




Introduction/Abstract

Tea Manifesto



As staking and DAO protocols in DeFi and crypto as a whole are evolving, TEA party seeks to revitalize the sector with a few novel ideas via:

A community owned, decentralised voting structure where open-source developers will only facilitate rewards and implement future governance protocols that are adopted only through on chain consensus.

The decentralized protocol is maintained by incentives and on chain reputation through voting blocks rather than pure audits leading to a significant democratization of not only the coin but also the entire project as a whole. The project promotes innovation and growth through various value accrual structures while being powered by the Ethereum network.

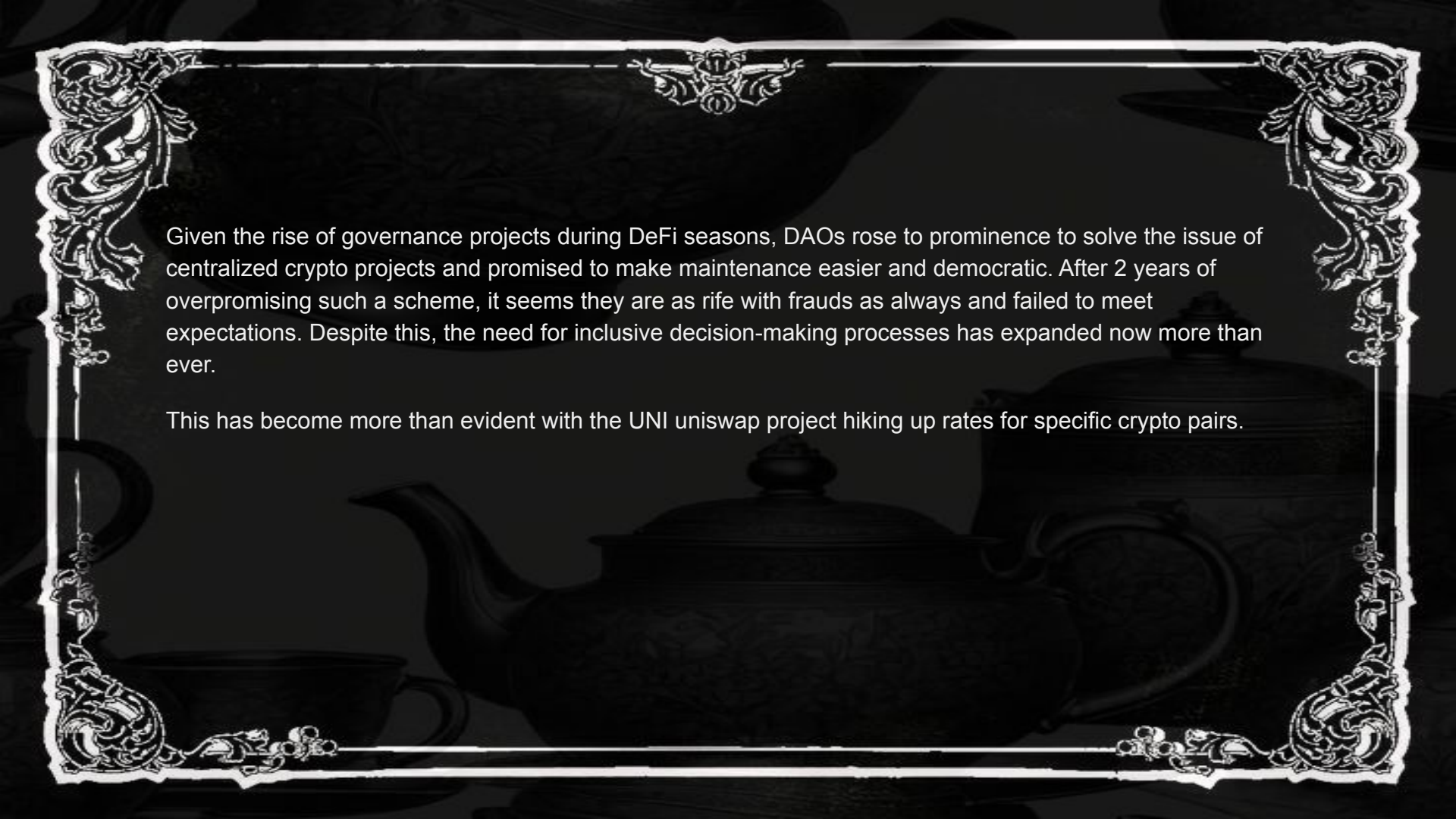
Developers are not within the central power structure but rather they are all voted and maintained by the will of the people. They will be given a budget decided by the people. No valuation without representation!

Through all of this, TEA Party seeks to pioneer a unique Proof of Partition system where DAO voting records for the primary cohorts of main holders will have power and voting potential in the project discussed herein.



Scope of the Problem

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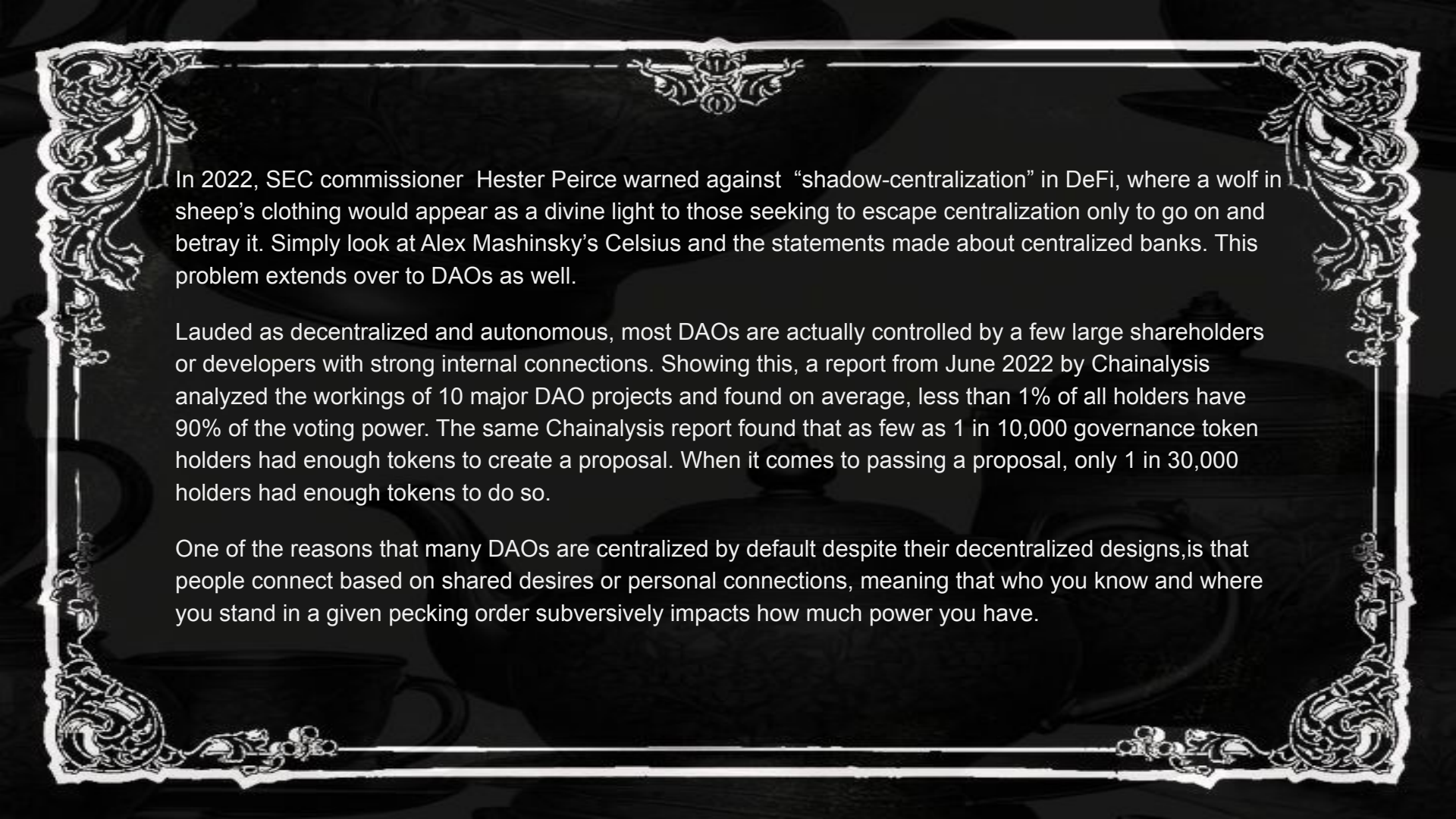
Given the rise of governance projects during DeFi seasons, DAOs rose to prominence to solve the issue of centralized crypto projects and promised to make maintenance easier and democratic. After 2 years of overpromising such a scheme, it seems they are as rife with frauds as always and failed to meet expectations. Despite this, the need for inclusive decision-making processes has expanded now more than ever.

This has become more than evident with the UNI uniswap project hiking up rates for specific crypto pairs.



Failed Solutions

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In 2022, SEC commissioner Hester Peirce warned against “shadow-centralization” in DeFi, where a wolf in sheep’s clothing would appear as a divine light to those seeking to escape centralization only to go on and betray it. Simply look at Alex Mashinsky’s Celsius and the statements made about centralized banks. This problem extends over to DAOs as well.

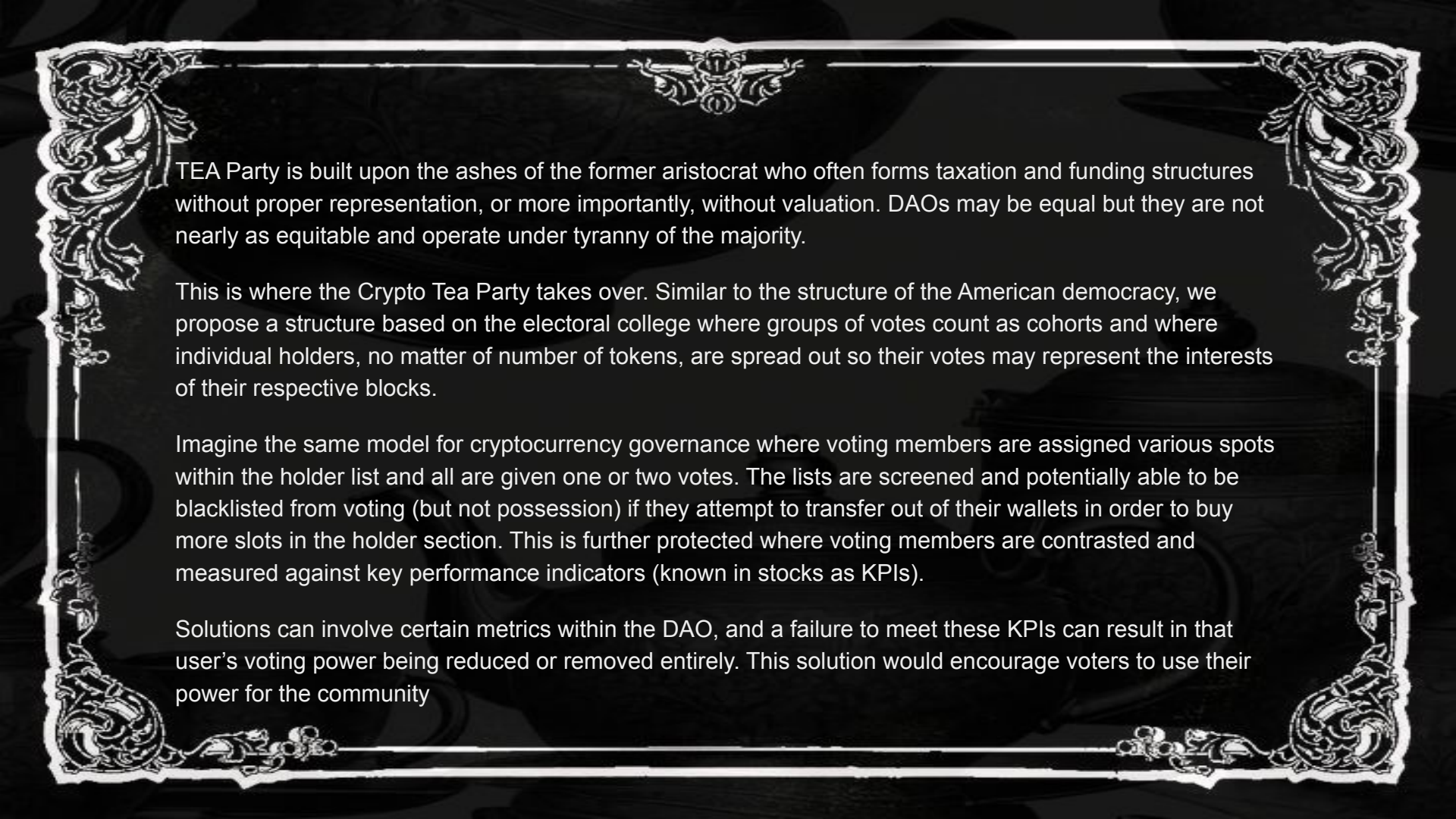
Lauded as decentralized and autonomous, most DAOs are actually controlled by a few large shareholders or developers with strong internal connections. Showing this, a report from June 2022 by Chainalysis analyzed the workings of 10 major DAO projects and found on average, less than 1% of all holders have 90% of the voting power. The same Chainalysis report found that as few as 1 in 10,000 governance token holders had enough tokens to create a proposal. When it comes to passing a proposal, only 1 in 30,000 holders had enough tokens to do so.

One of the reasons that many DAOs are centralized by default despite their decentralized designs, is that people connect based on shared desires or personal connections, meaning that who you know and where you stand in a given pecking order subversively impacts how much power you have.

A dark, monochromatic background featuring a tea set including a teapot, a teacup, and a saucer. The items are rendered in a subtle, slightly lighter shade than the background, creating a ghostly effect. The entire scene is framed by an ornate, white, Art Nouveau-style border with intricate floral and scrollwork patterns at the corners and midpoints.

Tea Proposal

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TEA Party is built upon the ashes of the former aristocrat who often forms taxation and funding structures without proper representation, or more importantly, without valuation. DAOs may be equal but they are not nearly as equitable and operate under tyranny of the majority.

This is where the Crypto Tea Party takes over. Similar to the structure of the American democracy, we propose a structure based on the electoral college where groups of votes count as cohorts and where individual holders, no matter of number of tokens, are spread out so their votes may represent the interests of their respective blocks.

Imagine the same model for cryptocurrency governance where voting members are assigned various spots within the holder list and all are given one or two votes. The lists are screened and potentially able to be blacklisted from voting (but not possession) if they attempt to transfer out of their wallets in order to buy more slots in the holder section. This is further protected where voting members are contrasted and measured against key performance indicators (known in stocks as KPIs).

Solutions can involve certain metrics within the DAO, and a failure to meet these KPIs can result in that user's voting power being reduced or removed entirely. This solution would encourage voters to use their power for the community



How it works

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On every transaction,
a 1% tax is present

The community
has the 16 day
period to choose
the coin which
will be bought by
voting through 3
filtering rounds.
The final winner
will be receiving
the market buy.

After 16 days starting
from Day Tea, a
market buy will
happen on a coin
chosen by the
community (half
post-expenses within
the treasury.)

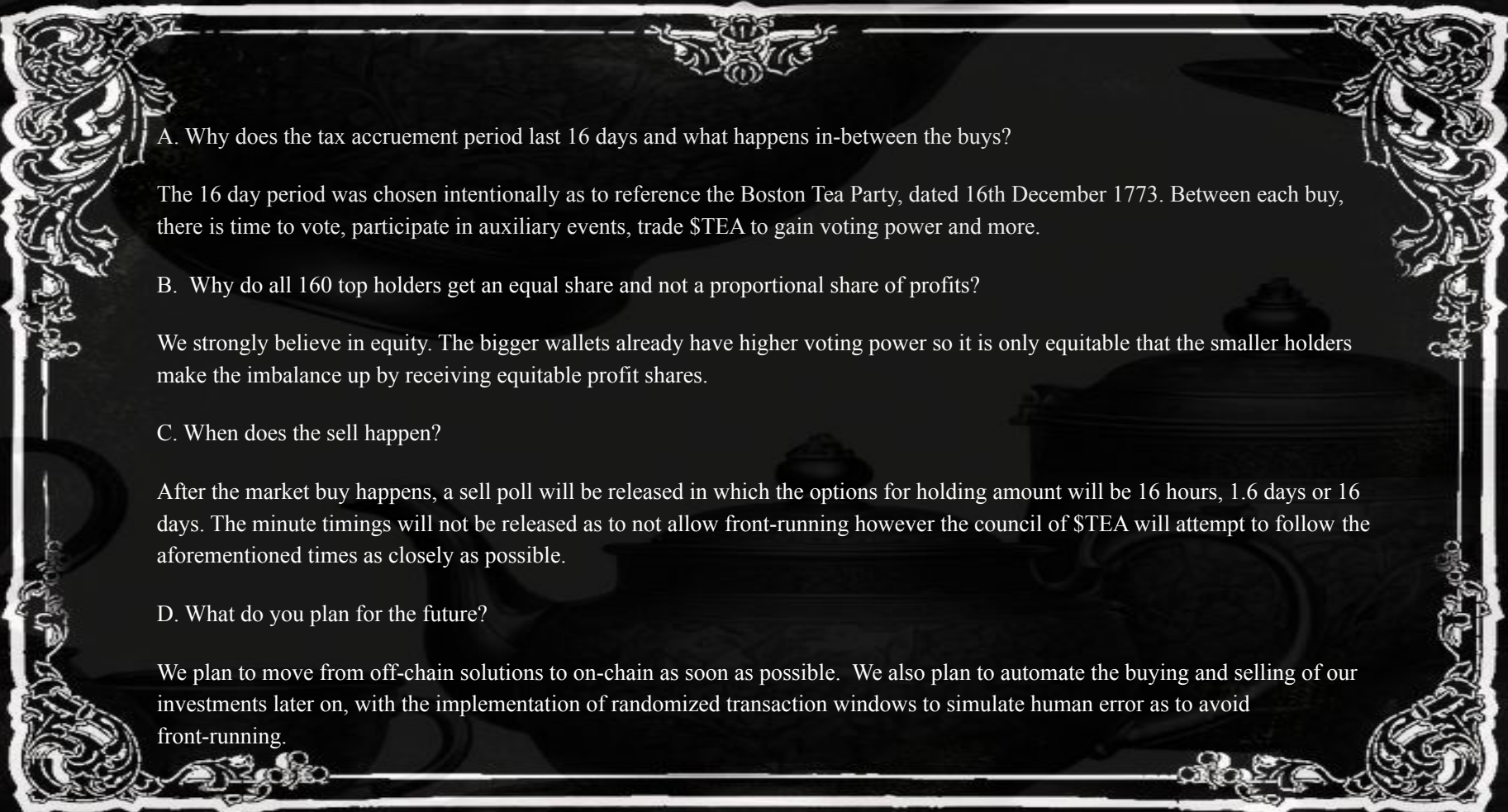
In the event that
the coin bought
with the market
buy ends on a
profit, the top 160
holders get an
equal share of the
profit.

In the event that the
coin bought with the
market buy ends on a
loss, everyone benefits
as the coin is sold
back into \$TEA,
providing
pseudo-liquidity and
stabilizing the price
floor.



Frequently asked questions

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A. Why does the tax accrument period last 16 days and what happens in-between the buys?

The 16 day period was chosen intentionally as to reference the Boston Tea Party, dated 16th December 1773. Between each buy, there is time to vote, participate in auxiliary events, trade \$TEA to gain voting power and more.

B. Why do all 160 top holders get an equal share and not a proportional share of profits?

We strongly believe in equity. The bigger wallets already have higher voting power so it is only equitable that the smaller holders make the imbalance up by receiving equitable profit shares.

C. When does the sell happen?

After the market buy happens, a sell poll will be released in which the options for holding amount will be 16 hours, 1.6 days or 16 days. The minute timings will not be released as to not allow front-running however the council of \$TEA will attempt to follow the aforementioned times as closely as possible.

D. What do you plan for the future?

We plan to move from off-chain solutions to on-chain as soon as possible. We also plan to automate the buying and selling of our investments later on, with the implementation of randomized transaction windows to simulate human error as to avoid front-running.



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