

Governance Meeting 5/5/2021

I would be interested in leading (or co-leading) the governance committee if we could move the time to: Thursdays 2PM EST (6PM UTC)

Key Themes:

- Discussion of Transparency Report
- Discussion of Governance Committee Norms
- New On-Chain Proposals

Role of Governance Committee:

1. Bring up ideas for on chain proposals/gain consensus, go over ongoing ones, discuss the results/changes of successful on chain proposals
2. Be an avenue for people to give feedback/wishlist to foundation, and the foundation to gauge community opinion

Transparency Report:

1. This was not the final release, but a place to get feedback on what else should be added. The goal is to have the report be self explanatory.
2. The report will reflect information from when the foundation began collecting tax: Sept 15 2020 to March 31 2021
3. Tor Bair is the 100% owner of Secret Foundation (C-Corp). The reason it was not set up as a non-profit is that they couldn't find a way to get block rewards without paying taxes. When you accept income above 5k as a non-profit from somewhere you need to KYC them, which doesn't exist for the blockchain.
4. The Foundation will not sell assets via exchange to get funding. These will be done through OTC deals with strategic partners.

Wishlist:

- Breakdown of "Other Expenses"
- Combine all digital assets Income/Expenses into one report
- Provide a Balance Sheet view on the transparency report date (disclose ETH wallet address and bank account balances)
- Provide a best estimate look forward on the amount of funding needed to give community information to make tax decisions
- Provide timeline on transition from SCRT based contracts to USD based contracts (payable in SCRT or stablecoins at time of payment)
- Provide a pay scale or range for non-identifiable foundation paid work (community leads/co-leads)

New On-Chain Proposals:

1. There's plans to introduce a proposal which will affect block parameters. Right now the block times take longer than expected, so we're processing less blocks. This means that inflation targets being given are not accurate. This will increase inflation and bring it inline with the advertised amount.
2. Should there be incentive to stake with smaller nodes by providing increased inflation to them and less to large nodes? The goal is to increase decentralization.
3. Should there be a minimum amount of commission a node should be able to charge?

Foundation Questions to Community:

1. Do we want to hire full time resources with specific expertise or do we want to add more committee structures which are more responsible to the community?

Community Questions to Foundation:

1. What type of guidance or norms is the foundation thinking about in terms of conflict of interest? How do they view their role in limiting it where possible?
2. What are the limitations and the role of product focused committees? Example: How would the foundation maintain

independence from selecting winners by creating one for SEFI, when we have SIENNA? Perhaps these should be market segments, rather than product specific (Secret DeFi or NFTs in general rather than specific products)