

Factom Inc. Oracle Master Grant Proposal

VERSION	DATE	CHANGED BY	CHANGES
0.1	June 3, 2018	Paul Snow	First version
0.2	June 7, 2018	Brian Deery	Update Indemnity Clause

[Executive Summary](#)

[Type of grant](#)

[Project description](#)

[Problem statement](#)

[Goals](#)

[Success criteria \(measurable\)](#)

[Budget](#)

[Organization or Person info](#)

[Indemnification](#)

Executive Summary

From 4.4.5 of the Factom Governance:

Exchange rates for FCT to Entry Credits are important in order to maintain a target price for entry credits of 1/10 of a cent. As determined by the Standing Parties and the Authority Set, the Oracle Master will record into Factom relevant market information to establish the trading price of Factoids. They will then submit a record to be signed by the Guides adjusting the Entry Credit exchange rate.

The exchange rate should be updated within 8 hours of a 20% divergence or more from the target price.

The exchange rate should be updated on a regular schedule for divergence less than 20% but greater than 5% from a running average to keep the Exchange rate as close as possible to the target price.

The target price for entry credits and the standard used (USD, Yen, Euro, etc.) can be modified via a proposal and vote by the Standing Parties. The Oracle Master is tasked with carrying out these directives.

Other data may be considered useful by the protocol. The Oracle Master may be tasked to collect and record such data.

Type of grant

This grant is a protocol support and service grant

Project description

The Oracle Master will monitor the exchange rate, and make adjustments as needed.

Software for monitoring token price and alerting engineers will be needed. Multiple engineers will need to be on call to respond within 8 hours of a 20% shift in token price.

Additionally, once a week the average token price must be considered to adjust for a shift in price of as much as 5%.

Problem statement

Maintaining the exchange rate is critical to the success of the protocol.

Goals

Maintain the exchange rate.

Success criteria (measurable)

Criteria	Measurement
Rate Change Log reflects proper updates	The Rate Change log can be validated against historical market data.
Rate change alerts	Verify alerts against historical market data.

Budget

Monthly support

300 fct

Organization or Person info

Factom Inc. is the organization responsible for creating the Factom protocol. The primary author and inventor of Factom, Paul Snow, is the CEO of Factom Inc. and continues to provide technical direction to Factom protocol development efforts. The engineers responsible for the creation of the Factom protocol code as well as the test personnel responsible for maintaining a suite of test cases for the protocol are Factom Inc. employees.

Indemnification

By submitting a grant proposal or participating in the grant proposal process, the submitter indemnifies and holds harmless all Guides, Authority Set Members, and Standing Parties, as it strictly relates to the grant, against any loss or expense incurred, but which in no case will exceed the total dollar amount of the grant as issued, by accepting or conducting the work of a grant award by reason of the fact that the Guides, Authority Set Members, and Standing Parties including, without limitation, any judgment, settlement, attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action or proceeding, provided the loss or expense resulted from Good Faith Errors or from action or inaction taken in good faith for a purpose which the Guides, Authority Set Members, or Standing Parties reasonably believed to be in, or not opposed to, the best interests of the Factom Protocol.

Note: Please see [Governance](#) for proper definitions of Guides, Authority Set Members, and Standing Parties.