



ETHEREUM RESCUE & RESTRUCTURE PLAN - ROUGH OUTLINE

Description: In late 2014 Ethereum was in trouble. Vitalik Buterin asked Steven Nerayoff to do a full diagnostic assessment and recommendations on how to save Ethereum and restructure it for long term success. This is a rough outline of the recommendations that Steven made to Vitalik.

Subject: Ethereum Re-launch

Date: Thursday, April 2, 2015 at 1:24:15 PM Eastern Daylight Time

From: Steven Nerayoff, Esq., LL.M.

To: Vitalik Buterin

ETHEREUM RE-LAUNCH

Post Ether launch in March

- (1) Full Independent Audit of all Accounts
- (2) Every employee writes his job description and a history of work done
- (3) Draft a month by month history of the venture from December 2013 to current
- (4) Retain a tax expert to review history and audited books for compliance issues
- (5) Retain an operations consultant to aid in restructuring the job roles and duties
- (6) Eliminate the Eth Dev Ltd UK connection and all connected parties (check teams of sale)
- (7) Draft code of conduct for swiss entity participation
- (8) Archive all comms since december of 2013 in a single repo and annotate them
- (9) Terminate Joe Lubin, Mihai, Jeff, Gavin, Stephan Tual, Taylor Gerring
- (10) Reduce Anthony to board member and advisor
- (10a) Get D&O insurance for all founders of the company for some period 36 months post participation at least \$10 million worth

Swiss Centralization

- (11) Centralize the new for profit entity in Swiss (eliminate all other nexus)
- (12) Hire a CFO
- (13) Hire a COO based on consultant's recommendation
- (14) Re-negotiate all agreements between swiss entity and rel parties
- (15) Hire new CTO for Ethereum 2.0 stack
- (16) Retain Serbian engineers to maintain ethereum 1.0
- (17) Launch a DAO team to design the not for profit for 2.0
- (18) Launch a skunkworks for new consensus algo
- (19) Complete rebrand of Ethereum

VC Round

- (20) Build a business development team with KPIs and OKRs and Dev kit
- (21) Start building a proper board for the swiss company
- (22) Start discussions to obtain a few million in VC funding for ethereum 2 development

Prison

(Collection of promises) -> raised a lot of money based on them-> can't live up to the promises -> creates an angry US center mob of at least 9000 people many of whom are poor/middle class -> invites tax and regulatory issues -> investigation -> drumhead trial = jail as poster boy for ICO moral hazards

Money from not for profit to for profit (transfer)

Tax issues (transfer pricing)

ICO event itself

conduct of founders

relationship of venture to employees, advisors and partners

\$4.5 million