

Multicoin Capital Factom Authority Node Campaign

Overview and Proposal for Two Authority Nodes



About Multicoin Capital

Leading thesis-driven investment fund focused exclusively on cryptoassets with more than \$50M in AUM and 10 FTEs.

Backed by some of the best technology investors on the planet, including Marc Andreessen, Chris Dixon, and David Sacks.

Long-term investors in tokens and projects that will reshape entire sectors of the global economy.

Known within the crypto community for our focus on rigorous fundamental analysis based on first principles.

Founded by serial technology entrepreneurs who were previously engineers. We are comfortable conducting deep technical diligence.

Our [blog](#) is widely considered one of the best resources in all of crypto.

The Multicoin Capital Team



Tushar Jain
Managing Partner



Kyle Samani
Managing Partner



Vinny Lingham
General Partner



Brian Smith
CFO



Matt Shapiro
Principal



Myles Snider
Associate



Ryan Essner
Analyst



Spencer Applebaum
Analyst



Ryan Emmick
Engineer



Zach Bolian
Data Scientist

Led By Serial Tech Entrepreneurs



Tushar Jain

Managing Partner

Founder, COO, [ePatientFinder](#) - Raised \$11M in VC
Ex-investment banker, Credit Suisse
Finance, NYU Stern School of Business



Kyle Samani

Managing Partner

Founder, CEO, Pristine (acquired by [Upskill](#)) - Raised \$5M in VC
Ex-software engineer
Finance, NYU Stern School of Business

Select Investors

Individuals

Marc Andreessen, *Andreessen Horowitz*

Chris Dixon, *Andreessen Horowitz*

Ari Paul, *Blocktower*

Elad Gil, *Twitter, Color Genomics*

Howard Lindzon, *Stocktwits, Social Leverage*

David Sacks, *Paypal, Yammer, Zenefits*

VC Funds

Craft Ventures

Compound VC

FJ Labs

Vy Partners

Crypto Funds of Funds

Passport Capital

Protocol Ventures

OBJECTIVE

Make Factom The Global Standard
For Honest And Transparent
Records On Blockchain

By investing in infrastructure and community development.

Our Proposal:

Authority Set Membership (2 Nodes)

Campaign Factors

- Node Reliability
- Support of Protocol
- Node Technical Specs
- Location

Additional Campaign Highlights

- Strong understanding of the Factom protocol
- Leverage Multicoin's brand and network to increase exposure
- Strong expertise working with protocols and developers to optimize token economics and consensus mechanisms
- Key relationships with enterprises and liquidity providers
- Experience managing and securing substantial crypto assets
- Fully-staffed, existing and well-capitalized company

Deep Expertise and Passion for Factom

Multicoin Capital has conducted detailed research on Factom and is intimately familiar with its key technologies and features.

1

Factom Analysis and Valuation *(16 page report)*

A comprehensive look at the features and advantages of Factom

2

New Models for Utility Tokens *(Blog post)*

Explores the innovative token design of Factom as one of the optimal ways to tie protocol usage to token value



Node Reliability

Multicoin has been running one Authenticator node and 4 follower nodes on the Factom testnet since March 22nd. Outside of scheduled maintenance when the network was down, our nodes have demonstrated 100% uptime. We endeavor to continue our reliability and support the Factom protocol:

- Hosted on AWS to guarantee 99.99% uptime and the ability to scale with the Factom Network
- Spread geographically to optimize global access to the Factom network
- Each authority node stays hidden behind its own self-healing “guard node” network
- Updates applied exclusively using brain-swaps to prevent any downtime
- Maintenance staff available to address emergency issues and situations

Support of Protocol

Multicoin has demonstrated a deep understanding of the Factom protocol and its wide-ranging applicability

As investors in the crypto space, we understand how critical the ecosystem, community, developer tooling and infrastructure are to the success of a protocol

To support these efforts, Multicoin is pleased to propose efficiency while running an authority node so that 30% of the block awards flow to the community grant pool



A photograph showing a person's hands typing on a silver laptop keyboard. The laptop is placed on a light-colored wooden desk. To the left of the laptop is a white smartphone. To the right is a clear glass filled with ice and a dark liquid, sitting on a small round wooden coaster. A black leather wallet or notebook lies behind the glass. A pair of glasses with dark frames rests on the desk to the left of the phone. The background is blurred green foliage.

Node Technical Specs

Multicoin is prepared to support high performance technical specs from the outset, and will be able to seamlessly upgrade to support the Factom protocol as it grows:

- Up to 384GB RAM and 96 vCPUs for authority server set
- 25 Gbps network bandwidth
- 25 Gbps hard disk bandwidth
- Easily upgradeable to grow with the Factom Network
- Guard node network to negate accidental or malicious DOS attacks
- Via AWS and other VPS providers, we are able to host servers virtually anywhere in the world to meet the demands of the network

Location

Multicoin Capital is based in Austin, TX. Additionally, we have offices in San Francisco, Silicon Valley, and New York City.

Being in these cities gives us a strategic advantage to assist the Factom protocol via close proximity to:

- Top-tier developers and engineers
- Capital markets seeking blockchain exposure
- Key Factom representatives and community members

We plan to host our authority nodes in Oregon and Sao Paulo

However, depending on the regions of other selected authority nodes we will consider other hosts and/or locations to provide geographic and jurisdictional diversity to further stabilize the Factom protocol





Access To Liquidity

Liquidity is a key component for decentralized protocols to bootstrap network effects

As a major crypto fund, Multicoin has institutional grade relationships with major exchanges and OTC desks

- We've conducted more than \$250M in trades with counterparties
- Our report on the [Ox Project](#) was the catalyst for all major OTC desks to begin trading the ZRX token

We would like to leverage our credibility as a Factom Authority Node operator in our discussions with them to increase the liquidity for FCT

As we participate in the broader capital markets, we have the ability to bring substantially more credibility to the Factom protocol by publicizing that Multicoin is actively involved in its operations and maintenance

A photograph showing two people in business attire shaking hands over a wooden desk. On the desk, there is a teal mug on a saucer, a clear glass mug with coffee, and some papers. The background shows a window with a view of the outdoors.

Additional Highlights

One of the premier names in crypto and we can leverage our brand, expertise and network to enhance the exposure of the Factom network

- Our research report on Factom has been downloaded by 1,000 people

Strong expertise working hand-in-hand with developers and projects to launch complex protocols

- Trusted advisors who understand the importance of getting it right

Access to a broad array of potential enterprise users (especially within financial and healthcare industries), as well as crypto-native liquidity providers

10 full-time employees and funding to support running Authority Set nodes with the purpose of ensuring stability for the Factom network