-development and post-launch support services provided to Tea Association under the Master Services Agreement and related SOWs. These are service-provider economics, not protocol-control rights.
Assumed delivery obligations	Tea Association administers the distribution of specified TEA token allocations in accordance with the Token Allocation Schedule provided by PKGX, including applicable lock-up periods and unlock schedules for founders, core contributors, investors, advisors and other launch-related token recipients. PKGX provides the allocation data, wallet details, lock-up periods and unlock schedules, and Tea Association is entitled to rely on that information. Tea Association's role is administrative only and does not assume unrelated PKGX obligations.

PKGX does not have rights to DAO treasury assets, protocol revenue, gas fees, reward pools, emissions, governance-controlled distributions, or protocol-controlled resources outside these contractual arrangements. PKGX's role is therefore best characterised as historical developer / asset transferor and continuing service provider, rather than as a controller of Tea Association, teaDAO, the TEA token, or the Tea Network treasury.

Token Supply & Allocations

6. Initial Allocation

Instructions: Disclose launch and initial supply details in a single initial allocation schedule covering the token's launch. Include:

- (a) **Launch supply totals** — the total number of tokens issued at launch, the total number of tokens locked at launch or the total number of tokens unlocked at launch;
- (b) **Recipient categories & use of funds** — the recipient categories with brief explanations as to how the category will use the tokens so an auditor can distinguish each bucket;
- (c) **Initial price per token (if applicable)** — the initial price per token at TGE.. If the token launched via a liquidity bootstrapping mechanism, auction, or other price-discovery process rather than a fixed offering price, describe that mechanism and the final market set price instead. If no fixed price was set, state so.
- (d) **Ticker / market symbol** — the ticker/market symbol;
- (e) **Total supply & supply regime** — the total supply and whether the supply is fixed (if not explain inflation rate or deflation rate);
- (f) **Initial vesting / release schedules** — the initial vesting/release schedules (identify which categories/recipients are subject to vesting and the high-level timing logic);

Answer:

(a) Launch supply totals

Total supply at launch is 100,000,000,000 TEA. Approximately 20% of supply will be unlocked at mainnet launch, meaning approximately 20,000,000,000 TEA initially unlocked and approximately 80,000,000,000 TEA locked or subject to future release schedules.

(b) Recipient categories & use of funds

Category	Percentage	Description
Incentives & Airdrops	28%	Rewards to maintainers, users, and early supporters (includes initial airdrop).
Ecosystem & Governance	22%	Managed by the Tea Association with future provision to be held by the teaDAO treasury and for strategic ecosystem partnerships and grant programmes.
Protocol development	18%	Allocated to core contributors and ongoing protocol evolution.
Early supporters & advisors	16%	For foundational contributors and advisors.
Reserve Sale	8%	For broad community sale and distribution activity, including the CoinList community pre-sale conducted before launch. Token release / circulation follows the applicable TGE and post-launch release mechanics, with any remaining allocation released within the published 24-month window.
Liquidity provision	8%	Supports stable trading conditions and exchange liquidity post-launch.

(c) Initial price per token

TEA is a utility token, not an equity, investment, or profit-sharing instrument. Its primary purpose is operational use within the Tea Network, including gas, staking, reward distribution, and future governance participation.

Accordingly, Tea Association does not set, guarantee, or publish a fixed market price for TEA. The Association's role is to coordinate a utility-led launch, ensure broad and orderly distribution, activate token functionality, and support network participation. Any market price is expected to be determined by exchange listing processes, liquidity conditions, and market participation.

(d) Ticker / market symbol

TEA / **$TEA**.

(e) Total supply & supply regime

Total supply is 100,000,000,000 TEA. The supply is not strictly fixed, because the implementation provides for an optional annual supply adjustment of up to 2% per year, determined through teaDAO / governance. The token is described as having no transfer taxes, rebasing, or hidden mechanics.

(f) Initial vesting / release schedules

Founders, core contributors, investors, and advisors are subject to a 12-month cliff followed by linear vesting. Community and ecosystem allocations are distributed gradually over approximately 5 years through on-chain reward programmes. Liquidity and reserve sale allocations are released progressively within the first 24 months post-launch. Treasury funds are held for governance-directed ecosystem use.

7. Airdrop Process

Instructions:

If the project has planned but not yet airdropped, it must:

- (a) commit to publish, in a public channel and provide to Blockworks quarterly a recipient wallet list until the initial TGE airdrop is fully completed,
- (b) Generally state the possible target user segments (e.g., "stakers of X," "Aave users") and the allocation method (e.g., proportional to ve-balance or net position).

If the project has already airdropped, it must:

- (a) For executed airdrops, point to an per-address source such as CSV/TSV/JSON files, a Dune table, a full Merkle dump, GitHub repo files embedding per-address allocations, or RPC endpoints that expose claim/amount data; explorer links alone don't count.
- (b) Clearly state covered user segments (e.g., "stakers of X," "Aave users") and the allocation method (e.g., proportional to ve-balance or net position).

If the project does not plan to do an airdrop for TGE, it must:

- (a)If no airdrop has ever been conducted, say so plainly ("We have never conducted an airdrop to date and do not plan to execute one").

Answer:

Status: Tea has planned a TGE-related airdrop / emissions programme. The distribution is designed to reward verified testnet participation, onboard real OSS contributors, and support ongoing developer-aligned activity after launch.

(a) Public availability and Blockworks reporting commitment

Tea Association will make airdrop eligibility and allocation information publicly available through its airdrop lookup portal, allowing participants to check their eligibility and allocation details directly. Tea Association commits to sharing a single public CSV containing all recipient wallet addresses post its initial launch.

Tea Association also commits to providing Blockworks with the full recipient wallet / allocation list as a CSV on a quarterly basis until the initial TGE airdrop is fully completed.

(b) Target user segments, allocation method and emission profile

Target segment / pool	Allocation	Distribution Method	Allocation method / rationale
Testnet users	**4%**	**Airdrop — classic testnet involvement / points earned**	Allocation based on verified testnet participation, points earned, engagement level, and contribution quality.
Testnet developers	**1%**	**Airdrop — developer testnet contribution**	Allocation based on developer activity during testnet phases, including contract deployment, validator / network activity, and other meaningful technical contribution signals.

OSS package maintainers and top dependencies / GPG-based OSS recipients	**15%**	**GPG Emission — unique distribution approach**	Allocation based on open-source contribution, package relevance, CHAI / teaRank assessment of dependency importance, and cryptographic proof of contribution through GPG-linked developer identity. This is designed to recognise and onboard Web3-sceptical OSS developers through familiar Web2 developer identity rails, including signed commits and GPG keys.
Developer Incentive Pool	**8%**	**Community involvement incentive — emissions over time**	Ongoing emissions pool for developer-aligned activity after launch, including package registration, staking / locking, and future OSS reward mechanisms. Initially expected to be funded manually on a monthly / 30-day epoch with scheduled top-ups, and later intended to be supported by transaction-fee recycling.
Total	**28%**		Total Incentives & Airdrops allocation.

Anti-Sybil / verification approach

Tea's airdrop process is designed to prioritise genuine users and contributors. During testnet, Tea applied a combination of zero-knowledge proof / KYC verification and subsequent fingerprinting analysis to reduce Sybil risk. This process cleansed the broader testnet dataset down to a meaningful, higher-quality distribution list of verified participants.

Transactions & Market Structures

8. Market Maker Agreements & Deals

Instructions: Projects must disclose all material terms of market-making arrangements that affect token liquidity. If the project has no agreements or deals with market makers, state that explicitly; doing so earns full credit. For each market maker, include in a table:

- (a) **Market maker's name** — the market maker's name;
- (b) **Token allocation or loaned amount** — the token allocation or loaned amount as a percentage of total supply;
- (c) **Duration/term of agreement** — the duration/term of the agreement; and, where applicable,

- (d) **Name of agreement structure** — label the financial vehicle being used in the agreement (i.e. loan, option/call, retainer model) without describing trading strategy or expected outcomes.

If the project has no agreements or deals with market makers, state that explicitly; doing so earns full credit. If no native tokens were loaned or allocated to market makers, state that explicitly; cash/fiat retainers or fees are not required for this item.

Answer:

Tea Association has entered into a Token Liquidity Advisory Services Agreement with Trireme Trading LLC. This is structured as a client-owned managed liquidity / advisory services model, not a traditional token loan, option, or loan + call-option market-maker arrangement.

Market Maker Name	Token Allocation Committed	Term Duration	Structure Name
Trireme Trading LLC	No native-token loan to Trireme for market-making purposes. Trireme manages a Tea Association-controlled liquidity fund on Tea Association's behalf. Separately, Trireme is entitled to 0.9% TEA as part of its advisory / launch consultation fee, subject to Tea's team token plan, including a 12-month cliff / lock-up and 24-month vesting period.	Agreement commences on the Effective Date and continues until terminated by mutual consent. Either party may terminate on one month's notice. Assets transferred for liquidity management must be returned to Tea Association within 10 days of termination, where applicable.	Token Liquidity Advisory Services Agreement — client-owned managed liquidity / advisory and service-fee model; not a token loan or loan + call option model.

Structure clarification

Trireme provides liquidity advisory, launch consultation, CEX listing support, venue coordination, reporting, monitoring, and authorised trading execution services. The structure is designed to align Trireme's incentives with genuine liquidity provision and orderly access to TEA trading on supported venues.

The separate 0.9% token-based advisory fee is also subject to a 12-month cliff / lock-up and 24-month vesting period, reinforcing that it is not an immediately tradeable market-maker allocation or token loan.

9. CEX / DEX Agreements & Deals

Instructions: Projects must disclose all material terms of centralized or decentralized exchange listings that affect token liquidity. For each listing, include in a table:

- (a) **Exchange name / DEX pool** — the exchange name (and, for DEX, the specific pool/pair);
- (b) **Token allocation for listing** — the token allocation supplied or committed for listing as a percentage of total supply;
- (c) **Term Duration** — the duration/term of any listing lockups, liquidity, or incentive programs; and, where applicable,
- (d) **Native-token listing fees** — whether any listing fees were paid in native tokens, with amounts (tokens or % of supply), recipients, and any vesting or lock terms tied to the partnership.

If the project has no agreements or deals with CEX or DEX, state that explicitly; doing so earns full credit; cash/fiat fee amounts are not required for this item.

Score: Partially complete

Answer:

Tea's exchange strategy is focused on disciplined token stewardship, transparent access, and proportionate launch arrangements. Tea Association has prioritised venues and liquidity arrangements that support appropriate market access and operational launch readiness while avoiding excessive native-token commitments that would reduce allocations available for the wider ecosystem, contributors, governance, and community programmes.

Tea has a DEX launch arrangement with Aerodrome / Aero Ignite for the TEA/USDC pool. CEX listing arrangements are being finalised and will be updated once exchange-specific agreements are signed. Native-token commitments for CEX launch listings are expected to be capped at no more than 1.5% of total TEA supply in aggregate at launch, with any such tokens expected to be emitted over time, typically over a number of days or weeks, rather than released as a single immediate allocation.

Exchange Name / DEX Pool	Token Allocation Committed	Term Duration	Native Token Listing Fees
Aerodrome / Aero Ignite — TEA/USDC pool	2.5% of total TEA supply committed as DEX launch incentives / emissions.	Emitted over a multi-week period around the TGE / launch window.	No traditional native-token listing fee. The TEA allocation is structured as pool / voter incentives to support launch liquidity on Aerodrome.

CEX launch listings — names TBC	CEX listing arrangements are being finalised. Aggregate native-token commitments for launch CEX listings are capped at no more than 1.5% of total TEA supply.	Terms will vary by exchange. Any token-based campaign, listing, marketing, or incentive allocation is expected to be emitted over time, typically over a number of days or weeks, in accordance with the relevant exchange programme.	TBC per exchange agreement. Any native-token listing, marketing, campaign, or incentive allocation will remain within the aggregate 1.5% launch cap and is expected to be subject to staged release / emission mechanics rather than immediate lump-sum release.

Selection approach: Tea Association has taken a disciplined approach to venue selection and prefers a passive listing. Venues are being assessed on operational suitability, user access and whether any requested native-token commitment is fair and proportionate. Where proposed listing terms would require an excessive native-token commitment, those venues have not been prioritised for launch. This approach is intended to preserve token allocations for the published ecosystem, governance, contributor, community, and liquidity purposes, and should not be understood as any statement about expected trading price, return, profit, or future token performance.

Financial Disclosures & Risks

10. Prior Token Sales & Fundraising

- Instruction: Disclose all prior token sales by the Project — including fundraising rounds, any material OTC sales to investors, and any discounted market-maker sales. For each sale, provide:
    - (a) Series Name
    - (b) Early-Stage Investment Instrument used (i.e. SAFT, STAMP, SAFE, SAFE+Token Warrant, etc.)
    - (c) Date of sale (at least month & year).
    - (d) Number of tokens sold (or % of total supply)
    - (e) Vesting schedule
- If no prior sales occurred, state that explicitly (e.g., “No prior fundraising, OTC, or discounted MM sales have occurred.”)

Score: Partially complete

Answer:

Tea Association is a Swiss nonprofit association. Tea Association has not conducted any private fundraising round, OTC token sale, discounted market-maker token sale, SAFT, SAFE + token warrant, STAMP, or other private token-sale instrument.

Tea Association's disclosed token sale activity is the CoinList Community Sale only.

Series Name	Instrument Used	Date of Sale	Number of Tokens Sold / % of Total Supply	Vesting Schedule
CoinList Community Sale	Public / community token sale via CoinList	September 2025	6,000,000,000 TEA, representing 6.0% of total supply	100% unlock at TGE, per the published sale structure.
Tea Association private fundraising, OTC sales, discounted market-maker sales, SAFTs, SAFEs + token warrants, STAMPs or equivalent private token-sale instruments	N/A	N/A	None	N/A

The published tokenomics and table included in section 6 above includes an allocation for Early supporters & advisors, which is subject to a 12-month cliff followed by a 24-month linear vesting period. They were not Tea Association token sales or fundraising arrangements, and Tea Association did not receive proceeds from them. Tea Association only administers the relevant token distributions under the IP / MSA framework and Token Allocation Schedule. They are already included in the published tokenomics and do not represent additional Tea Association fundraising or additional token supply.

11. Previous Exploits Affecting The Native Token

Instructions: If any, list prior exploits or incidents that directly affected the token, token supply, tokenholder balances, token contract, minting controls, burn mechanics, or custody of token supply. This question is not asking about general protocol, application, or smart contract exploits unless the incident directly affected the native token itself.

For each incident, provide:

- (a) **Date & component affected** — date (YYYY-MM or YYYY-MM-DD), chain(s)/component affected;
- (b) **Exploit vector summary** — plain-language summary of the exploit vector (what the hack was);

    - (c) **Quantified impact** — quantified impact (assets/tokens affected or a clear “no loss of funds” statement);
    - (d) **Remediation/response taken** — remediation/response taken (patches, upgrades, governance actions, compensation);
    - (e) **Current status** — current status (resolved, in litigation, under investigation, refunded, etc.);
    - (f) **References (optional)** — references (optional): link(s) to post-mortem/advisory/PR.
- If **no prior incidents**, state this explicitly (e.g., “No exploits affecting tokenholders or protocol funds as of YYYY-MM-DD”).

Answer:

As of the date of this report (May 2026) no prior exploits or incidents affecting the native TEA token, tokenholders, token supply, tokenholder balances, token contract, minting controls, burn mechanics, or custody of token supply are disclosed in the source materials.

As of the disclosed due diligence position, there has been no loss of funds, no native-token exploit, and no incident requiring remediation, compensation, litigation, or tokenholder recovery action. The materials also state that Tea Association is not subject to material legal proceedings, threatened litigation, investigations, or enforcement related to TEA or its operations.

12. Material Risk Factors (Regulation, Technology, Token Economics)

A. Regulatory, Legal & Tax Risks
Describe how evolving laws and regulations could affect the project by answering, at a minimum, questions like:

Impact of regulatory change on TGE and listings

TEA is structured and disclosed as a utility token for use within the Tea Network, including gas, staking, reward distribution, and future governance participation. Tea Association has received a FINMA no-action / reaction letter based on the facts submitted, supporting the treatment of TEA as a utility token under Swiss law. This does not constitute a guarantee of treatment in other jurisdictions or under future facts or laws.

Tea Association has also completed a final MiCA crypto-asset white paper and notified it through the Central Bank of Ireland as the relevant competent authority. Following that notification process, TEA is listed on ESMA’s Interim MiCA Register, providing EU-facing trading venues and users with a formal MiCA disclosure reference. This supports exchange onboarding and admission-to-trading diligence, but should not be characterised as a regulatory approval or

guarantee of future treatment. Under MiCA, the Title II crypto-asset white paper process is a notification route, and the Central Bank of Ireland states that, where it is satisfied with the notification, the white paper and associated documents are transmitted to ESMA and relevant host NCAs. ESMA also states that crypto-asset white papers listed in its register are not approved by a competent authority.

Despite these steps, crypto-asset regulation continues to evolve and may differ between jurisdictions. Regulatory changes, conflicting interpretations, or new exchange requirements could affect the timing or mechanics of the TGE, token delivery, deposits / withdrawals, exchange listings, or ongoing trading availability. Trading venues may also impose their own listing, delisting, disclosure, KYC / AML, sanctions, market-conduct, or technical requirements.

Entity-level regulatory impact

Tea Association is a Swiss nonprofit association based in Zug, established to steward the TEA token and ecosystem. It has no shareholders or investors and operates for the public-good mission of rewarding open-source developers.

Regulatory or legal changes could require Tea Association, its DAO framework, DevCo service providers, exchanges, market makers, or other affiliated service providers to adjust their operations. This could include additional licensing analysis, enhanced KYC / AML controls, changes to user access, revised disclosures, updated listing processes, changes to token distribution flows, or additional governance / treasury controls.

Current due diligence materials state that Tea Association is not subject to material legal proceedings, threatened litigation, investigations, or enforcement related to TEA or its operations.

Tokenholder tax treatment

The tax treatment of TEA may vary by jurisdiction and by user activity. Tokenholders may face tax consequences when receiving, claiming, selling, exchanging, staking, using, or otherwise disposing of TEA, including through airdrops, rewards, exchange transactions, or future incentive mechanisms.

Tea Association does not provide tax advice. Each tokenholder is responsible for understanding and complying with their own tax obligations in the jurisdictions relevant to them.

Jurisdictional and user access restrictions

Access to TEA sales,, listings, or trading venues may be restricted in certain jurisdictions or for certain user types, including where required by law, sanctions controls, KYC / AML requirements, exchange policy, or local regulatory interpretation. Prior sale and marketing materials excluded residents of certain jurisdictions, including the United States, Canada, the United Kingdom, and other restricted jurisdictions.

These restrictions may create practical risks for users, including inability to participate in a sale, claim tokens, access a particular exchange, deposit or withdraw TEA, or continue trading if a venue changes its rules. They may also create project-level risks, including reduced distribution reach, delayed listings, additional compliance cost, or the need to modify user access, communications, or distribution flows in response to evolving law or venue requirements.

B. Protocol, Technology & Security Risks
Describe risks to network and contract reliability, correctness, and safety by answering, at a minimum, questions like:

Bugs and design flaws

Tea Network is an OP Stack Layer-2 with custom protocol components. As with any blockchain network, bugs, implementation errors, contract vulnerabilities, client defects, bridge issues, or configuration mistakes could disrupt network operations, delay withdrawals, affect reward distribution, or expose users to loss of funds. Smart-contract bugs, technical vulnerabilities, cyberattacks, downtime, forks, or other technology failures could affect the Tea Protocol.

Tea's rollup design is anchored to Ethereum and uses an optimistic security model, meaning invalid L2 state transitions can be challenged through fraud proofs within the challenge window. This reduces, but does not eliminate, technology risk. Users may still face soft-finality risk, withdrawal delays, sequencer downtime, censorship risk, bridge risk, or disruption if an implementation flaw affects the rollup stack, bridge contracts, fraud-proof process, or cross-domain messaging.

Tea also includes novel features, particularly the GPG precompile and GPG-based reward wallet system. These features are important to Tea's developer onboarding model, but they add complexity and potential attack surface. In particular, PGP / GPG parsing, signature verification, account-abstraction logic, or wallet-authorisation flows could contain bugs that may not exist in a vanilla OP Stack deployment.

Security measures and limitations

Tea has taken a layered security approach. The core repositories are open source, and Tea has completed three separate audits, with audit materials available through the Tea audits repository. The same materials state that core components covering token, minting, and wallet infrastructure have been independently audited by Spearbit and Cantina, with further assessments planned post-mainnet.

Tea also benefits from building on the OP Stack, which allows the project to inherit battle-tested infrastructure and security learnings from Optimism, while applying additional testing to Tea-specific components. The white paper describes planned / ongoing security measures including audits of custom smart contracts and the modified Geth client, careful testing and fuzzing of the GPG precompile, established smart-contract security patterns, multi-sig / timelock

controls for upgradeable components where appropriate, internal reviews, open-source transparency, and bug bounty activity.

These measures cannot guarantee that all vulnerabilities will be detected or prevented. Audits and testing may fail to identify complex economic attacks, bridge / rollup edge cases, governance or multi-sig failures, dependency vulnerabilities, undiscovered GPG parsing issues, sequencer or MEV-related risks, social-engineering attacks, private-key compromise, or failures that emerge only under mainnet conditions. Tea therefore expects to continue security monitoring, post-launch assessments, bug bounty activity, conservative operational controls, and progressive decentralisation as the network matures.

C. Token Economics, Unlocks & Incentive Risks
Describe how the token's economic design and supply schedule could affect holders by answering, at a minimum, questions like:

Critical economic assumptions

TEA's economic model depends on sustained network utility rather than passive value accrual. Core assumptions include continued demand for Tea Network blockspace, meaningful OSS package registration, active staking / locking, use of TEA for gas, credible CHAI / Proof-of-Contribution rewards, and sufficient participation in governance and ecosystem incentives. TEA is designed as the native utility asset for gas, staking, reward distribution and governance preparation, not as an equity or profit-sharing instrument.

If these assumptions do not hold, the network may generate lower transaction activity, reduced fee recirculation, weaker staking participation, slower OSS onboarding, lower governance engagement, or less effective reward distribution. This could reduce the practical utility of TEA, weaken incentive alignment, and adversely affect market confidence, liquidity, and tokenholder outcomes.

The model also assumes that staged unlocks can be absorbed by market demand and genuine network use. At launch, approximately 20% of supply is expected to be circulating, rising to around 40% at TGE + 12 months. Founders, core contributors and investors are subject to a 12-month cliff followed by at least 25 months of linear vesting; community and ecosystem allocations are distributed gradually over five years; and liquidity / reserve sale allocations are released progressively within the first 24 months.

These unlocks may create selling pressure, particularly if broader market conditions, exchange liquidity, or network adoption are weaker than expected. Even where unlocks are long-term aligned, tokenholders should understand that future circulating supply increases may affect price, liquidity, and volatility.

Governance control over monetary policy and rewards

TEA has a total supply of 100,000,000,000 tokens, with an optional annual supply adjustment of up to 2% per year determined by teaDAO through on-chain governance. Tea's materials also describe gas recirculation, with at least 50% of gas fees expected to be recycled back to the DAO treasury to fund future community grants and rewards. Staked TEA holders are expected to participate in governance over ecosystem parameters, including inflation rate, emissions allocation and validator grants.

Governance flexibility is intended to let the protocol adapt over time, but it also creates risk. Future governance decisions could change reward allocations, treasury flows, incentive programmes, validator incentives, emissions policy, or fee-routing mechanics in ways that some tokenholders view as adverse. Poorly designed changes could dilute holders, over- or under-incentivise participants, misallocate treasury assets, reduce developer rewards, or weaken security incentives.

There is also governance participation risk. If governance is dominated by a narrow group, has low turnout, or is influenced by short-term incentives, decisions may not reflect the long-term interests of maintainers, contributors, users, or tokenholders. Tea's progressive governance model is intended to reduce this risk by maturing DAO controls over time, but governance design cannot eliminate the possibility of inefficient, contentious, or economically harmful decisions.