**September 2018**

**MEETING MINUTES**

**[Factom Authority Node Operators]**

**[MEETING #5]**

**[2018-09-27]**

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| **Date and time of meeting** | 2018-07-26 19:00 UTC |
| **Date minutes drafted** | 2018-07-26 |
| **Date minutes approved** |  |
| **Organization/Team** | Authority Node Operators |
| **Attendees** | [https://docs.google.com/spreadsheets/d/1cZbNngLbUSapmBiAbE0zr6tJ-kYpLuapPSkxk2-H8j4/](https://docs.google.com/spreadsheets/d/1cZbNngLbUSapmBiAbE0zr6tJ-kYpLuapPSkxk2-H8j4/edit#gid=0) |
| **Voting Platform** | <https://factomize.com/forums/factom/ano-polls/> |
| **Meeting Leader** | Xavier Chen (LayerTech) |
| **Meeting Secretary** | Jason Chen (LayerTech) |

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| **Subject 0** | * Fill out the attendance themselves before the start of the meeting * **Xavier** starts the meeting * Rollcall |

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| **Subject 1** | Approval of previous ANO meeting minutes |
| **Discussion** | Any suggestions or changes to last ANO meeting minutes?  <https://drive.google.com/drive/u/1/folders/1bOm35e1oA9iYv1jqlyaBpTBrlv8HRcl8> |
| **Conclusion** | No corrections or updates. Approved. |

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| **Subject 2** | Monthly Committee Reports. Poll #1 - “Approve Committee Updates?” |
| **Discussion** | **ANO Contributions Working Group:**  **[Factomize] David Chapman:** We made a lot of progress. All ANOs should know we created a private thread for each ANO and first 21 ANOs has responded. We hope to get next 6 ANO private threads in the distance future. We will be creating a thread for first 21 ANOs to view their original pledges and finally we will be creating community discussion thread afterwards where anyone in community can discuss and ask questions. We hope this brings some transparency and accountability to the ecosystem.  **Core, Technical, and Code Deployment Committee:** [**Written Report**](https://drive.google.com/file/d/1OF9DCjI_sKz2fZHpoLcpr8QrG4GmjRGN/view?usp=sharing)  **[Factom Inc.] Brian:** The network has been fairly stable. There was a release that expose problems on the testnet. It’s been hard to find the root cause. We are at a holding pattern until we find cause before moving to next release candidate. It’s fairly frustrating. We’re working on getting non-Factom Inc. employees ability to contribute to source code. Incident Management procedure has been working well so far and more formalization around that to come. For those of you that haven’t heard - the network is currently sick and we are trying to figure out what’s wrong with it. For future we will continue to work on incident management, stress testing and release management.  **Developer Relations Committee:**  **[LayerTech] Xavier:** I am the only person on this community specifically working on hackathons. There is currently no report but as far as I know we have Factom Inc. hosting hackathon in Chicago this weekend. They also may be organizing another one for the Texas Bitcoin Conference. After these two are over, I hope we will have a much better idea on how we can improve and use hackathon events to reach out to developers.  **[Factom Inc.] Paul Snow:** At this point, we are not sure if we have a hackathon scheduled during Texas Bitcoin Conference. Just doing the ANO summit is a lot of work and it’s in our best interest to do one thing well.  **Documentation Committee:**  **[BockRock Mining] SilverPro:** I have 3 items to add here: (1) We did a remake of our initial videos and made the quality better and timewise. (2) We did make a forum post on ideas or suggestions for new topics. We will follow up on these. (3) Documentation committee currently doesn’t make sense at this time because there’s no activity besides me and Laende. We are glad to report that the videos are being useful to the ANOs, but we think it makes more sense for us to help with neutral website developer section. Our plan is to reach out to neutral website initiative and if that goes well we plan to dissolve Documentation committee and help with the website initiative.  **[DBGrow] Julian:** Let’s connect afterwards  **Exchange Committee:** [**Written Report**](https://drive.google.com/file/d/1SOj-xAbms5m0HPl8w4s5KdpT-acFRkHa/view?usp=sharing)  **[Canonical Ledgers] Sam:** This month we have got to the point where we are contacting exchanges. We been working with Multicoin Capital and Federated Reserve & Prestige IT as they have some contacts. I am optimistic that we will have some exchange listings in the coming months. One thing that didn’t make it on the report because it’s a recent development. Coinbase has released a listing policy and open application on how to list on their exchange and there’s no exchange fees. This is something we will be pursuing aggressively. The exchange committee will be reviewing the requirements to list on Coinbase and confidently confirm that we meet them. Coinbase is pretty huge and we are excited that they are opening that up.  **[Factom Inc.] Paul:** I ran into a group called SWIFT. They told me that they will be supporting Factom on the 28th (tomorrow). They are basically a Shapeshift competitor. Also for Coinbase, when you get to reviewing their requirements we have a package that we can hand to exchanges when applying to exchanges.  **[Canonical Ledgers] Sam:** Thanks Paul for keeping us updated. We will need to touch base on auditing and code base stuff  **Governance and Legal Committee:**  **[DBGrow] Julian:** We are starting to work through some of the processes. We are working through the ANO Removal and Next Grant document. In the meantime, we are also looking at Code Decentralization review of the entire Factom ecosystem as well as Factom Protocol Foundation. We are reviewing different jurisdictions and best way to setup and balance the assets. We hope to get all this done in the next few weeks.  **Marketing Committee:** [**Written Report**](https://drive.google.com/file/d/1yE5edKA5Ka2zBz9lX3EQuheXxPFIsjPu/view?usp=sharing)  **[BIM] Ben Jeater:** We spent this month coming from quite a difficult position in August where we had people deciding that they were not going to be part of the committee because the committee wasn’t moving anywhere. This month we spent getting the committee back on its feet. We put into processes, such as, onboarding process and trying to work out what we should be doing for the community. I think we have great feedback and it’s going really well. Hopefully after this month, we will start generating some outputs on what we are doing. The neutral website developed by DBGrow will be supported by us. Please take some time to review the report we put together.  **Strategy Committee:**  *No updates* |
| **Conclusion** | Motion passes - **Poll #1 - Approve Committee/Working Group Updates?** |
| **Follow up** | Make sure to submit monthly committee update prior to next ANO meeting. |

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| **Subject 3** | **Third Party M3 Audit Update** |
| **Discussion** | **[Factom Inc.] Brian:** This is coming together slowly now. At this point this is in Factom Inc’s court. Michael Perkin got back to us and he’s waiting on some more information from us. I will let people know individually if he needs to contact them. |
| **Conclusion** | Follow up with Michael Perklin on the technical question |

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| **Subject 4** | **Annual Summit Update** |
| **Discussion** | **[Factom Inc.] Jay Smith:** The annual summit is October 27th and 28th. It will be at ATT Executive Education Center in Austin, TX. It’s running in conjunction with Texas Bitcoin Conference. We went to physically see space yesterday and there’s 3 large event spaces. We will have 1 large event space. Members of the community has been reaching out to fill for the speaking slots. We are looking in the community to fill a few more speaker slots. We like to use this opportunity for internal ANO members to get to know themselves and also for outreach.  **[LayerTech] Xavier:** How many ANOs signed up for speaking slots or panels?  **[Factom Inc.] Jay Smith:** I’m not sure, but I can found out today.  **[LayerTech] Xavier:** We have members interested when we sent out a spreadsheet of the ANO retreat. I am just curious if everyone has reached out to you yet and compare notes.  **[Factom Inc.] Paul Snow:** There is a sign up sheet on discord or factomize forum. You can speak with Jay and get on the list. Speaking on the panel will get you a free entry ticket and companion ticket. This could help offset cost. This conference is video-tapped and will be posted on a youtube channel the same day. This will be used to promote Factom not only during summit but also worldwide. |
| **Conclusion** | ANOs to coordinate in this thread: <https://factomize.com/forums/threads/ano-summit-poll.719/> |

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| **Subject 5** | **ANO Retreat Update** |
| **Discussion** | **[LayerTech] Xavier:** Please review the agenda. It’s packed with pretty important topics for the community. So far we have 12 ANOs confirm attending and about 22 individuals. There are 3 other ANOs tentative. Those who cannot participate in person can participate some form or other. If you look at the schedule we are constraint on time for brainstorming sessions. In this coming month before retreat, I encourage we post ideas, such as, how to improve community and our governance so we can brainstorm on the factomize forum and have productive discussions during the retreat. I believe David and Matt are working on some proposals and will be posted on the forum. Please brainstorm in forum before retreat to help us streamline the in person sessions. Those that cannot participate in person, please contribute online the best you can. These topics will have impact on current and future ANOs, so it will be great to have community consensus around the proposals we put forward. Lastly, I like to thank David Chapman, Nolan from Veteran Blockchain Investment Firm, and LayerTech. These 3 will be covering some of the the cost for hosting the retreat. As we get closer and figuring out logistics, we may ask for additional material support from ANOs - especially the ANOs that are located in Austin. |
| **Conclusion** | ANOs to coordinate in this thread:  <https://factomize.com/forums/threads/ano-retreat-october-26th.806/> |

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| **Subject 6** | **Marketing Committee Survey** |
| **Discussion** | **[BIM] Ben Jeater:** You may have seen Maxlambda posted out a survey to ANOs to find out what you guys want us to be working on in the marketing committee. Posting this in chat as well. We have 20 people fill out responses, but we like to get more engagement. I urge and plea you to go and complete this survey if you haven't already. Once we have more feedback we will do the best that we can to work on these items. Credits go to Maxlambda for putting it together. |
| **Conclusion** | Please submit feedback here:  <https://factomcommittee.typeform.com/to/dD5JMb> |

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| **Subject 7** | **Exchange Committee** |
| **Discussion** | **[Canonical Ledgers] Sam:** I brought this topic up at the last Guide meeting, but for people who were not able to attend… The Exchange committee would like to apply for several small grants each round to set aside until we have enough to apply for the larger exchanges. We hope this helps with small grant pool and price of FCT currently.  **[Factom Inc.] Paul:** It’s important to support exchange committee. The distance between getting listed and not getting listed is not a small feat. We should have them have credibility by allowing them to negotiate installment pays with strategic exchanges. Sometime they would like it directly from coinbase.  **[Federate This] Bobby (from chat)**: Are they willing to take FCT rather than dollars?  **[Canonical Ledgers] Sam:** If you are asking if Exchanges are willing to accept FCTs, we hope so. We have not reached that stage in negotiations.  **[Factom Inc.] Paul:** I have talked with exchanges that are willing to both take factoids as well as talk terms. Those do not tend to be the exchanges we really don’t want to be on. Anything in the top 50% will provide us liquidity. I think we should take opportunities that we have.  **[Federate This] Bobby:** I would be beneficial to have statement from ANOs that we are willing to back the Exchange Committee. They have take that to Exchanges as proof that we can pay the fees.  **[GOI] Matt (from chat):** Can we get some ballpark pricing on exchange listings prices? Maybe compare price to volume/size of exchange? Also, is the exchange committee prioritizing non-US jurisdictions (such as South Korea)?  **[Canonical Ledgers] Sam:** Most exchanges are not willing to release fees publicly. I have seen some numbers out there, but I have seen pretty wide ranges. For Binance we seen a few hundred thousand to a few million. I do not believe there are actually set fees, but more about your leverage and ability to negotiate. Unfortunately it’s not clear cut to do cost benefit analysis like that. |
| **Conclusion** | Sam to Create Poll |

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| **Subject 8** | **October ANO Meeting Date** |
| **Discussion** | **[LayerTech] Xavier:** Any objections with moving next month’s meeting from (Thursday) 25th to (Friday) 26th 1900 UTC? We have a lot of ANOs traveling the day before for the retreat and it will cause issues.  **[Canonical Ledgers] Sam:** I just want to clarify that you like to move it to during ANO retreat?  **[LayerTech] Xavier:** Yes, it’s in the ANO retreat agenda schedule as well.  **[Factomize] David Chapman:** Do we want to delay next ANO meeting a week so that we can bring the work that we do at the retreat to the next ANO meeting?  **[LayerTech] Xavier:** I am open to that option. It actually makes more sense. We could a poll with both options.  **[Factomize] David Chapman:** I will create the poll and post in chat. |
| **Conclusion** | ANOs to vote in this thread:  <https://factomize.com/forums/threads/october-meeting-date.855/> |

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| **Subject 9** | **StableCoin Proposal** |
| **Discussion** | **[Factom Inc.] Paul:** We have posted some information to ANOs that requested it. We have some models out there that attempts to allow people to play with different scenarios. The idea at this point is to come to decision on whether we want to explore this further and do the core implementation. Biggest cost is upgrade Factom wallet and Explorers. We would not want to start unless we have consensus that this is something we like to do.  **[Federate This] Bobby:** Do you have resources to do this along side with current commitments?  **[Factom Inc.] Paul:** I will not do this at the expense of stability work. I think in the short term it has some impact on our schedules not related to stability. It’s not a big impact so I believe we can get this done without noticeable interruption. Long term it creates a lot of resources for us and have us go to exchanges of some reasons beyond the obvious. This gives us selling points we do not have otherwise and help us accelerate.  **[Stamp-it] Mig:** Where does this StableCoin land compared to all the development that are needed for the protocol right now... (Sharding, Voting, Wallets, Exchanges, Marketing, StableCoin, etc). In term of importance or priority, in paul's view.  **[Factom Inc.] Paul:** It provides a good use case for protocol without the need for sharding in near term. For voting, it’s not impacted. It might cost us a month in sharding schedule. If successful and we want to beef up the infrastructure and that will add to schedule.  **[Canonical Ledgers] Adam:** I think that this is a symptom of a fundamental issue we have with the ecosystem. There’s no formal procedure for changes to the protocol. Bitcoin has BIP and Ethereum has EIP. They go through a formal process when making protocol level change. The issue is that Factom Inc. are the sole developers. The priorities question that was just asked, I don’t think Paul actually answered the question either. How do we as a community decide how to take the Factom protocol. As I understand it, this proposal will signification change the economics of the protocol and I do not claim to expert opinion on the proposal itself. I am just commenting on the process here. Paul drops this early this week and without making statement about the merit of the idea, there’s a problem with our process if it can derail goals that was set in pervious development grants. I see a problem that there’s no formal process on development and Factom Inc. are the only folks that hold the keys here.  **[Factom Inc.] Paul:** What I said was that I don’t think this will impact standing or voting. I said this will have small impact on sharding. If this became successful and you really wanted to execute it, then there’s impacts on the infrastructure and I am not entirely sure what those are. I am pretty sure what the impacts will be, but I cannot say what the ripple effects will be. As far as the process, I absolutely agree that we need a formal process. I will push back on the idea that we are in worse shape than other protocols. I like to point out that there was a proposal system for Bitcoin and they fell apart and splinter on development side simply because the developers held the keys to what bits were implemented into the code and there was no input by community. The result was Bitcoin Cash and community split. How we are different is that we have governance document and set of ANOs. Factom Inc. are not in position to dictate to community. What I done was put proposal in front of ANOs and if ANOs say no then it’s dead. We may not have a prospal system yet, but we do respect governance document. Factom Inc. is committee to going through the process. In short, this StableCoin prospal does impact development schedule and it is a decision that has to be understood and made in formal way. We are also trying to be agile and respond to opportunities in market and also address issues like liquidity that has real risk to protocol.  **[Canonical Ledgers] Adam:** I like to clarify that I am not making any comments here on the merits of the proposal. I am criticizing Factom Inc. for not prioritizing the process around development in a open way. The other thing to point out here when it comes to development schedules is that I am not sure that we have seen a great track record from Factom Inc. when it comes to Factom Inc. estimating their own pace in development and it’s a hard time to do so I am sympathetic to that. However, while Factom Inc. is respectful with our governance process here - at the end of the day if you tell your developers to work on X, the rest of the community really doesn’t have much choice. There are not a set of developers out there that could take Factom codebase in different direction very easily. The fact of the matter is that Factom Inc. does hold the keys to the codebase and they have not invested in the development infrastructure to get outside developers up to speed. I am not saying that we are worst off that other protocols per se, but we definitely have deficit in this area. If you look at Ethereum, you can go find the teams that are working on various things that they are proposing for future improvements. You can see wiki pages for all these things.  **[Factom Inc.] Paul:** I like to point out that there are billions of dollars in Ethereum grants and that is what seeds a lot of that development. If I go and look at projects at our own market cap, I do not see the same things. One of the big problem that we have is resources. We been doing this on a shoestring. We are getting the development agreement and plan to bring in pull requests very soon and then we begin onboarding external developers. A year and a half ago we were looking at Hyperledger and we are not looking into that anymore. They are friender to corporate control of projects. A lot of words to say that we been working on this.  **[Factom Inc.] Jay:** I am very sympathetic to the fact we haven’t been able to incorporate outside developments. One of the things that we done is that we hire a community manager that starts Monday that has strong technical background. I went through his goals with HR person and his first short term goal is to put into place the processes and tools to make this happen. He will drive making this happen. This will be his sole job to help integrate with the community. This is important to us and we see the value of getting community developers in. I am sorry that this isn’t as fast.  **[GOI] Greg:** Great discussion. Where I sit is that there is not enough information for this proposal quite yet to gauge its value to other items on the deck in development. I would like more time to look it over and more input on how to break it down vs other items in the queue. Factom Inc. being on a shoestring stretched thin and adding another thing on top of it doesn’t seem like a good idea unless it’s truely game changing. I think we need to follow our roadmap and can adjust the roadmap, but need to do so with more time and correct information.  **[Factomize] David Chapman:** As I mentioned in private chat, I have strategic concerns regarding the StableCoin proposal. I can see the beneficial dynamics that it can provide to our ecosystem on its surface. I do not know if there was a strategic analysis done on what affect it would have on the Factom protocol outlook within the entire cryptocurrency space. There are exchange and institutions that have committed substantial resources and are in far better backed then we are. One of these are Poloniex and the other being Bittrex. Both of which currently the only quality exchanges that list us. If we suddenly come out with competing stable coin and no other leverage, we may risk being delisted or other issues. While I see the benefits, I believe we need a better analysis on what could go wrong if we go with this.  **[MoF] maxlambda (from chat):** Do we have an economist who can give us some kind of idea on what kind of impact it will have?  **[Factom Inc.] Paul:** Economist are not familiar with token Economics. Some of the experts that I have been able to touch base on view it as potential game changers. While the resource base token other are deploying are solid, as a bank they are solely dependent on the financial and banking institutions for their existence. The auditing is expensive and will be taken out of their tokens. What we are talking about is a completely auditable approach that doesn’t have the same problems as the algorithmic stable coins. We have some real advantages in the technology. It’s also simpler to explain to a lot of parties. Factom Inc. as a company with the current grant pool doesn’t have good way to budgeting for the next year for resources in the current system. If I take FCT that we have and convert them to dollars and thus I have a budget that can fit into the way the real world works. I then have better idea on what I can do and what I can’t do for the year. It’s all these infrastructure advantages that makes me think this might be a priority over other items on the table. It’s a call for everyone to look at advantages vs. disadvantages.  **[LayerTech] Xavier:** I love the prospal first of all and think it’s great that Factom Inc. is looking into this idea. I feel bad shooting this down and say you cannot pursue it because kind of defeats the strength of us, where each ANO can pursue their own projects to strengthen the community and diversify. But at the same time, alluding to what Adam said, at the moment Factom Inc. holds the keys to everything codebase related and development schedule and timeline. I think what Factom Inc. should prioritize is to allow pull requests from community developers to help out with some of these improvement issues like sharding and stability. Once it’s open to community we can talk about other processes. The sooner we get that done and completely decentralized on the development front, then Factom Inc. can freely pursue StableCoin proposal without impacting community development projects and timelines. I like to encourage Factom Inc. to speed up the ability for pull requests for others to contribute to core code and then I think it will reduce the conflict we are seeing here today.  **[Factom Inc.] Paul:** The ability to approve pull requests as contributor is going out today. All you have to do is read the agreement and sign it using your Github account. Then we need to figure out how Factom Inc. reviews the pull requests.    **[Canonical Ledgers] Adam Levy (from chat):** I'll make one final comment here in chat because I have already spoken twice. I hate to be the guy repeatedly harping on the same topic but this is a fundamental issue to scaling development of Factom. Accepting Pull Requests is necessary but not sufficient for allowing development of Factom to scale. It's akin to having the keys to a car that has no gas in it. Or having access to a mechanics shop and tools, without having the knowledge of a mechanic. If development is going to scale, developers need the resources to be able to learn the specifics about Factom codebase internals. Factom Inc need to share their knowledge. They need to build the resources for developers to know what needs to be worked on, and how to approach it. A place that the lessons that Factom Inc has learned can be captured and shared with other developers. Pull requests are the tip of the iceberg.  **[Factom Inc.] Brian Deery (from chat):** Also, I should note I am still not convinced that the stablecoin is a good idea |
| **Conclusion** |  |

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| **Subject 10** | **TFA Explorer** |
| **Discussion** | **[TFA] StevenM:** I like to share new factom explorer TFA came out with. *Demos TFA new explorer on zoom.* Website tracks:   * Efficiency vs. Pledge Efficiency. If it goes red someone secretly change it * Last heartbeat * Basic playout information * Contains BlockChain side to navigate the blocks and filter by dates * You can see commits to EC addresses and sort by time and transactions that funded it. * Contains a rich list for FCT and ECs * Publicly available API that they can use to query into this data |
| **Conclusion** | Check out new explorer:  <https://explorer.factoid.org/> |

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| **Subject 11** | **Go Around The Table** |
| **Discussion** | **[Cube3] Mike:** This is my second ANO meeting, the one in August was my first which I just listened because I wanted to better understand the dynamics. I was struck by the fact that a relative few people were vocal. I have to say that in this particular meeting that has changed. All that got me thinking about ways to increasing participation. One technique that I like to explore is a simple go around the table at the end of the meeting to ensure that everyone has their say.  **[LayerTech] Xavier:** This is first time trying something like this, thank you for the inviative. How we do things are all up the in air. It’s a continental experiment to improve our community. If this works out, we will continue to do it in our next meeting and meetings following. If it doesn’t, we’ll change it and continue to improve. We have 37 participants. I will go down zoom chat and ask that you chime in on your thoughts of this meeting and improvements.  .  .  .  *Everyone goes around the table. Input consolidated from chat below.*  [Bedrock] Jay Cheroske : Zoom has a “Raise Hand” feature that we might be able to leverage for this kind of thing.  [Cube3] Tom : Budget time for each discussion and move to factomize if it runs over?  [Matteroffact]Dan G : I would be in favor of a 1hr cap  [FederatedReserve&PrestigeIT] Mark : 1 hour cap seems reasonable  [Factomize]DChapman : Xavier runs a good meeting. I think we can find areas to improve efficiency so we can pack more into the hour.  Samuel Vanderwaal : I think most of our meetings have run under an hour but an hour and a half would ensure we can get through everything if we're efficient. My two satoshis.  [Stamp-it] Mig : This is one of the most engaging meeting we had and it was still under 1h30  JulianFT : One possibility would be having 1 hr that we fit all of the topics that ANOs need to be here for, then after that have indefinite open floor for anybody who wants to keep talking about issues over voice chat  [Factomize]DChapman : For example, we can do the roll call on Factomize. That often takes about 5 minutes. |
| **Conclusion** | Open to suggestions on how to improve this meeting |

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| **Subject 12** | **Open floor** |
| **Discussion** | **[DBGrow] Jualin:** Motion to adjourn  **[Factomize] David:** 2nd |
| **Conclusion** | N/A |

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| **Subject 13** | **Announcements** |
| **Discussion** | N/A |