Phala Network

Verification Proposal

Abstract

Providing verification for third-party identities on the Phala network is essential to ensuring a secure and trusted expansion of the mining community. A checkmark is synonymous to trust – any misdemeanour perpetrated by any individual with such an award has a pejorative impact on the Phala's council and registrar's reputation. It is henceforth critical to provide a rigorous methodology which respects the principles of internet privacy all-the-whilst maintaining an adequate and respectable set of conditions – lenient to some degree – to verify identities. This document highlights some strict requirements, limitations and exemptions to access different tiers.

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Methodology (Status)

Status	Requirements	Limitations / Void requirements
Known Good	• +3 months of account lifetime • 1000 PHA lock • KYC through third party (More details to be decided in coalition with the council) • All of the requirements in Reasonable	• Revocable after 3 medium-tier misdemeanours (defined later) or 1 high-tier demeanour • Downgraded to Reasonable after 2 low-tier misdemeanours
Reasonable	• +1 month of account lifetime • 100 PHA lock • Verified social-media (Discord/Telegram + twitter) • Verified domain-name • Verified email • All of the requirements in Low Quality	• Revocable after 3 medium-tier misdemeanours (defined later) or 1 high-tier demeanour • Downgraded to Low-Quality after 3 low-tier misdemeanours
Low Quality	• +2 weeks of account lifetime • 50 PHA lock • Adequate name • Un-verified socials	• Revoked on any misdemeanour
Erroneous	• Invalid/Disputable identity	
Out-of-date	• Fails to match account life-time OR • Outdated socials OR • Any non-critical data OR • Deprecated accounts	

Methodology (Misdemeanour)

Mining Misdemeanour

Name	Description	Severity
Commission Maxing	Changing the stake modifier of a staking pool with <= 75% of liquidity provided by the owner and total stake >= 20,000 PHA to 100% for more than 24h without providing exit liquidity for the stakers	Medium/High (*Context dependent*)
Commission Manipulation	Changing the stake modifier of a staking pool with <= 75% of liquidity provided by the owner and total stake >= 20,000 PHA by a difference of more than 20% for more than 24h without providing exit liquidity for the stakers	Low/Medium (*Context dependent*)

[More coming soon…]