FEDERATION

FACTOM COMMUNITY

MEETING MINUTES

Factom Protocol Guides

MEETING #2

2018-04-17

FEDERATION

VERSION	DATE	CHANGED BY	CHANGES
0.1	2018-04-07	Tor Hogne Paulsen	First draft for guide review.
1.0	2018-04-09	Tor Hogne Paulsen	Version for general use in the Factom community.
1.1	2018-04-12	Tor Hogne Paulsen	Added more fields for metadata.
1.2	2018-04-15	David Chapman	Updated, "Chairman" and "Secretary" fields.

Note: This version control is for the Template, not the individual meeting minutes.

FEDERATION

Date and time of meeting	Tuesday, April 17th, 2018 at 6:00pm UTC
Date minutes drafted	2018-04-17
Date minutes approved	2018-05-04
Organization/Team	Factom Protocol Guides
Attendees	Brian Deery, David Chapman, Tor Paulsen, Niels Klomp, Matt Osborne
Members not in attendance	
Other attendees	Paul Snow
Meeting Leader	David Chapman
Meeting Secretary	Tor Hogne Paulsen

Subject 0	- **Roll Call** - **Ask, "Present" audience members to type, "Present" in the chat.** - **Approval of minutes from previous meeting on 2018-04-09.**
Discussion	- All present. - Previous meeting minutes approved.
Conclusion	
Follow up	Brian factomizes previous minutes.

Subject 1	- Potential **Ratification of proposed Governance Document Changes**
Discussion	- Paul suggests to change the term vote with "support", and remove the term "vote" with the equivalent terminology "support". 28 references in the Governance document. - Paul suggest to change the word "will" in the introduction part to "may" - Paul suggest to add a section in chapter 2: "The primary purpose of the guides is to address the oracle problem, where a closed protocol like a blockchain cannot know what is going on in the real world. Where possible and appropriate, guides are responsible for creating audit trails of processes, and serve to certify events and processes in the real world. Automated decision making

V. 1.2

processes can (when implemented) pick up those inputs and act upon them. Where guides have documented processes and decisions made in the real world with audit trails in the protocol, they will not be seen as making those decisions, but rather certifying more distributed decision-making processes in the real world."

- 2.4.1 - Suggestion: remove a blank paragraph
- Chapter 3, introduction. Suggested amendment.
- Chapter 3.3.4.3:
  - Brian: "Majority of control with guides". Better optics with lesser
  - Niels: We don't have a lot of criteria to go by.
  - Brian: A lot of the other criteria is also subjective; node reliability will have some objective and subjective criteria in there also. It's not much of a change except for optics.
  - Tor: Agree with Brian. Suggest we amend to 50/50 or 49/51 the other way around.
  - David: Developing consensus towards Brians suggestion.
  - Matt: Agree.
- 3.3.7 - Standing parties
- 3.3.5.2 - Suggest to add section about "backup servers and guard node networks". Brian explains that he would prefer applicants have backup servers ready for a potential deployment of guard networks.
- 4. Replace "token deferment" with "efficiency".
- 4.3 - Suggestion to adjust weight to remove the "guide weight". All in favour except for Brian.
  - Brian: implemented to make the system difficult to game. By having more different groups participating and acting as checks and balances will make it more distributed and harder to game.
  - Matt: Legality for Guides is the issue.Need legal clarification before approving a clause such as this.
  - David: Guides staking a lot of FCT will have additional weight, and the combined amount might be an issue.
- 4.3 - Matt expresses concern over "Grant Success 20%." A successful grant of $200 carries same voting weight as grant of 200k winner. Tabled for now.
- 4.4: Hard coding alleviates a lot of the fear the guides have with grant-issues.
- Tor: Who decides what the hard-coded grants will be?
- Brian:
- David:
- 5. Proposed amendment by Paul:In many blockchains, Proof of Work accounts for much of the rewards issued for the security of the blockchain. In other words, most of the resources are expended on energy costs rather than development, maintenance, and infrastructure. As the protocol uses anchoring, resources can be expended on a sort of "Proof of Development," extending and developing the protocol and the ecosystem around the protocol. This is the motivation around the Grant Pool design.
- Paul described his rationale behind the suggested amendment.
- 5.2 Suggested amendment: ".13 instead of .10". Is more consistent with the 50% maximum efficient.
- 5.3.3 Suggested removal of text.
- 6.2.6.Every other category has a limit on how long the support lasts, and this is not the case here. Note from Paul in relation to this:
  Grant success should diminish over some period of time. I'd suggest steady for

	a year, then decline to zero linearly over the next year. - Suggestions: Appendix A and Appendix B (List of documents and list of guides). - Suggested that these should be included somewhere else than this document.
Conclusion	- "Support a given outcome" is substitized for "vote" in the governance document. Due to time constraints, these suggestions will be implemented in between now and next Guide meeting - 2 guides for, 2 against, 1 uncertain of changing "will" to "may". Change will not be included at this time. - Guides would like some more time to work with Paul's suggested "Guide Responsibility" text. Would like legal guidance before ratification. Text is included in these minutes and will be discussed at a later time. - 2.4.1 - Remove a blank paragraph - Chapter 3, introduction. Suggested amendment approved. - Para 3.3.4.3 - Agree to implement the change, but with amending the 51/49% to 49/50 in guides disfavor. - 3.3.7 - Standing parties amendment approved by the guides with 49% weight. - 3.3.5.2 Agrees to implement the text as suggested. - 4. Replace "token deferment with "efficiency" approved by the meeting. - 4.3 - ⅚ for and amendment passes. - 4.4 Amendment approved. - Chapter 5: Addition approved. - 5.2 Accepted. - 5.3.3 Accepted. - 6.2.6 Guides take note and will amend at a later stage if necessary. - Proposed Appendix A and B will be included elsewhere in the document structure.
Follow up	- Matts comment in section 4.: Matt will retrieve it and send to Tor and the guides will take a closer look at a later stage.

Subject 2	- Potential **Ratification of Authority Node Criteria and Application Process**
Discussion	https://docs.google.com/document/d/1TEEy_2E9TDoC_yElYSmjtg5-FXPQgzoPpVHv9Y2Q7N8/edit Chapter 3: New document for ratification. Brian suggests amending 21 Authority servers to 19. 2 servers per entity and around 7-10 entities. David: Suggestion is that we select 20 entities Brian: Suggest that we don't have such a large queue to begin with, as entities might tweak their applications and those might be better than the initial selected. Matt: What number would you suggest? Brian: 15? Start out with 9 entities and have 6 in queue: David: Matt: Brian, do you have any insight in when we will be able to onboard more servers? Brian: One party every 2 weeks, or something along those lines. Hard to say how this will be able to play out.

	David: Do we want to stick with the numbers, this was discussed extensively prior? Matt: We should stick to original plan Niels: The uncertainty of course is only if we use a very long time to onboard the queued parties. Question by Digitalimpact in Discord: Do the remaining 10 need to have their servers running upon approval without knowing when they will be accepted into mainnet or just approved and then spin up servers once they are told they can join mainnet?
Conclusion	Keep text as originally written. Question: A solution will be devised, but no financial harm from running servers without payment should be an issue.
Follow up	

Subject 3	- Potential **Ratification of Authority Node Scoring Template**
Discussion	Brief discussion.
Conclusion	Document ratified.
Follow up	

Subject 4	- Potential **Ratification of Technical Specification Criteria**
Discussion	Niels explains the rationale behind the tech specs. Factom heavily reliant on disk reads, and SSDs are strongly advised. Ordinary HDDs will not be allowed, except for SAS-disks. Static IP's is a requirement for deployment purposes (complicate firewall-rules, and seeding currently configured via IP-addresses.). Tor suggest amending the minimum required free disk space to 50GB. Question from Digitalimpact: Should the Free Disk Size be a moving target set as a % of current factomd database rather than fixing the disk size in the document? (e.g. 150% of db size = 3%, 300% = 7%, etc etc) so the tech document doesn't need to get updated continuously as the database grows?
Conclusion	Tor's amendment is approved. Digitalimpacts question: We agree in principle, but keep it like this for now. Will amend later. Document ratified.
Follow up	

V. 1.2

Subject 5	- Potential **Ratification of Scoring Matrix**
Discussion	Discussion regarding if ranking on the vertical or horizontal axis is best. Ratification of document.
Conclusion	Guides agreed on ranking on a vertical axis. Document ratified
Follow up	

Subject 6	- Potential **Ratification of informal Location Sheet / Process**
Discussion	Time constraints. Best way of handling "location" for now considering limited resources. Will put faith in community to act in good faith.
Conclusion	Ratified. Will revisit at future date and potentially explore a more formal process.
Follow up	Monitor for abuse.

Subject 7	- **Discuss and vote on Tor Paulsens 's proposal to postpone M3 launch by approximately 2 weeks**
Discussion	Tor links his notes and asks the other guides to discuss this. Brian: Still ambitious goal. Code still needs to be written. Bugs are being worked out. Paul asks for the floor and gets it. "Issues already in production, and hard to say if they are stoppers as Factom is already deploying them into the current production environment." Brian chimes in: Niels: Brian, What would two weeks buy you? Brian: A lot of what we are doing is polishing; we know we will have a lot of fixes, updates and patches during the first few weeks; as the code is out there. We might be missing features as well, but a lot of the important part is to get the other parties on board. As we have seen from the testnet, we are mostly able to work with different parties, and we are mostly able to work with parties via the internet. A lot of the stuff we are working on now, is when faults happens so when you have multiple failures at the same time the system can get choked up. Some of the coinbase stuff is still in flux; also dependent on the outcome of this meeting. Now we have to redesign a little bit for the hardcoded grants. Question is if that needs to be live when we go live - that's a judgement call. Paul: This is a typical software deployment, with some fairly atypical software options, one of the things you do is that you set a date in order to focus everyone across a large organization regarding when they have their stuff in place - or contingencies if

	not being able to reach that date. We have a lot of flexibility in regard to how we deploy in the end of the month; one option is that we can issue coinbase transactions that pays out to the initial set of servers and postpone any kind of grant-work for the additional two weeks. A compromise. Then the only thing we will be adding is bug-fixes from the past 2 weeks, as well as the coinbase transaction that pays for the initial servers. It will reduce our liability, and entities can plan.
	David: My perspective on the situation as a guide is that I feel that we can get ready quite easily on a viable roadmap, and if Factom needs to delay due to unready code, then we can accommodate that.
	Matt: Still feels rushed; willing to shoot for April 30th though with understanding we pull the cord on parachute if need be.
	Paul: There are ways to work through issues, and we should also accomodate the people who have been working hard
	Niels: Understand, acknowledge that the submitting and processing of applications
	David: Understand correctly….?
	Niels: It's also a question whether we would have to run all servers on the 30th?
	Paul: You could have fewer as long as you have enough federated servers. You don't need to have 100% of the entities.
	Brian: Will need a few days to ramp up and move the servers over.
	Paul: You can set up a follower and have that verified and tested now, and then you have everything figured out and just needs to deploy the software.
	Brian: Uncomfortable with giving people 2 days to form their applications.
	David: They should have been working on these applications for a long time, and aside from the guard-node issue, people should have been preparing already.
	Matt: There have been changes in what to be expected the past days, and some people might look at this as a big surprise dropped in the lap. Rules/criteria were not finalized until today. Tech requirements more extensive, teams should have time to adapt.
	Niels: Suggests that we can score as the applications are received.
	Tor: Suggests:
	    - Start accepting applications tomorrow (18th).
	    - Guides start working on/scoring the applications at once.
	    - Application deadline 23th of April 23:59 UTC.
	    - Final scores will be released on the 27th of April 1100 UTC.
	Brian: Will be a soft-launch. Maybe add 1-2 servers per day.
	Paul: Appreciate everybody considering what we can do, and Factom inc. will support what the guides decide in this matter.
	==Roadmap dates were changed. What were they before?==

Conclusion	Guides approve the above
Follow up	

Subject 8	- **Update the Roadmap**

V. 1.2

FEDERATION

Discussion	
Conclusion	Roadmap updated in compliance with new plan agreed in this meeting.
Follow up	

Subject 9	Ratify the Application form
Discussion	Some questions removed and some rephrased. Discussion regarding form format vs. PDF
Conclusion	Applicants may submit PDFs instead of filling out the form for questions of their choosing. Application form ratified. Agreed to open for applications at 12:00 UTC on the 18th of April 2018.
Follow up	

Subject 10	
Discussion	
Conclusion	
Follow up	