

# Fundamental

Prime Rating Report V2.0

**Protocol:** DeFi Saver

**Version:** 1

**Previous Report:** n/a

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**Author:** OriginalSK

**Reviewed by:** 🤪 a Rating Pepe

**Season/competition:** rate-athon #2

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## 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:**

DeFi Saver is an asset management application that enables users to create and manage DeFi positions across Ethereum protocols. The interface allows users to create lending, borrowing, leveraging and more complex positions on protocols like MakerDAO, Compound, Aave, Uniswap, dYdX and more. The aim of a position may be to maximise yield, protect against liquidations on collateralized debt, or to find the best APY for lending.

It shares similarities to other [DeFi aggregator](#) tools Zapper, InstaDApp and Zerion being non-custodial managers and providing access to major protocols. DeFi Saver differentiates itself by allowing users to create complex transactions that combine automated actions (e.g. borrowing X token → swap X token for Y token → Deposit Y into Aave) from different protocols through a [drag-drop](#) and [natural language](#) processing interface called [Recipe Creator](#).

The platform also has a simulator feature that allows users to become more accustomed to the app and practise strategies. This feature doesn't seem to exist in competitors Zapper, InstaDApp or Zerion.

Source: [DeFi Saver Blog](#).

**Score:** 12

## b) Market fit/demand (15 points)

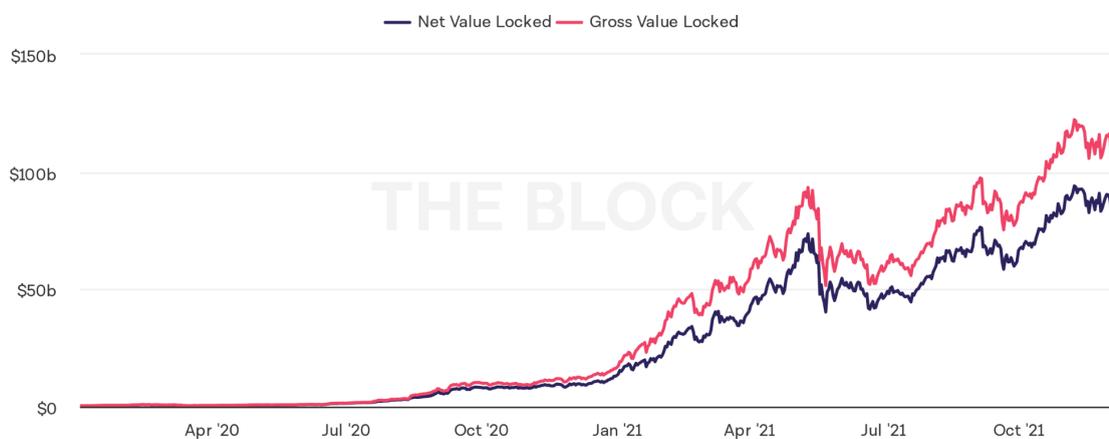
This score evaluates the degree to which the protocol satisfies a strong market demand. The market fit evaluates if the protocol is able to satisfy the needs of a specific market (can also be measured by user adoption/ #of users). To what extent has the protocol proven to meet the demand of a specific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

### Answer:

The interface aggregates DeFi positions across protocols in one place. The DeFi market has seen overall growth since the start of the year with. TVL in DeFi sits at approx [\\$104B Gross \(\\$86B Net: excludes assets that are double-counted in multiple protocols.\)](#). DeFi Protocols with over \$1M TVL ([Source: TheBlockCrypto - Gross/Net DeFi TVL](#))



Gross Value Locked and Net Value Locked (Ethereum DeFi)



SOURCE: DEBANK  
UPDATED: DEC 8, 2021

According to DeFi Savers most [recent newsletter](#); users actual trade volume on the platform amounted to \$398M in Aug 2021 with 2,800 unique leverage transactions and managing over \$672m of collateralized assets (TVL). In [July](#) trade volume amounted to \$191M with 3,100 unique transactions and \$460M TVL. Currently TVL is approx [\\$968M](#).

Given the growth of DeFi in TVL and over [128 DeFi projects](#), the need for an aggregating solution makes sense given the complexity of managing various positions in these protocols. DeFi Savers numbers indicate positive growth (apart from unique transactions) and prove to be meeting a growing demand.

**Score: 9**

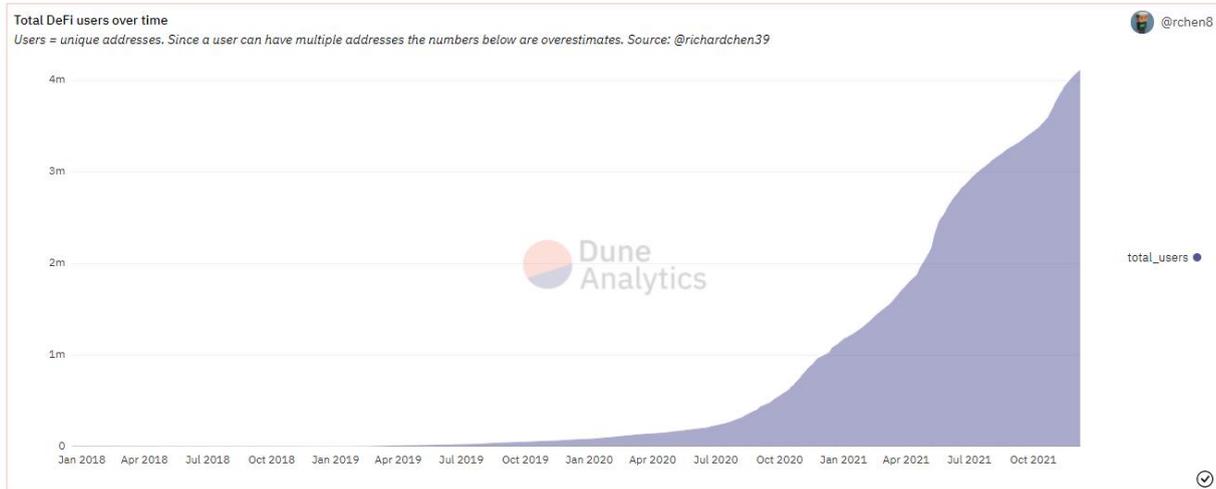
## c) Target market size? (10 points)

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 Saver targets users with or without advanced experience in DeFi. [Total DeFi users](#) are approx over 4.1M, their addressable market is therefore within this figure. Growth in users in DeFi has been exponential at 300% (11-2020 to 11-2021) this growth rate long term isn't sustainable but it does represent large potential for the future size of the market.

**(Total DeFi users)**



**Score: 10**

**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:**

As a functional portfolio manager DeFi Saver competes with Zapper, InstaDApp and Zerion. InstaDApp has over [30K average](#) monthly users (between 06-2021 & 11-2021) and over [\\$12B in TVL](#). Market leader Zapper has over [1M monthly active users](#) and over \$10B in trade volume processed since May 2020. Zerion to date has over [240K monthly active users](#) and processes over \$1B in transactions. In comparison DeFi saver has performed less transactions and attracted less users (see 2b) than Zapper, InstaDApp and Zerion.

The difference between Defi Saver and its competitors isn't vast enough to consider them to be struggling; the [\\$398M trade volume](#) reported Aug 2021 (most recent) I think would have grown given their historic figures along with their user count and TVL.

**Score: 5**

**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:**

DeFi saver acts as the 'middleware' between protocols and users, so the majority of their partnerships/integrations are geared towards integrating other protocols onto the platform to attract more users. DeFi Saver users have access to [over 20 DEXes](#) including Uniswap, SushiSwap, Curve, Kyber, Mooniswap, Balancer, Bancor after integrating with 0x along with other protocols like Kyber, Oasis, Aave, Compound, DyDx and Reflexer.

**Score: 9**

## 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 behavior in the protocol, and the ability of the token to capture a portion of the value created.

**No token associated**

## 3. Team

The Team section describes the quality of the team behind the protocol. The current version of Prime Rating favors 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 Decenter; an R&D center and project incubator focused on developing Ethereum based decentralized technologies. They additionally provide security audit services on smart contracts. The company [Website](#) and [LinkedIn](#).

Decenter have developed several crypto projects namely; [DeFi Explore](#) (a DeFi analytics platform), [SmartContractAudits](#) (auditor directory), [Cryptographics](#) (a digital artwork hub and generation tool), Ethership (a p2p game) and [Cryptage](#) (a decentralized game) among others.

**Score: 12**

## 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:**

[Andrej Čvoro](#): CEO & founder, Software Developer with more than ten years of coding experience as a Blockchain and web developer.

[Nikola Milinković](#): User Acquisition Manager, Experienced marketer with several years in digital & product marketing.

[Nikola Janković](#): Content and Community Manager

[Nikola Vuković](#): Frontend/UX Lead, Experienced Software Engineer.

[Nikola Klipa](#): Backend Lead

The software company has also competed and achieved awards or high places in competitions. Most Notably ETHBerlin, ETHParis and IMGA Blockchain game awards. (see website)

*(Decenter achievements)*



**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 regularly tweet, post blogs or do [interviews](#) about DeFi Saver however finding more evidence was hard, with members having spoken at [DefiSummit in 2019](#) and attending [LisCon](#) 2021.

**Score: 2**

## **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:**

Decenter don't seem to have disclosed any investments they have received. [Starting in August 2017](#), the team developed prior projects like  $\Xi$ XTEND and Melon Mail, DeFi Saver is another product under the Decenter business. Their [annual revenue for 2019](#) was \$230 507 showing an ability to attract self generated resources.

Given that [InstaDApp has raised over \\$12M](#) and [Zerion >\\$8.2M](#), I think this is an indicator that Decenter needs to attract notable investment to compete.

**Score: 3**

## **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:**

DeFi Saver employs three smart contracts layers which have varying admin level controls (full details in [docs](#)):

1. User's Smart Wallet; a standard [dsproxy](#) created and managed by users only, no admin access possible.

2. Protocol Actions SC; used in Recipes and when users interact with the app, these contracts are replaceable, contract purpose e.g. updating protocol interactions and optimising gas usage.
3. Automation SC; used in management of collateralized debt positions (CDP), these contracts have access controls. Upgrades are initiated by a 3/5 multisig (Owner), and timelocked for 24 hours by a different 2/3 multisig (Admin).

It should be noted that Automation is non-custodial and trustless, users never give up ownership of their CDP and smart contracts never hold or pool user funds.

Automation never has access to end accounts e.g. MetaMask or Ledger account. (See Team member Nikola J Automation summary [here](#))

[\(DeFi Saver Discord\)](#)



To summarize; the multisigs are [operated by the team](#) for parameter changes and contract upgrades (Owner) and to change the owner account in case of compromises (Admin). The 24h time lock provides the team sufficient time to react to a compromise.

**Score: 8**

## **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?

**N/A**

## **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?

**N/A**

### **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?

N/A

### **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?

N/A

## **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:**

DeFi Saver is an application built by [Decenter](#) (Doing Business as: DECENTER D.O.O., business registration info available [here](#))

**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:**

Serbia

**Score: 6**

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

## Scorecard

| <b>1. Value Proposition</b>   | <b>Points</b>   |
|---|-----------------|
| a) Novelty of the solution  | 12 / 15         |
| b) Market fit/demand  | 9 / 15          |
| c) Target Market Size   | 10 / 10         |
| d) Competitiveness within market sector(s)                                  | 5 / 10          |
| e) Integrations & Partnerships  | 9 / 15          |
| <b>Total Points - Value Proposition</b>                                     | <b>45 / 65</b>  |
| <b>3. Team</b>  | <b>Points</b>   |
| a) Is the team credible and public? (No, Partly, Yes & Anon , Yes & Public) | 12 / 15         |
| b) Does the team have relevant experience?                                  | 8 / 10          |
| c) Does the team participate and help shape the public debate?              | 2 / 5           |
| d) Is the team able to effectively attract and coordinate resources?        | 3 / 10          |
| <b>Total Points - Team</b>  | <b>25 / 40</b>  |
| <b>4. Governance</b>  | <b>Points</b>   |
| a) Admin Keys   | 8 / 20          |
| <b>Total Points - Governance</b>  | <b>8 / 20</b>   |
| <b>5. Regulatory</b>  | <b>Points</b>   |
| a) Does the protocol have any legal accountability?                         | 15 / 15         |
| b) What is the quality of the legal jurisdiction?                           | 6 / 10          |
| <b>Total Points - Regulatory</b>  | <b>21 / 25</b>  |
| <b>Total</b>  | <b>99 / 150</b> |