



Fundamental Report

Prime Rating Report V2.1

Protocol: PlotX V2
Version: 1
Date: 08/02/2022
Previous Report: N/A

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Season/competition: Season 2

Scorecard

1. Value Proposition	Points
a) Novelty of the solution	11 / 15
b) Market fit/demand	12 / 15
c) Target Market Size	4 / 10
d) Competitiveness within market sector(s)	7 / 10
e) Integrations & Partnerships	6 / 15
Total Points - Value Proposition	40 / 65
2. Tokenomics	Points
a) Is the token sufficiently distributed?	13 / 15
b) What is the extent of the token's capabilities?	9 / 10
c) Is the issuance model able to improve the coordination of the protocol?	8 / 10
d) Is the value capture model able to accrue and distribute value?	4 / 10
e) Is the token sufficiently liquid to enable active use and trade?	1 / 5
f) Are there any extrinsic productivity use cases?	4 / 10
Total Points - Tokenomics	39 / 60
3. Team	Points
a) Is the team credible and public? (No, Partly, Yes & Anon , Yes & Public)	15 / 15
b) Does the team have relevant experience?	8 / 10
c) Does the team participate and help shape the public debate?	4 / 5
d) Is the team able to effectively attract and coordinate resources?	7 / 10
Total Points - Team	34 / 40
4. Governance	Points



a) Admin Keys	5 / 20
b) Extent of Governance capabilities	8 / 15
c) Active Governance contributors	1 / 5
d) Governance infrastructure	6 / 10
e) Robustness of Governance process	6 / 10
Total Points - Governance	26 / 60
5. Regulatory	Points
a) Does the protocol have any legal accountability?	15 / 15
b) What is the quality of the legal jurisdiction?	6 / 10
Total Points - Regulatory	21 / 25
Total	160 / 250

1. Value Proposition

The Value Proposition section describes the value a protocol delivers to its users. Based on the proportion of the problem the protocol aims to solve and the potential of the protocol to effectively solve the problem - better than other industry solutions - a Value Proposition rating is created.

a) Novelty of the solution (15 points)

This score evaluates the novelty (uniqueness) of the protocol. Has the protocol introduced any new innovations that help solve user's problems more efficiently? Is the project a fork? To what extent did they copy/fork the original?

Answer:

A decentralised non-custodial [prediction market](#) protocol, effectively a derivative smart contract that pays out based on the outcomes of future events. In PlotX's case and similar protocols; traders predict the future price movement of cryptocurrencies. Traders are rewarded for correct predictions, predicted positions represent a traders share of the reward pool.

Options	Option Price	Total Participation	Your Participation	Your Positions
<= \$574	1	0.000 ETH 100.000 PLOT	-	- Predict
\$574 to \$580	1.28	0.000 ETH 4500.000 PLOT	-	- Predict
>= \$580	1.7	0.150 ETH 0.000 PLOT	-	- Predict

[Prediction Options for 4 Hour > ETH-USD market](#)



PlotX introduced the first [Pre-IDO prediction markets](#) (PPM). Pre-IDO predictions bet on the future price of a token after its listing on a DEX or CEX. PPM's main benefit for stakeholders:

- Comparative tool to determine wider market sentiment and asset potential.
- On-chain exposure and crowd opinion for crypto projects

The protocol also offers prediction pools with shorter predictive markets, options time intervals between 4 hour, 1 day, and 1 week which is different from the longer general intervals on other prediction marketplaces.

Score: 11

b) Market fit/demand (15 points)

This score evaluates the degree to which the protocol satisfies a strong market demand. The market fit evaluates if the protocol is able to satisfy the needs of a specific market (can also be measured by user adoption/ #of users). To what extent has the protocol proven to meet the demand of a specific market? Is the timing of the product right for the market? Is the protocol targeting the right market?

Answer:

As of 05/02/2022 PlotX users have generated over 700 000 prediction options on the platform with a cumulative value of [\\$27M in participation](#). Initially V1 was built on Ethereum, later moving to Polygon with [V2](#), over 80 000 prediction markets have been created. Since launching in 2020 the protocol's [total users](#) has grown from +150 at the end of 2020 to over 80 000 at the end of 2021, a 50X growth.

Given user growth numbers and multichain usage I would conclude that PlotX has found market fit however how promising this market relative to other market categories is yet to be determined (see 1c).

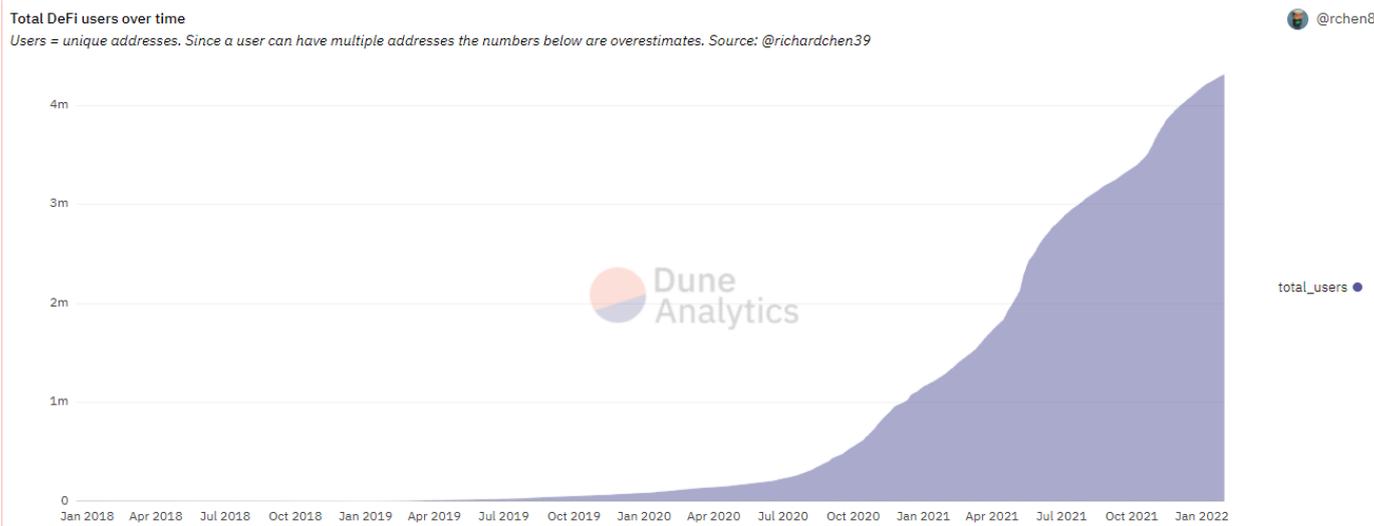
Score: 12

c) Target market size? (10 points)

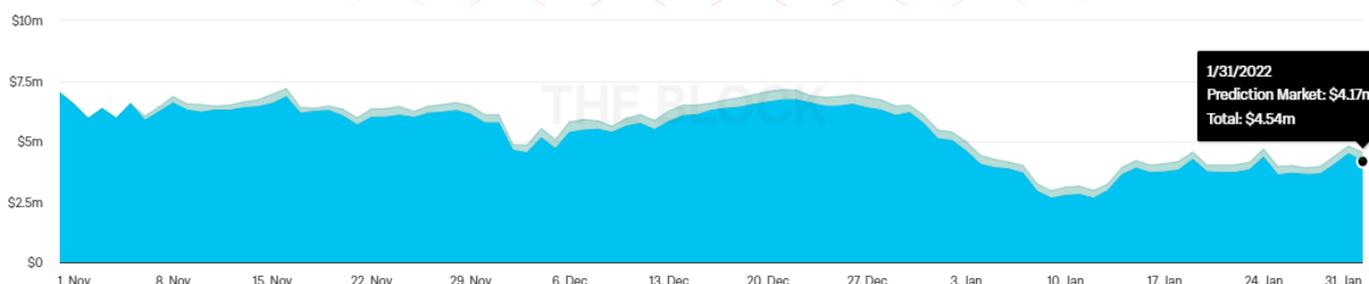
The target market size evaluates the current and future size of the problem the protocol is aiming to solve. The category of the Open Finance solution can be used as a reference to the target market (for example: Lending). Because Open Finance is by definition global, the global market for a specific problem equals the target market size.

Answer:

DeFi sector has seen continuous overall growth, as of early 2022 user numbers have increased to over [4M](#). According to Defipulse, the derivatives market currently has a TVL of [~\\$2B](#) - the overall category of prediction markets - making up a small proportion of the existing DeFi market size of ~\$80B relative to other categories like lending and DEXes. Prediction markets alone make up a smaller segment of the DeFi market with current [TVL sitting at \\$4M](#) based on metrics tracked by [DeFiLlama](#).



Total Users: Dune analytics



Prediction Market TVL

It should be noted that prediction markets are highly seasonal and options positions fluctuate with impending events (for example see 1d). The inherent complexity of predicting crypto price movements should also be considered as a barrier for prediction markets becoming as relevant as DEXes or payment categories. Ultimately a score indicating that prediction markets are currently small but has potential to grow is allocated.

Score: 4

d) Competitiveness within market sector(s) (10 points)

This score evaluates the competitiveness of the protocol within the market sector(s) it operates in. This score offers a relative comparison of the protocol and other protocols operating in the same market sector(s). To evaluate this, metrics to directly compare with the competition can be used (e.g. TVL, trading volume, number of users).

Answer:

PlotX ranks in [Defiprime's](#) top 5 prediction markets protocols, their main direct competitors being Augur, Polymarket and Omen. To an extent [Synthetix's binary options](#) also perform predictive market functions. Augur and Polymarket appear to be the leading prediction market protocols, to illustrate the [2020 US presidential elections](#) saw decentralised prediction markets Augur and Polymarket record trade volume of \$8.6M and \$10M respectively. Augur and Polymarket are also cited as leading decentralised prediction markets by tech news site [Hackernoon](#), [Cryptobriefing](#) and [Coindesk](#).

[Augur stats](#): +2895 markets, +\$15M in trade volume and [+\\$2M in TVL](#) while Polymarket has attracted over [\\$100M in trade volume](#). Polymarket appears to be the DeFi market leader in volume however PlotX can claim to be an alternative to Polymarket comparing better than Augur insofar as most recent data shows and their unique



offer of Pre-IDO prediction pools (see 1b for comparison).

Score: 7

e) Integrations & Partnerships (15 points)

Due to crypto's open-source nature, the code of most protocols can easily be forked. This score represents a piece of "unforkable value". Some indicators to look at are the number of applications built on top of the protocol (vertical integration), other entities integrating the protocol's services (horizontal integration) or the number of relevant partnerships (be careful of logo collections/ partnerships without much purpose).

Answer:

[Paid Network](#): DApp for SMART Agreements, simple and attorney-free business contract, litigation, and settlement processes. [Integration](#) of Paid's 'Ignition' launchpad for new projects and PlotX's pre-IDO prediction markets.

[Knit Finance](#): Protocol for creating cross-chain wrappers. Partnership entails; \$PLOT holders ability to use the token as a payment instrument in Knit Finance marketplace, Knit Finance leverages prediction market protocol. See details [here](#).

[UniFarm](#): Staking pool protocol, PlotX participated in UniFarm's [cohort 3](#), which was active for 90 days.

Paid Network and Knit Finance partnerships are the only 2 with relevant use of PlotX applications, while the UniFarm partnership was limited and not related to prediction markets. Therefore a score reflecting 'some partnerships/integrations' will be given.

Score: 6

2. Tokenomics

The Tokenomics section assesses the function of a protocol's token. This includes the token distribution, functionalities of the token, the ability of the token to incentivize positive behaviour in the protocol, and the ability of the token to capture a portion of the value created.

a) Is the token sufficiently distributed? (15 points)

The token distribution can be an indicator of a healthy protocol. When the protocol tokens are widely distributed among different stakeholder groups and contributors, this genuinely improves the coordinating capability of the token and strengthens the resiliency of the protocol. Was the initial distribution balanced between relevant stakeholders? Are the tokens distributed over sufficient participants (10, 25, 100 largest addresses)?

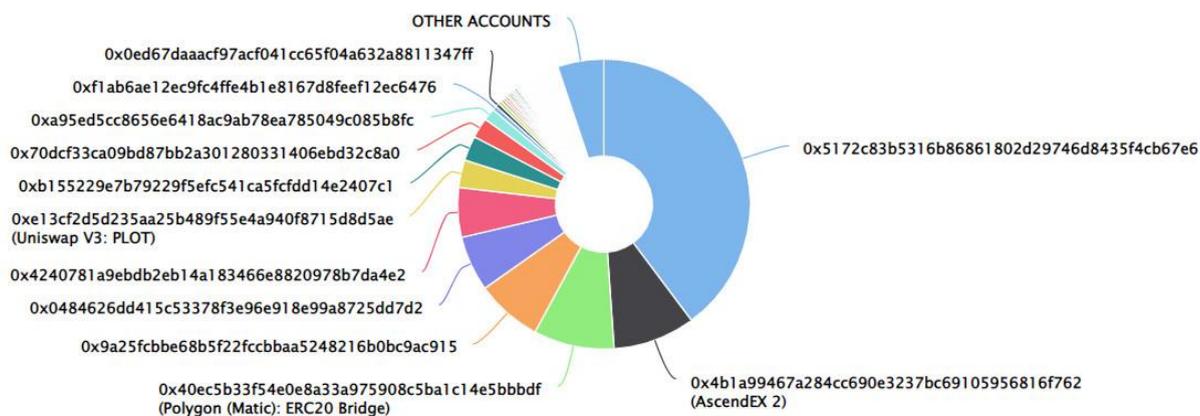
Answer:

Initially [6% of the total supply](#) of 200M was released at a [Token Generation Event](#). \$PLOT is distributed between Ethereum mainnet (V1) and Polygon (V2) see [details](#). On Mainnet ~3100 addresses hold PLOT The top 100 holders collectively own 94.90%. The largest address holding [39%](#) is PlotX's vesting account. The third largest address 'Polygon (Matic): ERC20 Bridge' holds ~8%, within this address [21,438 addresses](#) hold PLOT on Polygon. Competitor Augur REPV2 token distribution is similar with the top 100 addresses owning 95.00%.



PLOT Top 100 Token Holders

Source: Etherscan.io



Mainnet distribution

Circulating supply currently stands at [66M](#) with the rest of the total supply locked away to be released at varying rates. PLOT seems to be fairly distributed with the largest holders on Mainnet being vesting addresses and a [staking contract](#) on Polygon. As only 33% of PLOT has been released, distribution long term should be determined from the distribution table where only 18% is allocated to Team and advisors ([15% and 3% respectively](#)). PLOTs distribution I think would incentivize the stakeholders to improve the protocol, with the community owning the majority of the supply and team/investors tokens being vested. However given this distribution is yet to be realised 2 points are deducted.

Score: 13

b) What is the extent of the token's capabilities? (10 points)

Is the token useful within the protocol? Does the token allow the holders to participate in governance or influence the protocol in any way? Does it serve any other purposes?

Answer:

\$PLOT is the native token for participating in prediction markets (along with other tokens). Additional capabilities:

- Holders can create markets and can claim more PLOT tokens for initiating.
- Market participants who use \$PLOT for predictions instead of ETH pay 50% less in fees.
- Participate in on-chain governance; voting and PlotX Improvement Proposals (PIPs) can be created by any holder.
- Multiplier, stake on PlotX increases the number of positions when entering a prediction market, increasing a users chances of claiming more \$PLOT tokens.
- Staking rewards, single-sided [staking program](#). Stakers earn APY in MATIC & bPLOT tokens.

Source

bPLOT are [wrapped PLOT](#), received as staking rewards. Non-transferable and usable in predictions.



Governance rights, utility and revenue for holders within the protocol suggest a high score, however a 20m PLOT max staking limit of 20m limits the programs access to members on a First-come-first-serve basis. Therefore a score of 9 is given.

Score: 9

c) Is the issuance/distribution model able to improve the coordination of the protocol? (10 points)

To what extent does the issuance of the token support the advancement and function of the protocol? Are the tokens justifiably being issued? Does the issuance model incentivize the right behaviour? Are all relevant stakeholders benefiting from the issuance model?

Answer:

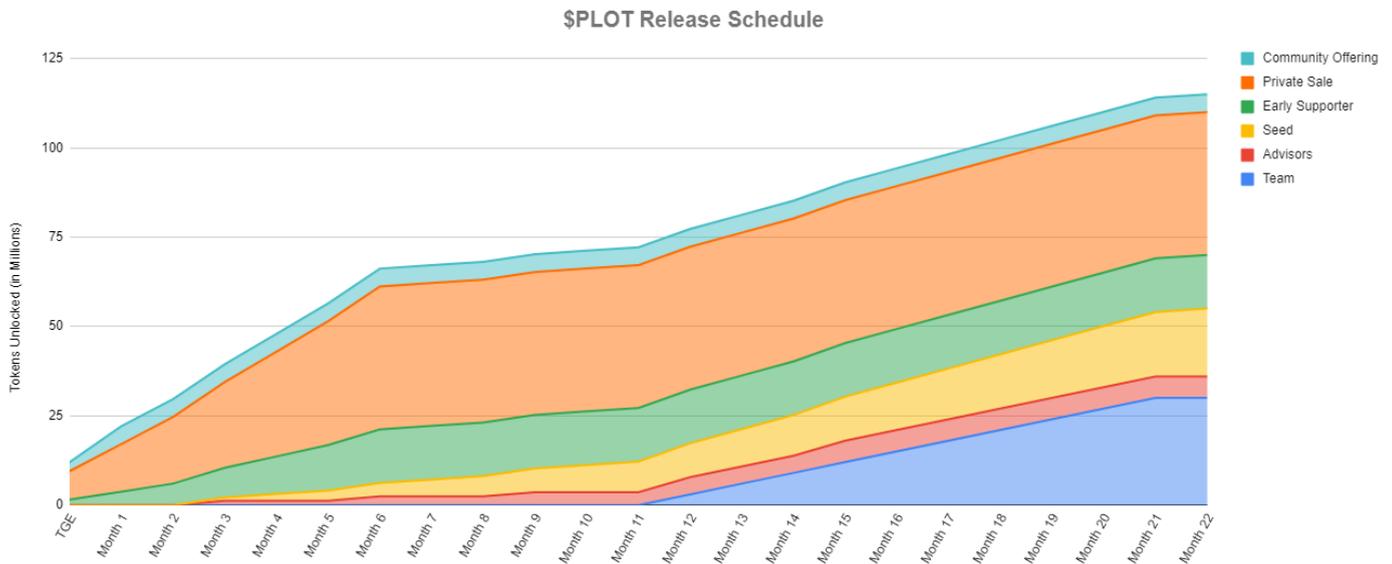
Allocation and distribution schedule: [Source](#)

Stakeholder	Token Allocation % (M)	Vesting Schedule
Seed	9.50% (19M)	5% monthly release after 3 months (Full unlock in 22 months)
Early Supporters	7.50% (15M)	15% release every month (Full unlock in 6 months)
Private Sale	20.00% (40M)	13.33% release every month (Full unlock in 6 months)
Community Offering <i>(PlotX alpha users and predictions market enthusiasts, via DAO Maker)</i>	2.50% (5M)	50% in the following month (Full unlock in 2 month)
Ecosystem <i>(1) Referral - 7.5%, Community Development/Liquidity - 5.0%, Player Incentive (Contests & Promotions) - 5%; Staking Incentives - 5%</i>	22.50% (45M)	See below (1)
Team	15% (30M)	10% release every month (Full unlock in 21 months)
Advisors	3% (6M)	20% release every quarter starting from 3rd month (Full unlock in 15 months)
Reserves <i>(2) Partnerships - 2.5%, Expansion & Future Dev - 5.5% and Reserve - 12%</i>	20.00% (40M)	Locked for 12 months (Full unlock after 12 months)

- (1) Ecosystem: Ecosystem tokens will go back to the community over a span of time. The distribution may change based on feedback and decisions of the community.
- (2) Reserve: Reserve tokens are locked for 12 months and have no governance rights. The distribution may change based on evolving needs of the project.



PLOT’s issuance model as shown above varies between stakeholders, Team and Advisors i.e. centralised influence, have the longest vesting schedule (excluding seed) and collectively own less than a fifth (18%) of the protocol once the vesting periods are exhausted. Decentralised ownership outways centralised ownership and has earlier access to vested tokens.



There is good reason to conclude that this issuance model incentivises the right behaviour as centralised influence has to be invested in the long term success of the protocol and decentralised influence has more control over the protocol. Full marks are reserved for fully decentralised protocols.

Score: 8

d) Is the value capture model able to accrue and distribute value? (10 points)

A value accrual and distribution mechanism can help improve the utility of a token and its ability to be used as an effective coordination mechanism. Does the protocol have mechanisms to distribute some of the value created to the token holders?

Answer:

PlotX v2 charges a [2% prediction fee](#) on all predictions, this is split 10% DAO, 40% Market Creator, 50% Relayer. 40% of the accrual is distributed to a holder who initiates a market and acts as an incentive for providing the initial liquidity.

Value is accrued with distribution that incentivises market creation and underlying transactions (Relayers) to keep the protocol running, however this is limited in value and recipients (prediction pools are small <\$500, see website).

Score: 4



e) Is the token sufficiently liquid to enable active use and trade? (5 points)

Is the token widely available and is there sufficient liquidity available to facilitate all protocol functionalities?

Answer:

PLOT is available on 2 centralised exchanges and 2 decentralised exchanges. Liquidity on decentralised exchanges Uniswap and Quickswap has a positive trust score on [Coingecko](#) even though volume is low across markets (<\$250K) relative to circulating market cap [~\\$6M/~\\$9M](#).

#	Exchange	Pair	Price	Spread	+2% Depth	-2% Depth	24h Volume	Volume %	Last Traded	Trust Score
*	eToroX Sponsored									
1	Uniswap (v3)	PLOT/ETH Info	\$0.103540	0.6%	\$22,326	\$22,259	\$229,718	41.46%	Recently	●
2	Quickswap	USDC/PLOT Live Chart	\$0.104943	0.6%	\$9,571	\$9,542	\$108,304	19.55%	Recently	●
3	Quickswap	QUICK/PLOT Live Chart	\$0.104943	0.61%	\$1,076	\$1,073	\$11,616	2.10%	Recently	●
4	Uniswap (v2)	PLOT/WETH Live Chart	\$0.111806	0.61%	\$1,051	\$1,048	\$3,878	0.70%	Recently	●
5	Quickswap	WMATIC/PLOT Live Chart	\$0.104943	1.16%	\$14	\$14	\$115	0.02%	Recently	●

[Coingecko PLOT markets](#)

Centralised exchanges Hoo and AscendEx are ranked [19th and 43rd](#) for exchanges activity, liquidity on these markets is low ([scored 0 - 1000](#), close to 1000 representing high liquidity).

#	Source	Pairs	Price	+2% Depth	-2% Depth	Volume	Volume %	Confidence	Liquidity	Updated
1	Uniswap (V3)	PLOT/WETH	\$0.1028	-	-	\$231,745	67.24%	N/A	-	Recently
2	AscendEX (Bitmax)	PLOT/USDT	\$0.105	\$1,762.42	\$820.16	\$199,369	57.85%	High	190	Recently
3	Hoo	PLOT/USDT	\$0.0695	-	-	\$26,026	7.55%	Moderate	1	Recently
4	QuickSwap	PLOT/USDC	\$0.08341	-	-	** \$12,599	0.00%	N/A	-	16 hours ago

[CoinMarketCap PLOT markets](#)

Score: 1

f) Are there any extrinsic productivity use cases for the token? (10 points)

Besides the protocol's value distribution model as described in 2. d), can the token be used productively on other protocols (e.g. as collateral, for lending, LPing, yield farming, etc.)?

Answer:

\$PLOT holders can [provide liquidity](#) on Uniswap and Quickswap, earning the respective Liquidity Provider (LP) tokens. Received LP tokens can be staked on PlotX to receive more \$PLOT.

Liquidity provision is a common use case but with PLOT's cross chain potential a score of 4 is given.

Score: 4



3. Team

The Team section describes the quality of the team behind the protocol. The current version of Prime Rating favours teams that are publicly identifiable. In the case of an anon team, the track record of the specific anons involved can be taken into account

a) Is the team credible and public? (15 points)

Are the identities of the core contributors and team publicly identified? In the case of anon team members, is there any way to track their background/record?

Answer:

Developed by Somish Blockchain Labs, founding members:

Ish Goel CEO: [Crunchbase](#), [LinkedIn](#), [Twitter](#) - Nitika Goel CTO: [LinkedIn](#), [Twitter](#) - Kartic Rakhra: [Crunchbase](#), [LinkedIn](#), [Twitter](#) - Satheesh Ananthasubramanian: [LinkedIn](#).

Founding team is a highly credible and public team with a collective experience of having developed [Nexus Mutual](#) (smart contract insurance), [GovBlocks](#) (on-chain governance toolkit) and other Somish Labs Web3 [products](#) and [services](#).

Score: 15

b) Does the team have relevant experience? (10 points)

Are there any documents or trails available to showcase the track record of the team? Do the team members have relevant backgrounds and skill sets?

Answer:

Ish Goel, Ethereum developer since 2016. Along with Nitika, Ish won the London Blockchain Week Hackathon in 2017 and joined Nexus Mutual as the CTO.

Nitika Goel: Lead Developer of Nexus Mutual. Co-founded GovBlocks, author of the ERC1132 lockable token standard on Ethereum.

Kartic Rakhra; Co-founded GovBlocks along with Ish & Nitika. He also set up India's largest blockchain community via the India Blockchain Week in partnership with Fintech Worldwide.

Satheesh A: 25 years of experience in the IT sector across organisations like Cognizant and BORN.

Sources: [PlotX Docs](#), LinkedIn (see above), [Yahoo Finance](#)

A Highly skilled team merits a high score, however no previous experience in prediction markets/betting reduces the score to 8.

Score: 8



c) Does the team participate and help shape the public debate? (5 points)

To what extent do the protocol contributors participate in the public debate around open finance? Are the team members giving presentations, sharing their thoughts and opinions, and do they help raise the collective intelligence of the industry?

Answer:

The Team is publicly active, Ish has given presentations at [TEDxTalk](#) on Blockchain technology and most recently an interview on [CryptoCoinShow](#). They regularly tweet about Web3/Open finance and participate in discourse. The founding team collectively have over 2500 followers on twitter. Kartic is also a prominent moderator on PlotX's Discord and Telegram.

Score: 4

d) Is the team able to effectively attract and coordinate resources? (10 points)

How effective is the team at attracting and coordinating resources for the benefit of the protocol? Has the team raised sufficient funding or are there mechanisms in place to attract resources when needed?

Answer:

PlotX raised a [\\$2.4M seed](#) round in 2020 , with participation from the public community and private companies. 2022, the team raised a [\\$5M pre-Series A](#) round led by Polygon & Hashed.

The [funding](#) will be used to expand on GameFi/Play2Earn built on by PlotX , aiming to introduce new features, support PlotX growth and reward the community. Coordination appears to be currently handled by the [Advisory team](#) unclear how efficient this is.

Score: 7

4. Governance

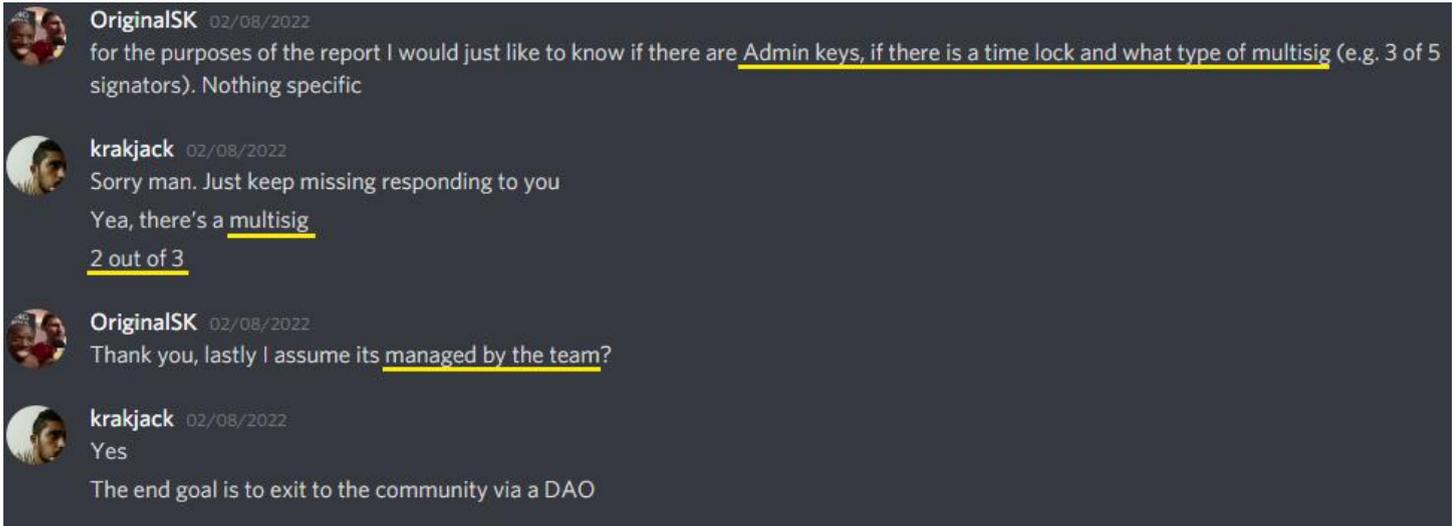
The Governance section evaluates how the protocol is governed and who the governors are. The different governance functionalities and processes are evaluated to determine to what extent the Protocol will be able to self-govern in a way that ensures the development of the protocols while respecting the needs of all current and future stakeholders.

a) Admin Keys (20 points)

Admin Keys allow some critical functionalities of a protocol to be controlled by an admin. This allows the developers to react to potential bugs, but also creates a risk as the developers could potentially misuse the admin keys to exploit the protocol. Does the protocol have admin keys and how are they managed?

Answer:

PlotX have admin keys, a 2 of 3 multisig managed by the team. They intend to transfer to the community.



Discord interaction with PlotX cofounder Kartic Rakhra (discord handle 'krakjack')

Details on timelock were not disclosed (from initial query or follow-up query), additionally no roadmap to community exit could be found in their docs.

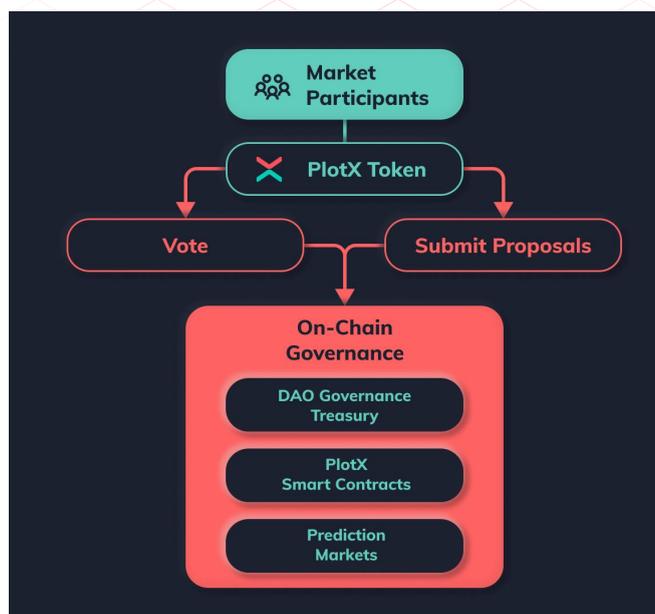
Score: 5

b) Extent of Governance capabilities (15 points)

Distributed governance allows the token holders to participate in the governance of open finance protocols. How much influence does the governance mechanism have? Are the votes affecting on-chain changes or do they function solely as signals to the team?

Answer:

Protocol proposals can be made by any PLOT holder and includes decisions on market dispute resolution, creation of new markets, implementing emergency pause and any other smart contract changes.



An [Advisory Board](#) also participates to facilitate decisions requiring interaction with the non-blockchain world as well as govern extreme scenarios e.g. emergency pause. Board ultimately decides which proposals are



whitelisted for vote (see page 28 in [Whitepaper](#)), voting rights do not include votes on; 'Operations and management of the Company' or 'Assets' (see page 29 in whitepaper).

As a result I would conclude that given the presence of an overseeing Advisory Board and exclusion of control of management and assets related to PlotX (excluding DAO treasury), governance has influence on multiple operations of the protocol. A score of 8 is given as these details are not widely accessible on their online docs.

Score: 8

c) Active Governance contributors (5 points)

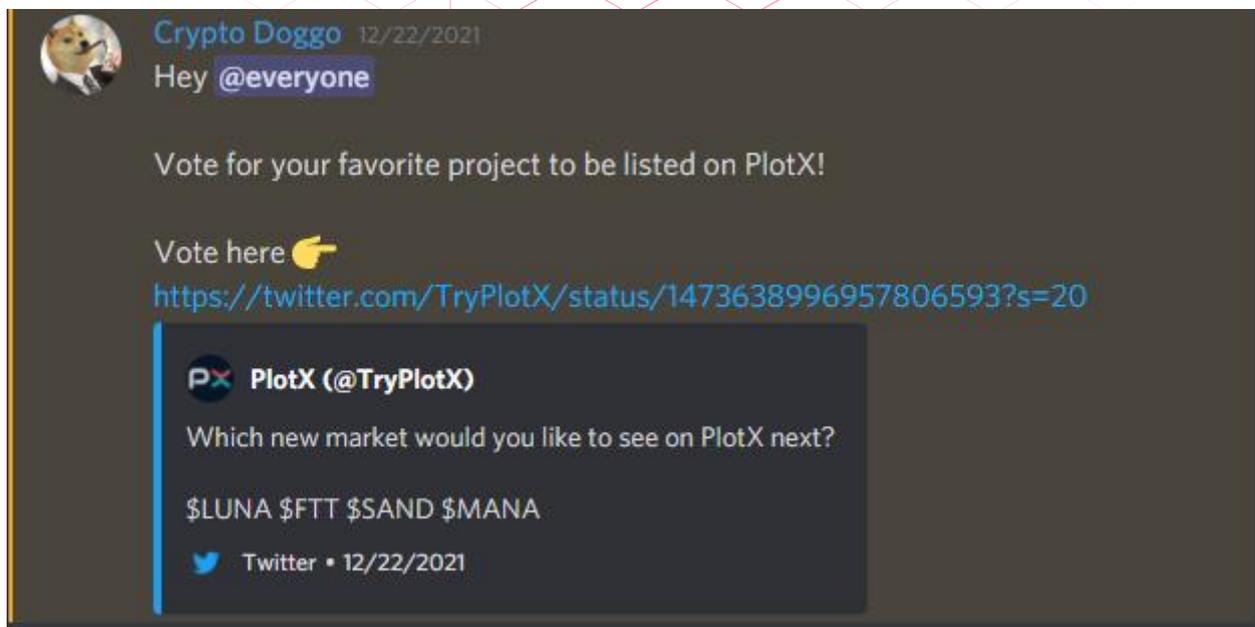
Governance is a process that can be rather resource-intensive if executed well. To ensure good governance is practiced by the protocol, it's important to have a sufficient number of governors allocate resources to the governance process of the protocol. How many individuals participate in the debate around the protocol? How active are voters?

Answer:

Governance proposals on [forum](#) and GovBlocks have not occurred in almost a year which would bring to question the engagement of the community. Since 2020 only 11 protocol proposals have been proposed and the last vote on GovBlocks occurring in Jan 2021.

Views on proposals are relatively high between 300 - 1000, however not a lot of debate occurs; the proposal with the most replies was posted on Nov 2020.

Recent governance discussions and votes have been conducted through Discord and Twitter.



Therefore a score of 1 is given for historical proposals and small numbers of governance participants.

Score: 1

d) Governance technology/infrastructure (10 points)

The Governance infrastructure relates to the technology, software, and models used by the protocol's governance.



Does the protocol have a reliable and usable voting mechanism? Are there channels for governance debate? Is there sufficient documentation available?

Answer:

On-chain governance (votes) managed by [GovBlocks](#) and Plot Improvement Proposals (PIP) on [forum](#). Unlike a lot of DAO's who use Discord for informal governance debate, PlotX don't utilise their channels to discuss governance and as of recent not a lot of governance talk has taken place. Documentation is available in their docs (see 4e) and more extensively in their [Whitepaper](#) (see pages 26 - 31).

Therefore I would conclude that the protocol has useful infrastructure even though they are underutilised. Documentation could be more detailed within their online docs.

Score: 6

e) Robustness of Governance process (10 points)

This score requires documentation specifically on the governance process that sets the basic framework in terms of agreements, norms, and language for governing the protocol and to create social consensus. Does the protocol have a formal governance process? How robust is the governance process and does it promote good governance?

Answer:

Documentation on governance can be found in their docs ([Source 1](#), [Source 2](#)) however reliability is concerning as PlotX have 2 sets of docs for PlotX v1 and PlotX v2, governance documentation is missing from v2. The [whitepaper](#) has the most in depth documentation on governance (see pages 26 - 31) however it is not easily visible.

This section is scored 6 as consistency between docs and visibility could be improved. Additionally the centralised nature of the Advisory Board in governance also detracts from this score.

Score: 6

5. Regulatory

The Regulatory section describes the extent and quality of the regulatory environment that affects the Protocol. To be able to guarantee functionality, security, and legality the protocol should comply with regulatory requirements, or limit itself to facilitating services to users who are willing to operate outside of the traditional regulatory environment.

a) Does the protocol have any legal accountability? (15 points)

Does the protocol have any form of legal accountability? Can users and partners hold the protocol accountable in case of a breach of the agreement?

Answer:

[Somish Blockchain Labs](#); PlotX under product portfolio as 'Plotus'

Score: 15



b) What is the quality of the legal jurisdiction? (10 points)

If the protocol has a legal entity, what is the quality of the jurisdiction the entity is established in? Will the jurisdiction be able to facilitate the legal framework for the protocol to expand while remaining accountable.

Answer:

India

Score based on [WJP Open Government Index rankings](#)

Score: 6

About the Author: OriginalSK

