

NULS Testnet Hosting Strategy Proposal

Renewal of NCG20190118 - Test Network Improvement Proposal

May 31, 2019

About Node Forge

Node Forge (<http://nodeforge.io>) is a Southern California based multi-cloud hosting company, aiming to break down the technical barriers of operating a masternode while also offering a full suite of powerful tools to help an operator manage, monitor, and expand their portfolio of masternodes through a dynamic dashboard and automated provisioning within the platform.

With the Node Forge platform, our customers can go from “zero to mining” in almost no time at all and with minimal cost. The Node Forge platform will completely automate the provisioning process; all operators are expected to do is complete a few simple setup steps and they can have a masternode up and running in minutes.

The Node Forge team would like to extend the opportunity to collaborate on a mutually beneficial solution that will help drive the success of the NULS project. Node Forge is a long-time fan of the NULS project and has been closely involved in the NULS community over the last few months. We would like to leverage what we have developed at Node Forge to help the NULS team solve some of their challenges with creating and maintaining the NULS network, as well as improve our integration with the NULS production network, offering more value to NULS agent node operators and ultimately driving greater adoption of the NULS platform.

The Challenge

We are passionate about the success of the NULS project and would like to offer our services in helping NULS succeed. We acknowledge some of the challenges that the NULS team faces in building and maintaining a fully-fledged NULS test network, especially in the face of the NULS 2.0 network. The NULS community has seen great success with Node Forge’s initial NULS proposal (NCG20190118), we feel it prudent to renew this initiative so as to maintain the test network and production network representation, and maintain the integrity of testing and NULS production releases. By maintaining the NULS test network, we are confident the NULS team can continue to mitigate past challenges experienced by agent node operators and sustain the positive perception of the NULS platform.



NULS Allocation Proposal

We believe it be important to continues incentivizing NULS test agent operators to create and maintain their nodes. We propose to renew the following terms for this proposal to achieve test network sustainability.

NULS Allocation	520,000 NULS
Purpose	Application and commitment of a CCC Agent Node as a source of rewards for test network agent participants
Method	The NULS Community Fund will commit and stake 520,000 NULS in subject CCC node. All CCC agent node rewards will be proportionally distributed among all test network agents on a monthly basis. Node Forge operating and hosting costs (detailed below) will be deducted from the rewards pool prior to distribution.
Number of Nodes	50-100 test network agents

The above terms would allow the NULS team to incentivize test network participation while minimizing additional capital expenditure by the NULS team or NULS Community Fund. In summary, Node Forge requests that the NULS Community Fund sustain it dedicated 20,000 NULS to establishing a NULS agent node, to be operated on the NULS main production network, in addition to a 500,000 NULS transitory stake. It is important to note that the NULS Community Fund maintains full custody of all NULS collateral and staking assets. Given this arrangement, Node Forge will only need the private keys for the packing and rewards addresses in order to operate the agent node and manage rewards distributions. It is our eventual goal to automate the test network rewards distribution process, a system which Node Forge intends to commit internal resources to develop. All reward proceeds will continue to be proportionally distributed (by test network production; % of blocks packed) to all participating test network agents on a monthly basis.

With the recent release of NULS 2.0, there is a need to maintain two test network environments (NULS 1.0 and NULS 2.0) with the expectation to eventually phase out NULS 1.0. **To start, the rewards pool will be allocated on a 50%/50% split between both test environments and then distributed accordingly by respective packing activity described above.** We leave it to the discretion of the NULS team to guide Node Forge in adjusting allocations of the rewards pool between the test environments on an ongoing basis. All allocation developments will be announced transparently in the NULS Community Forum.

In the month this renewal proposal is approved, packing activity and distribution allocations will be retroactively recorded for the new Alpha Testnet up to the beginning of the month and applied according the aforementioned 50%/50% split.



Operating and Hosting Costs

The Node Forge will subtract the operating costs directly related to operating the test network incentive proposal from the rewards pool. These operating costs are presently approximately \$240 USD, which covers the cost of running three servers necessary to the test network program, and are subject to change as the requirements for operating the test network incentive proposal change (such as when an additional test network is necessary). These operating costs will be periodically reviewed and increased or decreased only after notifying the community, providing reasonable explanation of the change in costs and after receiving approval from the NULS Council.

Note: Node Forge has very recently obtained access to the NULS network API and anticipate decommissioning two of the current servers required for the test network program in the near-term. This will effectively reduce ongoing operating and hosting costs. Once Node Forge has 100% transitioned and reliably utilizing the NULS API for test network queries, decommissioning and reduced projected operating and hosting costs will be announced in the NULS Community Forum.

Proposal Strengths Summary

- This renewed model establishes a familiar economic incentive model that will create a sustainable NULS test network environment.
- The proposal continues to promote and maintain decentralization and open participation by the community. Test network agent operators still have the flexibility to host their own test node servers on a platform of their choice. This proposal is not dependent on Node Forge's hosting services.
- Capital expenditures from the NULS team and Community Fund are negligible. The NULS Community Fund maintains custody of all NULS collateral and staking assets.
- The proposal and subsequent test network participation continues to be a community driven initiative.



Next Steps

Once the NULS team and community have reviewed our proposal, had time to discuss it, and offer feedback, Node Forge would like to coordinate a follow-up discussion and subsequent vote within the NULS community. In accordance with the NULS community charter and in the best interest of the NULS community as a whole, we intend to use this process to address any questions or concerns.

We are honored to have built a strong working partnership with the NULS team and NULS community, and help solve some of the challenges they face today.

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