Hello Super Validators

With MainNet Launch in our sights and the SVC looking healthier by the day, it's time to shift our focus onto bootstrapping the early ecosystem. I'm proposing a method for allocating Validators and an incentive mechanism that encourages SVs to help us identify and win our first network Validators and apps.

It would be great if we could have a bit of feedback on the proposal in the email thread. Also, the deadline to vote will be Feb 29th on these two CIPs. Votes can, of course, come as soon as you feel comfortable demonstrating support/lack of support for these changes.

Thank you

Eric

CIP 0006 :

Summary

- Define the process of distributing the 200 Validator rights available at the start of the Network
- Define the process of approving apps to join the MainNet Launch phase

Motivation

- We have not actively discussed how we would distribute and allocate rights to the 200 Validators that will be allowed to join MainNet Launch
- Similarly, we have not actively discussed how we will determine which apps are added to the Featured Apps list while we continue to wait for the Foundation to be fully operational
- Defining a lightweight process is important if we want SVs and word of mouth to help us drive Validator and app adoption

Proposed Changes

- Approval Process
  - Until the Foundation is fully up and running, the SVs will elect a working group of 3 representatives of the SVC to review a list of proposed Validators and apps weekly
  - Once the Foundation exists, this responsibility will shift to a working group from the Foundation membership
  - Working group reviews requests and approves / declines with a reason
  - Party proposing can appeal a decline by asking the full SVC to vote
- Revocation
  - If a party has been approved to operate a Validator and has not connected to TestNet within 30 days, and MainNet within 90 days of allocation, the right may be revoked
  - If a Validator has been idle (meaning no active connection and/or no transactions) on the MainNet for 30 consecutive days after first connecting to it, the right may be revoked
  - The Revocation process will be initiated and go through the same 3 person committee
  - Revocation of apps on the allow list requires a full SVC vote

CIP 0007 :

Summary

- SVs can earn extra SV reward weight when bringing Validators or apps to the Canton Network
- Allocate some Validator rights
  - Super Validators
    - T1 : 3 Validator rights per T1
    - T2 : 2 Validator rights per T2
    - T3 : 1 Validator right per T3
  - Validator GTM partners : crypto custodians and wallet providers
    - 30 Validator rights per SV GTM partner
  - Balance available to any SV to distribute by submitting a company name and contact information to the SVC working group.
  - Time bound the SV allocations and rewards to 12 months after MainNet Launch begins

Motivation

- Launching the PubDomain infrastructure is the key first step in enabling MainNet *but* it's not much of a Network if there aren't any users and apps
- We can improve adoption by having everyone work on distribution together
- No one likes a free rider

Proposed Changes

- Increase SV Reward Weight according to Schedule A when an SV brings a Validator to the MainNet
- Increase SV Reward Weight according to Schedule B when an SV brings an App to the MainNet that gets add to the Featured Apps list

Schedule A

SV introduces _____ to MainNet	Reward Weight increase per connecting Validator by July 1st to MainNet	Reward Weight increase per connecting a Validator by January 1st, 2025	Bonus Reward Weight increase per Validator still connected 6 months after initial

			connection[1]
1-10 Validators	0.05	0.025	.025
11-25	0.075	0.05	.05
26+	0.1	0.075	0.1

Schedule B

SV introduces ____ to MainNet	Reward Weight for connecting[2] an App by July 1st to MainNet	Reward Weight for connecting an App by January 1st, 2025	Bonus Reward Weight for an App still being connected [3] 6 months after initial connection
1+ App	1	0.5	1

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[1] The extra weight is based on the total number of validators introduced by that supervalidator which have been active for 6 consecutive months or longer

[2] An app is "connected" once it's on the Featured Apps list and has claimed first app rewards on MainNet

[3] An app is considered connected if it is on the Featured Apps list and there is no proposed voting process to revoke the app