



PUBLIC GOVERNANCE REPORT | OCTOBER 2026

STRUCTURE BEFORE SCALE

Canaan Holdings LLC - Corporate Governance Philosophy & Development Framework

PEOPLE | OPPORTUNITY | GENERATIONAL IMPACT

Publication status: Governance philosophy and proposed operating framework. This is not a representation that every procedure described has been adopted or implemented.

Governance should precede growth

Canaan Holdings LLC is an early-stage Delaware operating holding company. Our institutional ambition is long-term; our current structure, resources, and control environment must be described accurately.

OUR PRINCIPLE

STRATEGY FOLLOWS STRUCTURE.

We believe enduring businesses begin with clarity about ownership, authority, incentives, liquidity, risk, and accountability. Growth does not substitute for those foundations.

What this means today

- Build deliberately. Formalize entity records, decision rights, approval authorities, banking controls, and reporting before increasing complexity.
- Operate lean. Use proportional controls, a small central function, and clearly accountable business leaders.
- Allocate capital rationally. Protect runway first; fund opportunities only when expected returns justify risk and opportunity cost.
- Separate facts from intent. Distinguish confirmed operations from planned ventures, and adopted policies from proposed practices.
- Stay within authorized scope. Governance cannot replace legal, licensing, tax, or regulatory review.

How to read this report

VERIFIED / CURRENT	PROPOSED / TO BE FORMALIZED
Canaan Holdings LLC is presented as an early-stage Delaware operating holding company. Its philosophy is People Opportunity Generational Impact.	The operating cadence, authorization matrix, risk register, committee alternatives, and KPI standards described below are recommended designs, not certifications of implementation.

Public document notice: This report is educational and describes governance philosophy and intended operating design. It is not an offering memorandum, audited control assessment, legal opinion, or investment solicitation.

Learn selectively. Do not imitate blindly.

Three management traditions provide useful ideas. Canaan will adopt principles only when suitable for a startup with limited resources and distinct business-line risks.

HISTORICAL MODEL	LESSON FOR CANAAN	LIMITATION / GUARDRAIL
Henry Singleton / Teledyne [1]	Adapt capital allocation to opportunity cost and valuation; judge decisions by value created, not enterprise size.	Public-company stock repurchases and large-scale acquisitions are not startup priorities. Protect liquidity first.
Jack Welch-era GE [2][3]	Use recurring operating reviews, leadership development, accountability, and sharing of methods across businesses.	Do not import coercive forced-ranking or short-term earnings pressure. Scholarship criticizes parts of Welch-era governance.
Berkshire Hathaway [4][5]	Decentralize service delivery to capable leaders; centralize major capital allocation, integrity standards, and leadership oversight.	Canaan cannot claim Berkshire’s capital strength, mature managers, or formal board infrastructure.

Canaan synthesis

Singleton discipline + GE operating cadence + Berkshire decentralization, adjusted for the realities of a founder-led startup.

- One parent-level capital allocation process.
- Distinct responsibility for each business line.
- A repeatable monthly performance and risk review.
- Simple, written controls before costly committees or bureaucracy.

These references are historical learning models, not endorsements, business relationships, affiliations, or claims of comparable scale.

Clear entities. Clear decisions.

Corporate separateness and decision rights must be established before public materials imply a consolidated operating system.

Proposed accountability architecture

LEVEL	INTENDED RESPONSIBILITY
Canaan Holdings LLC / parent	Strategy, ownership oversight, capital allocation policy, enterprise risk, shared infrastructure design, and material reserved decisions.
Each legally established operating entity	Client contracts and delivery within authorized service scope; day-to-day management; separate books, cash, obligations, and compliance.
Planned or developing venture	Exploration, due diligence, budgets, and milestones only. Do not present as operating or revenue-producing until verified.

Minimum governing documents to prioritize

- Entity register: formation status, jurisdiction, ownership, leadership, tax ID and bank account (internal).
- Operating agreement and written management/delegation of authority appropriate to each entity.
- Related-party transaction and conflicts review process.
- Documented contract, expense, financing and vendor approval limits.
- Service-scope and authorization review before client-facing launch.

Practical decision rule

The person accountable for performance should have authority to execute an approved plan. Material deviations, related-party arrangements, financing, equity changes, and new regulated activities should be reserved for documented parent-level review. Exact thresholds require approval; none are represented here as already in force.

Liquidity first. Returns second. Growth third.

A startup should not import capital allocation tactics designed for a mature public conglomerate. Its immediate duties are cash preservation, disciplined investment, and controlled exposure.

Proposed capital decision sequence

01 PRESERVE RUNWAY

Protect cash required for obligations, operating continuity, and contingency reserves.

02 PROVE THE UNIT ECONOMICS

Identify paying demand, gross margin, customer acquisition costs, retention, and the cost to serve.

03 COMPARE USES OF CAPITAL

Prioritize projects on expected incremental free cash flow, risk, time to cash generation, and strategic fit.

04 AUTHORIZE AND STAGE FUNDING

Release capital against specific milestones rather than unverified multi-year projections.

05 REVIEW OR STOP

Reduce, redirect, or withdraw funding when evidence no longer supports the case.

Illustrative investment gate

QUESTION	DECISION STANDARD
Can we afford it?	Cash runway and required reserves remain adequate after funding.
Does it fit?	Business activity is within approved strategy and legal service scope.
Who owns execution?	One accountable owner, budget, deliverables, and review date.
What could go wrong?	Downside scenario, customer or counterparty concentration, and exit plan documented.

Metrics to mature into

Cash balance and runway | Monthly net burn | Free cash flow | Gross margin | Operating margin | Return on incremental capital | Receivables aging | Customer concentration

The governance rhythm

GE offers a useful lesson in management cadence; Berkshire demonstrates that operating autonomy can coexist with strong accountability. Canaan should begin with a lighter, written rhythm.

CADENCE	PROPOSED REVIEW	ACCOUNTABLE ROLE
Weekly, 20–30 min	Cash risks, key commitments, active prospects, blocked tasks, and urgent escalations.	Founder / designated lead
Monthly, 60–90 min	P&L, cash forecast, budget vs actual, pipeline, service quality, risks, and decision log.	Business lead + parent
Quarterly	Capital allocation, role fit, objectives, compliance gaps, and next-quarter priorities.	Parent leadership
Annually	Entity documents, insurance, tax and legal review, delegation, strategy and succession exposure.	Founder + external advisers as appropriate

One-page monthly dashboard

- Cash: beginning/ending, near-term obligations, 13-week forecast where appropriate.
- Economics: revenue, direct costs, gross margin, overhead, and operating cash flow.
- Commercial: qualified leads, conversions, active engagements, concentration.
- Operations: milestone progress, service issues, talent capacity and escalations.
- Controls: approvals, unresolved risks, conflicts, licenses and contractual exceptions.

People and incentives

Assess leaders on results and conduct: client outcomes within authorized service scope, process reliability, financial discipline, collaboration, and sound judgment. Do not use forced distribution rankings or compensate solely for short-term reported growth.

Trust requires visible restraint.

The holding-company model can create intercompany conflicts and unclear accountability unless the structure is deliberately documented.

RISK AREA	PROPOSED STARTUP CONTROL
Finance / fraud	Separate business bank accounts; reconcile monthly; record expenses; apply approval limits; maintain supporting documents.
Legal / authorization	Verify business and professional registration, scope, contract terms, and counsel review when required.
Conflicts / referrals	Maintain an internal conflicts log; review related-party transactions and economic incentives before engagement.
Privacy / cyber	Least-privilege access, MFA, limited sensitive data collection, secure record storage, and incident escalation.
People / execution	Written responsibilities, backup contacts, documented workflows, and defined reviews.
Reputation / disclosure	Pre-publication review of operating status, client claims, partnerships, performance statements, and branded assets.

Service-line boundaries

Sports Management: Representation-related work is subject to jurisdiction-specific authorization and engagement terms. Business Advisory: Management and operating-finance advice is distinct from regulated investment advice. Family & Talent Services: Coordination does not substitute for legal, tax, accounting, medical, or fiduciary services. Athlete Registry: Describe as in development until launch is verified. Private Wealth: Do not imply registration or an operating advisory practice unless established.

Governance documents should be reviewed by qualified Delaware legal counsel and applicable regulatory, tax, and accounting advisers before being adopted or relied upon.

Build the foundation in stages.

Suggested milestones are management proposals, not claims of completed work or guaranteed launch dates.

TIMING	PRIORITY	EVIDENCE OF COMPLETION
0-30 days	Entity register, counsel review queue, account separation, signing authority, weekly cash review.	Dated records, bank confirmations, written ownership and authority records.
31-60 days	Service boundaries, standardized agreements, CRM owner routing, monthly dashboard, risk log.	Approved templates, test records, owner assignments, first monthly review.
61-90 days	Capital request template, quarterly review, conflict process, business-line budgets and milestones.	Signed approvals, documented investment cases, review minutes.
As scale warrants	Formal committee structures, independent advisory input, deeper assurance, succession planning.	Documented need, approved charter, budget, and actual adoption.

What success looks like

- No entity enters a commercial engagement without a verified authority and scope.
- No material capital commitment occurs without a documented decision owner and rationale.
- Each operating business produces reliable cash and performance information.
- Risks and conflicts are surfaced early, not hidden until they become crises.
- The parent improves execution without becoming unnecessary overhead.

GOVERNANCE IS A COMPETITIVE OPERATING DISCIPLINE, NOT A CLAIM OF SIZE.

Sources, limitations & next steps

Selected historical research, company reports, and public filings informed the comparative framework. The Canaan-specific control design is a recommendation, not independently audited evidence of existing operations.

[1] William N. Thorndike Jr., "An Unconventional Conglomerateur: Henry Singleton and Teledyne," Journal of Applied Corporate Finance 26(4), 2014.

<https://doi.org/10.1111/jacf.12092>

[2] General Electric, Annual Report 2000, "The GE Operating System."

https://www.annualreports.com/HostedData/AnnualReportArchive/g/NYSE_GE_2000.pdf

[3] John Rice, "A reconsideration of Jack Welch's managerial legacy," scholarly critique, 2023.

<https://www.sciencedirect.com/org/science/article/pii/S1450219423000075>

[4] Berkshire Hathaway Inc., 2024 Form 10-K, business organization, decentralization and governance.

<https://www.sec.gov/Archives/edgar/data/1067983/000095017025025210/brka-20241231.htm>

[5] Berkshire Hathaway, Corporate Governance documentation.

<https://berkshirehathaway.com/govern/govern.html>

Publication and legal status

Canaan Holdings LLC is not affiliated with Teledyne, General Electric, Berkshire Hathaway, Henry Singleton, Jack Welch, or Warren Buffett. Historical references are explanatory, not endorsements. No assertion of independent directors, established committees, audited financial statements, specific internal controls, regulated advisory registration, or subsidiaries being operational should be inferred from this report.

The report should be updated when entity structure, policies, service authorization, and operating milestones are formally verified. Detailed internal controls, budgets, entity ownership schedules, and confidential agreements should be maintained separately.

CANAAN HOLDINGS LLC

PEOPLE | OPPORTUNITY | GENERATIONAL IMPACT

STRATEGY FOLLOWS STRUCTURE.