

EOS DETROIT

Q1 2020 • VOLUME THREE

# PROXY PROSPECTUS

## 底特律代理招股明

## 사전 사업설명서



Dear Community,

Much has transpired since our last update, in our own little world at EOS Detroit and at a global scale, as I am sure everyone reading this is well-aware. In these trying times that test our individual and collective strength, willpower, and wits, it is more important than ever to find our commonalities and raise them up. More important than ever to be there for our fellow humans, especially the most vulnerable of those among us. Humanity is facing uncertainty together, and many have lost their lives already due to this crisis. In the aftermath of these world-shaping events, it is now the time to rally together and do our best work to reinvent societal systems toward the collective benefit of all as we face new and unprecedented challenges together.

I believe eosio will play a big part in this transformational process, as data integrity and transparency is at the heart of building more trustworthy systems that advocate for humanity. And so the EOS Detroit team distracts themselves from the day-to-day perils of the COVID-19 pandemic by continuing to contribute toward building up the eosio ecosystem with our colleagues and business partners.

It is my desire and drive to continue honing EOS Detroit with the team into a force for good in an uncertain world, and to do our part to lift up people. It is only with your continued support that this is possible! Thank you for being there with us. Together we can get through this.

With Deep Appreciation,

Rob “Robrigo” Konsdorf, CEO



MAP OF  
DETROIT,  
MICHIGAN

SCALE OF FEET.

1000 2000 3000 4000 5000

1 MILE = 1 1/2 INCHES.

Railroads.

Street Car Lines.

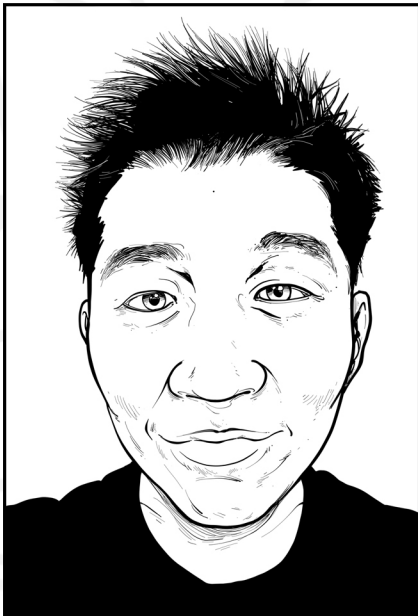
# COMPANY UPDATES

EOS Detroit survived another winter, thanks in part to continuous cost optimizations across the company and growing revenues across multiple EOSIO networks. The company maintained focus on improving technical operations service and reliability, bundling that effort into a set of Ansible playbooks which will be made available to the public in May of 2020. This work is the culmination of many months of effort and multiple iterations dating back to Steem, and our hopes are that it will provide benefit to the growing eosio community by making self-hosted nodes across many different configurations easier to manage. Explained in further detail below, EOS Detroit has never been in a better position to thrive.

# PERSONNEL CHANGES

EOS Detroit welcomed two new members to the team in April, Jon “JP” Camunag and Jay “Bozz” Bosworth!

\*drum roll\*



JP is joining the Tech Ops team as a Site Reliability Engineer, where his primary focus will be on improving and maintaining EOS Detroit's Block Producer infrastructure. His first order of business is to roll out the first public release of eosio BP Ansible playbooks. An avid tinkerer and self-taught computing professional, JP is in his natural environment when solving challenges. His programming experience dates back to an early childhood interest in scripting games that has blossomed into a broad fundamental understanding of IT and professional career in software engineering. We look forward to growing with you JP!



Jay is joining the team part-time as EOS Detroit's BOID Team Lead, where he will be responsible for managing the ongoing BOID initiatives going into Season 4, growing EOS Detroit's team size and compute footprint. A jack-of-all-trades, Jay has a bachelor's degree in Information Systems and has worked for 20 years in the education technology field, managing networks, servers, and technology training for schools. As a blockchain believer, he is a consistent contributor to blogging sites such as Hive and Steem, and an early adopter of cryptocurrencies and EOSIO as an EOS genesis holder.

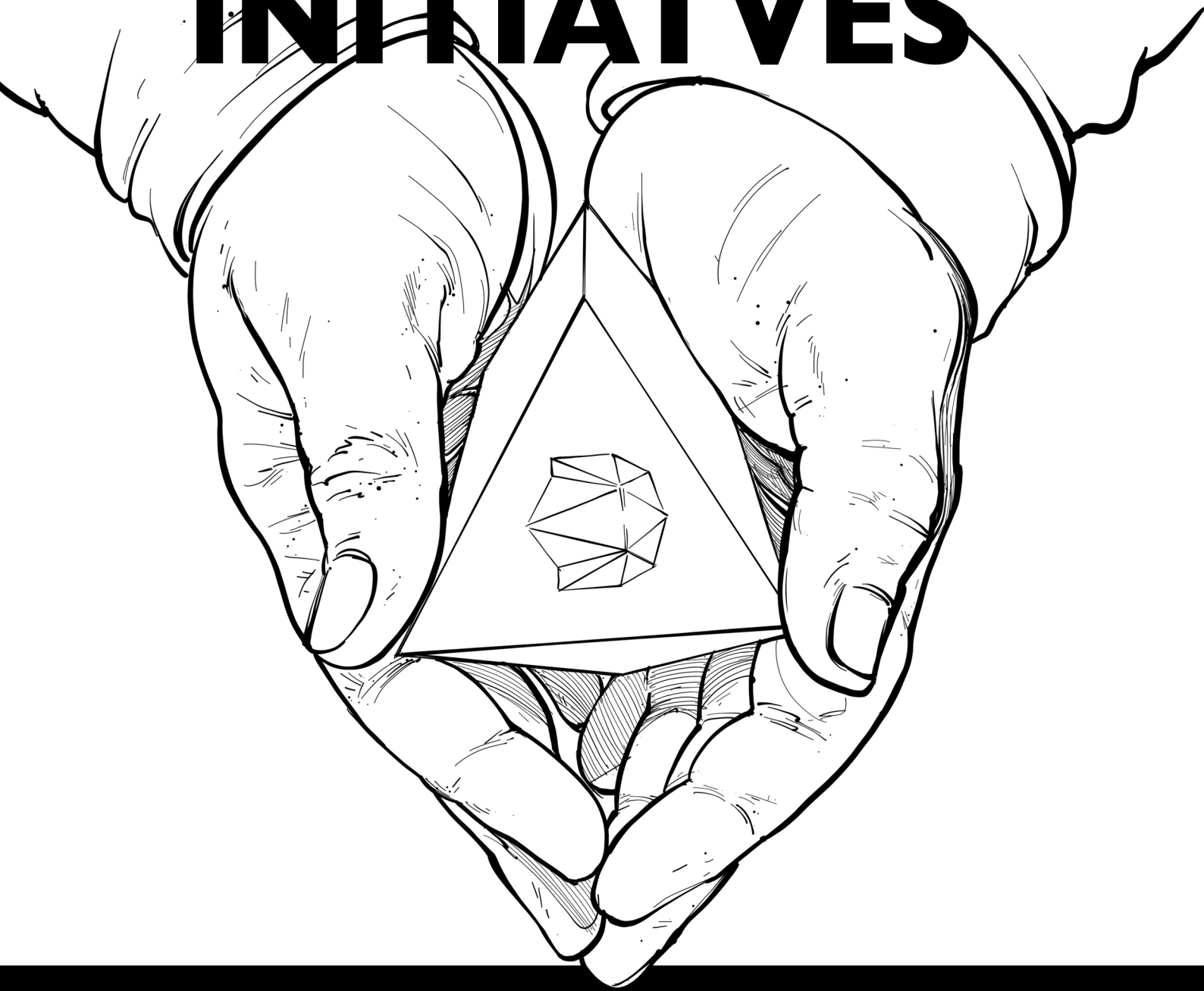
EOS Detroit now has 2 official full-time employees, starting with Rob and Adam. This move enables the mteam to work full time on EOS Detroit without having to work extra jobs.

Charlie Dumont, CTO has changed his primary affiliation to CTO of Detroit Ledger Technologies, a new firm started to focus on product development efforts, explained in further detail later in this brief. Charlie will remain on the board of EOS Detroit as a trusted mentor and advisor.

The company also bids farewell to contributors who have left the team: Seth Archambault, Dylan Tull, and Sam Florida. Thank you for all of your efforts!



# COVID-19 INITIATIVES



In order to contribute towards a better outcome with regards to the pandemic, the team has decided to support a couple of initiatives. In the short term, we are supporting a gofundme to purchase PPE for essential health workers in Detroit. This is important to provide support for the front lines in hospitals where there is a lack of supplies.

In order to support scientific research into longer term solutions, EOS Detroit is re-affirming support for BOID in Season 4 by putting additional resources into growing our team. Our new hire Jay will be focusing on increasing the amount of compute EOS Detroit is contributing to the cause through expansion of the team.


# **EOSIO COMMUNITY CONFERENCE UPDATE**

Due to the COVID-19 pandemic, the steering committee for the EOSIO Community Conference and Permissionless originally planned to be held June 26-28 2020 in Detroit at Little Caesars Arena has decided to postpone the event until further notice. It is EOS Detroit's intention to host the in-person ECC 2021 and a global blockchain gathering for the community in Detroit when that is possible again in the future. In order to still do something for the community, the steering committee is exploring a virtual event to be hosted in the Fall.

# **TRAVEL REIMBURSEMENT FUND**

Look in your EOS account for your funds in early May if you were in attendance at the EOS Community Conference 2019 in Rio de Janeiro Brazil and signed up to receive a TRF disbursement. They will be distributed very soon!





IT WAS EOSIO, THE SPIRIT DRAGON, THAT IGNITED THE FIRE OF CREATION. SHE SENT THE FOUNDATIONAL ELEMENTS CASCADING ACROSS THE EARTH, AND WITH THE FORMATION OF LIFE, HUMANITY BEGAN FACING ITS OWN STRUGGLES. HOW TO GOVERN. HOW TO ALLOCATE RESOURCES WITHIN COMMUNITIES. CLANS EMERGED. MANY WITH DIFFERENT POINTS OF VIEW, BUT WITH A COLLECTIVE HEART ON THE OPPORTUNITY GIVEN TO THEM BY THE SACRED DRAGON.

THE CLANS MET IN AN UNPRECEDENTED SHOW OF UNITY, VOWING TO LEVERAGE THEIR UNIQUE STRENGTHS FOR THE BETTERMENT OF THE COLLECTIVE WHOLE.

EOS, THE FIRST OF THE CLANS, BROUGHT THEIR VAST RESOURCES.

FIO CLAN, THEIR ABILITY TO TRANSLATE WITH OTHERS.

THE TELOS CLAN, THEIR WISDOM IN GOVERNANCE.

THE WAX CLAN. STRENGTH IN GLOBAL TRADE AND COMMERCE.

PROTON CLAN, A WELCOMING HOME FOR ALL OF THE DRAGON SPIRIT'S CHILDREN. A DOOR ALWAYS OPEN.

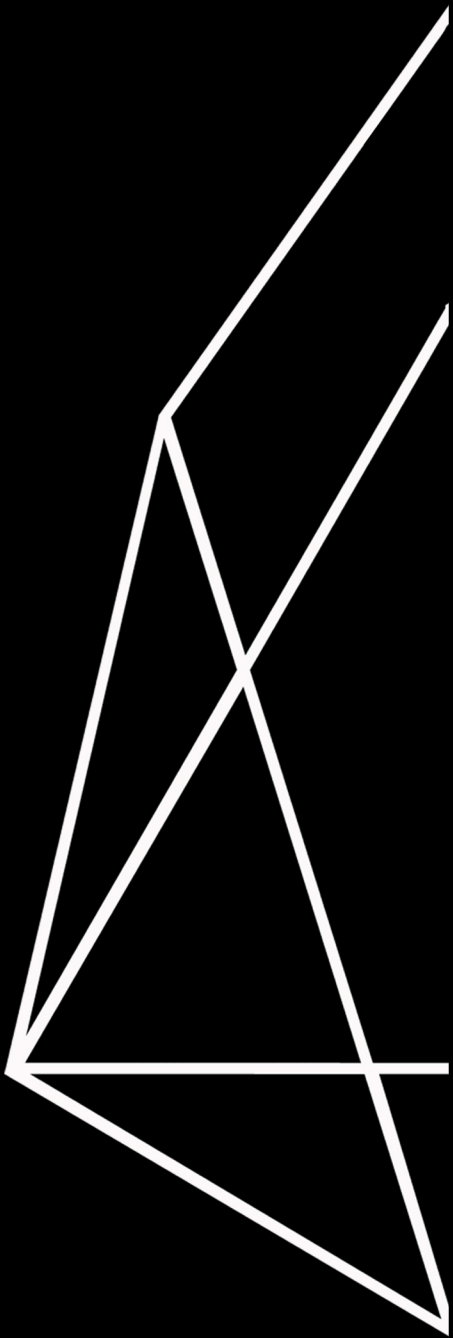
ALL OF THE EOSIO PEOPLE GATHERED, OFFERING A SOLEMN PLEDGE TO END TRIBALISM AND DIVISION. TO STAND SIDE BY SIDE. TO HONOR THEIR CREATOR.

A BLOOD OATH WAS TAKEN TO PRESERVE THIS DECLARATION. AN ELECTED REPRESENTATIVE OF EACH HOUSE CAME FORWARD, LEAVING A MARK OF CRIMSON UPON THE CONSTITUTION.

THIS BOUND THEM TO THE SAME FATE, AND THUS, ENSURED THEIR SUSTAINED COEXISTENCE.



# NETWORK UPDATES

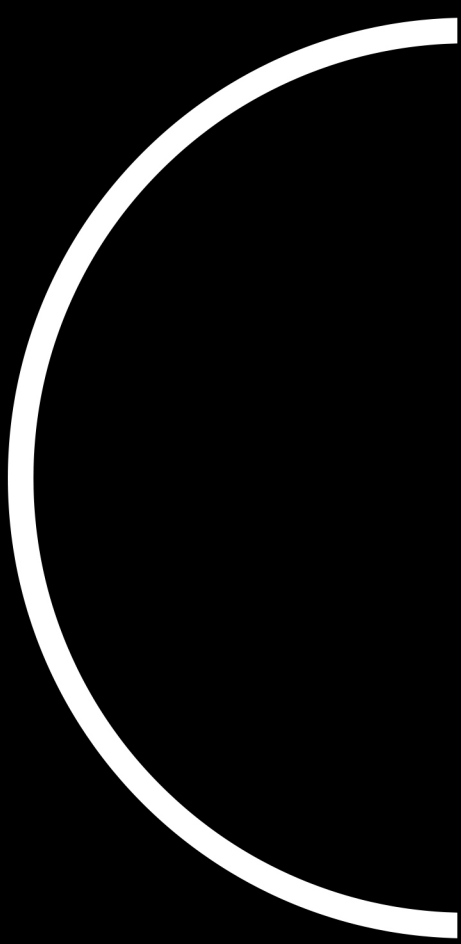


The EOS network continued to innovate into 2020, with the launch of a new worker proposal system championed by EOS Nation and Atticlab, that allows paid active and standby BPs to vote on funding proposals in a representative system. The BPs also upgraded to EOS v2.0 which led to an increase in throughput capabilities on the network and the ability to activate some new protocol features.

EOS Detroit's momentum on the EOS mainnet has been increasing steadily and the company has achieved enough votes as of April 1 in order to earn vote pay. We are thankful to all of the proxies that trust us with one of their precious votes, and will work to manage the additional capital into productive and valuable contributions for the network. This would not have been possible without Binance, Nation Proxy, Colin, Brock, Raman and many other voting proxies that support EOS Detroit's campaign.



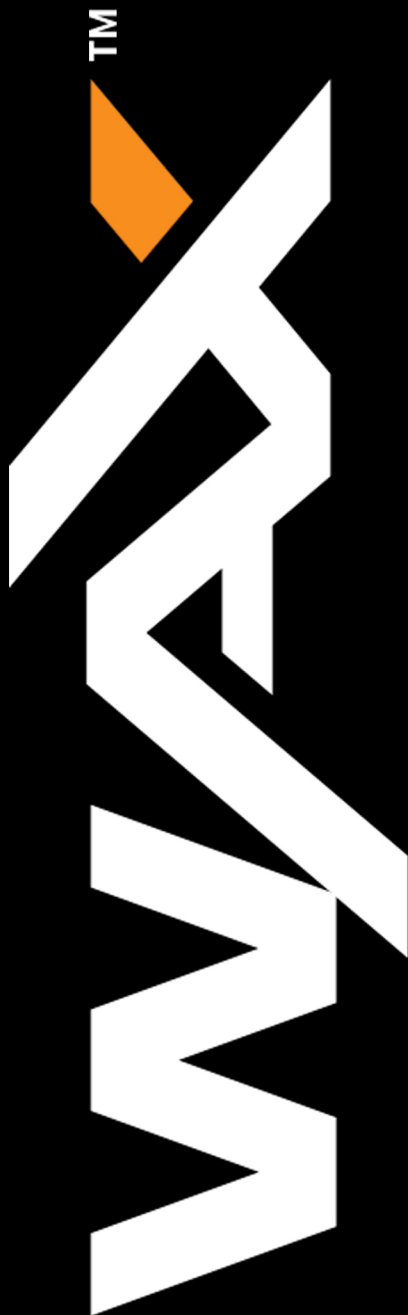
# TELOS NETWORK



Telos (TLOS) has focused on attracting builders to the platform, with a focus on business development for scrappy developers looking to get the most bang for their buck on network resources. Telos governance evolves rapidly and as a result the network has seen a lot of block producer proposals, worker proposals funded, and a new release of the governance backend that manages different systems of voting called Telos Decide.

EOS Detroit rose into active block producer status on Telos by staying on point with infrastructure and participating actively in the governance of Telos. Our sister startup Detroit Ledger Technologies is working on two products launching on Telos, Cudurru and Newlife.ai.

# WAX NETWORK



The **WAX** platform has shown it is the king when it comes to business development, as evidenced by its ability to attract talented BPs (known as guilds) and exciting mainstream partnerships such as Topps, to build on the network. This is due in part to its focus on gaming and digital objects known as NFTs, as well as the **WAX** cloud wallet, a custodial wallet that manages the user's **WAX** keys and allows them to easily log into apps built on **WAX**. The cloud wallet is due to see another revamp in the near future to provide more of an app store feel.

EOS Detroit proudly serves as an active guild on the **WAX** network, and an inaugural member of the Office of Inspector General (OIG), which is a network role with the purpose of evaluating the performance of guilds. The company's goal during our tenure as OIG includes creating established processes for choosing future OIG members, honing the evaluations framework into the best it can be, and creating some advice and training materials for future OIGs.



# FIO PROTOCOL



The **Foundation for Interwallet Operability** is a consortium of existing wallets, exchanges, and payment processors that support the FIO protocol, a decentralized service layer that aims to make crypto products easier, so anyone can use them. The network activated March 26, 2020 and features a customized version of eosio that allows any namespace to be registered and managed, then linked to existing crypto wallet addresses. This enables a domain-registration-like experience for end users, and the ability to have one universal name to receive all of their transactions, while also preserving privacy.

# PROTON



The **Proton Network (XPR)** is an evolution of Lynx-Chain and the merging of efforts between the Lynx and Metal teams. They are focused on creating an easy to use fiat integration and launching an exchange called MetalX on the platform. Proton launched April 22, 2020. EOS Detroit is excited to see what these teams can build together with more resources and a fresh approach.

# ORE



**Open Rights Exchange (ORE)** is a purpose-built blockchain optimized for managing secure identities, access and digital assets across multiple chains. The network can be integrated by leveraging ORE ID as an authentication provider for your app. Rob of EOS Detroit has previously advised ORE in 2018 and is happy to partner as a service provider, and bet on their promising team.

# EDITORIALS

Thoughts from the hearts and minds of our company





A detailed topographic map of a region, likely in the Northeastern United States, serves as the background. The map features contour lines, a grid of roads and railroads, and labels for various locations including Farmington, Southfield, and Rosedale Gardens. The map is oriented vertically, with the top of the page showing the northern part of the region.

## OFFICE OF THE INSPECTOR GENERAL MUSINGS

Serving the Office of Inspector General, a network committee on WAX that evaluates the performance of Guilds, has been a tremendous learning experience and experiment in researching a methodology that can be used to rank guilds based on many different factors. The system is evolving as we observe and discuss new considerations and tweaks with the other WAX Guilds. Most of the effort to date has been on revising the Guidelines document used to state the criteria for each of the categories: Technical Operations, Product Development, Business Development, and Community Engagement. Every month through the assistance of guilds we identify new ways to improve the guidelines and gain consensus on potential loopholes that need to be filled, or gaps in how the framework is assigning value, such as a missing contribution.

Outstanding work that is yet to be done on the roadmap includes deploying an election process to start the OIG member rotation, and building out better tooling to assist with collecting information used to influence each Guild's score. I encourage those interested in the position to follow along and get involved in the discussions!

-Robrigo

## DECISIVE ACTION

Within eosio networks, members can be influenced by social norms, and those that agree to uphold the rules can be bound by Ricardian agreements. These forces can influence their behaviors with respect to other participants in the community. This cultural aspect of the network creates an environment whereby enough motivated and aligned significant stakeholders can work together to bring about a change in the system. The effectiveness with which they are able to continuously evolve the rules of the system towards a better outcome is rooted in a number of factors including:

1. Processes around discussing and incorporating changes to the process at a meta level,
2. Complementary talent and cohesion within the contributor group,
3. Adaptability and ability to take decisive action.

Due to these factors, evolving governance can be a time consuming and messy process. And in some cases, action may need to be taken by the network's custodians (block producers) to make a judgement call on a divisive issue. The beauty of DPOS consensus is that it gives us a clear way to achieve forward progress without the stalemate that can wind up in the launch of a contentious fork, like PoW forks of Bitcoin and Ethereum. That is unless you have a fundamental problem like Steem had with the ninja-mined stake which eventually led to the contentious fork called Hive.

Other examples of these situations can be seen on EOS when the block producers updated the interim constitution to the EOS User Agreement. There was no clear method for deciding whether the BPs could take this action, other than the fact that they collectively control the eosio.prods system permission which enables them to update the constitution text in the system ABI file. As a result there was quite a ruckus in the community as this event transpired and the BPs decided to take decisive action to upgrade the network.

A decisive action that EOS Detroit was involved in happened recently on Telos, when it was detected in multiple situations that two block producers were being secured by the same operator. In one case both block producers were active BPs, which means that if the operator was compromised, the attacker would have control of two BP nodes instead of only one. This fundamental tent of independence is at the core of DPOS security - if the block producers are all separate entities securing their own keys, a coordinated attack on the network becomes harder. Thus, the act of holding the keys to two active block producers directly undermines byzantine fault tolerance of the network by reducing the number of compromised BPs required to take control of the system.

EOS Detroit proposed these actions due to our stance that it is a cultural norm in DPOS to ensure block



## DECISIVE ACTION (continued)

producer independence; the network depends on it. When there was enough evidence to proceed with the inquiry and subsequent votebput proposals which essentially allow the top 21 BPs to ban other BPs from registering for a period of time. Vote BP out actions are typically used to enforce an additional layer of BP compliance on Telos, such as requirements to run a testnet node. In our case, 3 month proposals were proposed and executed to ban tsvenezuela, telosdacnode, and blindblocart from registering as a BP for 3 months. BlindBlocArt was an interesting case as one of the nodes involved, infinitybloc, had plausible deniability as the deception was the result of a rogue operator. Leading up to these actions, evidence was presented amongst the Telos BPs, and signatures signed. The Telos Foundation has also taken action to remove the members involved in this incident. Security incident response on production-grade eosio networks requires swift decisive action.

As a follow up to improve things going forward, Adam from EOS Detroit has begun hosting Telos Governance working groups. Please join the Telos Gov group for more info on how to get involved and participate.

-Robrigo

## TELOS FOUNDATION TRANSPARENCY AMENDMENT

During the Summer of 2019, Telos stakeholders voted on and ratified the Telos Economic Development Plan (TFTA). The TFTA suspended network inflation and instead redistributed millions of Telos to BP pay, Telos Works (VWPS), a separate development fund controlled by BPs, and the Telos Foundation.

Given the large amount of TLOS being transferred to a centralized entity, the Telos Foundation, Telo Foundation Board Member and EOS Detroit COO Adam Zientarski launched a working group at the end of 2019 composed of Telos BPs and community members to identify ways to make the Telos Foundation more transparent and create reforms to allow for the entire token holder base to elect the board members.

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# TELOS FOUNDATION TRANSPARENCY AMENDMENT (TFTA) (continued)

The major features of the TFTA include:

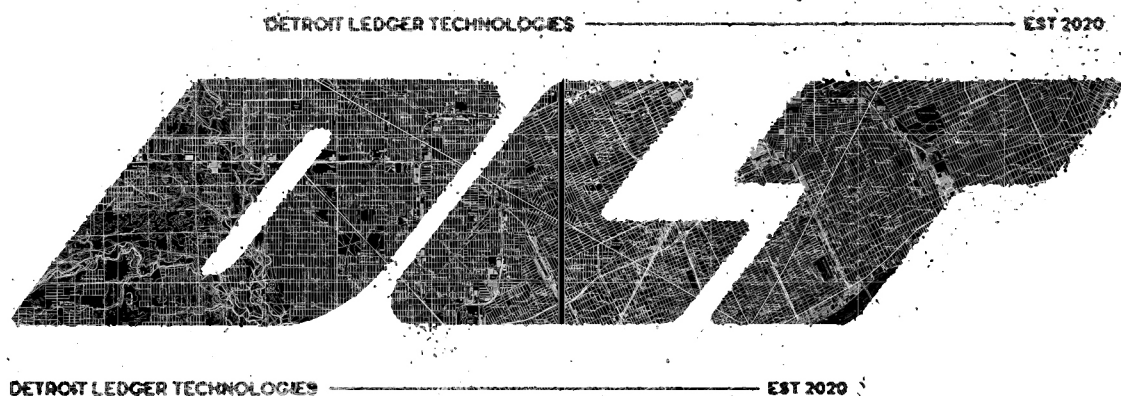
- Lowered the total amount of board members from 12 to 5
- Separated board member and director responsibilities
- Established a formal election process for electing board members
- Allows all token holders to vote for board members
- Requires the Telos Foundation to report quarterly financials, meeting minutes, and grant recipient amounts

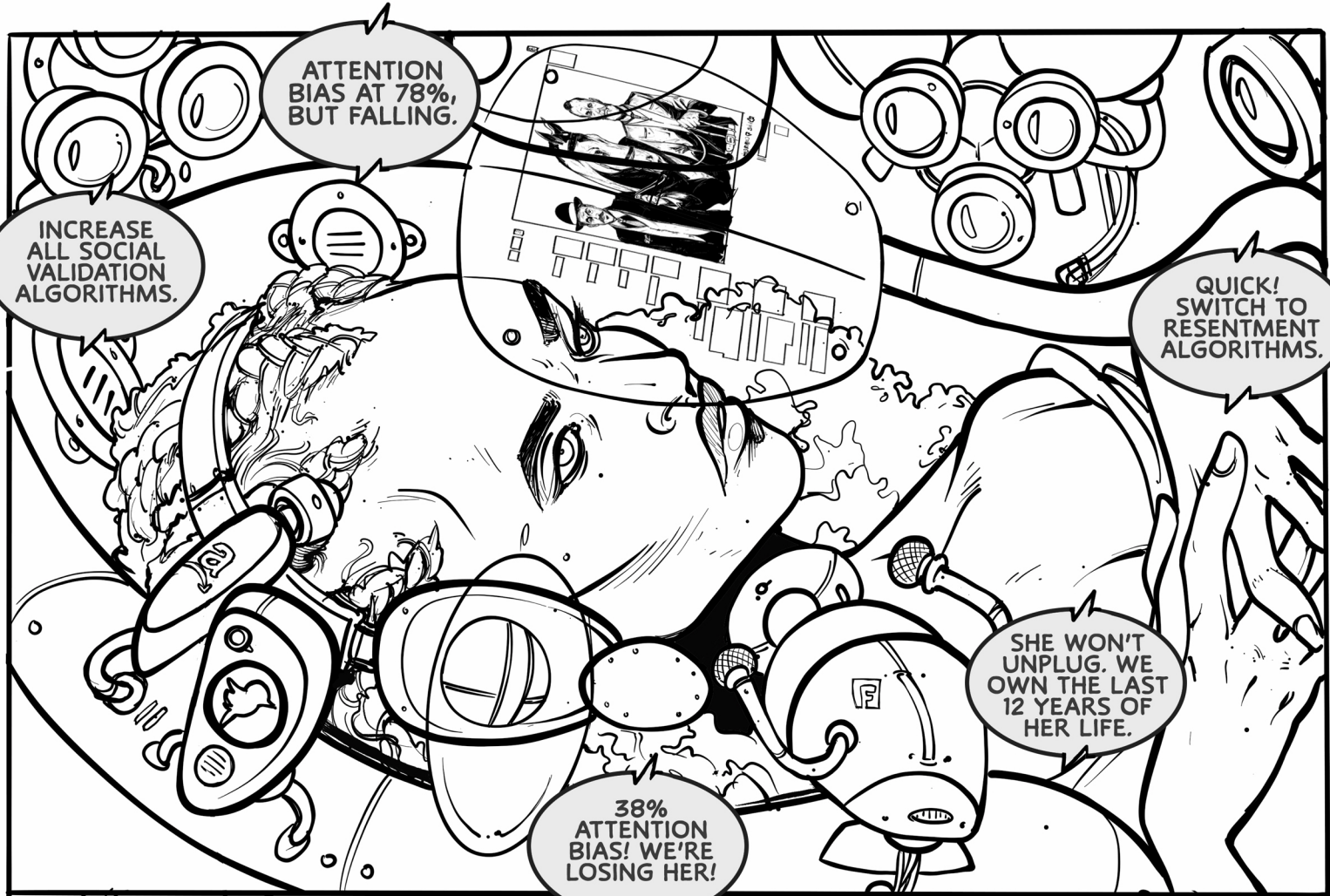
The TFTA draft can be viewed in its entirety [here](#) and will be formally submitted for token holder vote once the upcoming Telos Decide feature is launched. EOS Detroit anticipates the amendment will pass.

## DLT UPDATES

Detroit Ledger Technologies (DLT) was incorporated In February 2020 by the EOS Detroit founders to serve as a Detroit-based and eosio-focused venture studio focused on improving and creating new business models by partnering with startups to assist with product strategy, engineering management, and fundraising. The move to create a new company was made in order to give EOS Detroit a more streamlined focus on node operations and ecosystem building, while also segmenting the risk of holding tokens from product dev efforts. This also makes it easier to raise funds for building MVPs. With the birth of DLT, Charlie's day-to-day work is now focused on DLT products and efforts as CTO. Rob and Adam continue to support EOS Detroit and DLT efforts in a full-time capacity as CEO and COO of both companies, respectively.

DLT's initial area of focus is building up a cohort in the real estate sector to accelerate.





ATTENTION BIAS AT 78%, BUT FALLING.

INCREASE ALL SOCIAL VALIDATION ALGORITHMS.

QUICK! SWITCH TO RESENTMENT ALGORITHMS.

SHE WON'T UNPLUG. WE OWN THE LAST 12 YEARS OF HER LIFE.

38% ATTENTION BIAS! WE'RE LOSING HER!

WHAT DO WE DO?! MORE NOISE? 13% AND FALLING.



NO. IT'S TOO LATE. WE'VE LOST HER.



SHE'S FOUND HER VOICE!





## CREATING SOMETHING VALUABLE ON VOICE

It was early in EOSIO's infancy when I began hearing rumblings about Voice. Fully aware of the team that wrote the blockchain software that we, the community, launched together in the summer of 2018, I saw so much potential for a social network — done right. Art, content creation, poetry and creative writing is what brought to me the blockchain in 2016. It was my “red pill, blue pill” moment, and I've never looked back. As a freelance artist, this space has been a transformative chapter in my life.

Valentine's Day, 2020. I received my Voice beta invitation and left my first thoughts on the network within two hours of the doors opening. I can't remember a time in my life I've been so optimistic for project. As a prolific creator, I have 20 years of art, photography and illustration to share. As with all social networks, though, despite the hopes of the company that launches, the community will decide the culture therein. No pun intended, it was only days before the first Voices emerged.

During this beta period, it's that early developing culture of Voice that is its greatest strength. Past experience, I'm sure, informed the decision to give us as creators the tools and fertile ground to grow a community. Voice tokens are less about gaming, and more about visibility for what matters most to each of us as individuals. Content brings engagement, engagement grows a community, and participation emerges as the true currency on Voice.

-Lars Kommienezuspadt

# DBC UPDATES

## 501(c)(3) status

The DBC is still on hold with its 501(c)(3) status. While it was anticipated that the DBC would have its federal non-profit status by this time, unfortunately the COVID-19 pandemic will likely extend the response time from the IRS after the latest request for information was returned in January 2020.

## PERMISSIONLESS GLOBAL BLOCKCHAIN GATHERING

The Detroit Blockchain Center initially planned to host Permissionless, a global blockchain gathering in Detroit expected to attract 800+ attendees, at the world class Little Caesars Arena in conjunction with the EOSIO Community Conference.

## DETROIT FINTECH CHALLENGE PARTNERSHIP

In February 2019, the DBC hosted the largest blockchain event in Michigan, the Detroit Blockchain Pitchfest. The event attracted over 200 professionals to watch 12 startups pitch to compete for approximately \$30,000 in prizes in its first year.

For the second iteration of the Detroit Blockchain Pitchfest, the DBC has partnered with the regional smart hub, TechTown Detroit, to combine the Pitchfest with TechTown's Detroit Fintech Challenge to host an even more spectacular event in the Fall. The Detroit Fintech Challenge has partnered with firms such as Ally Financial, GM Financial and others in years past, and the DBC is excited to bring additional expertise, resources, and corporate partners into the blockchain community.

## DACTROIT

DACTROIT continues to be on hold as DBC seeks 501(c) status and initial funding for the project.