# Fundamental Report - Metaverse

**Prime Rating Report V1.1**

**Protocol:** UFO Gaming
**Category:** Gaming
**Version:**
**Date:** 13/04/2022
**Previous Report:** None

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**Reviewed by:** OriginalSK
**Season/competition:** Metaverse Rate-athon

## Scorecard

| 1. Value Proposition | Points |
|---|---|
| a) Novelty of the solution | 5 / 15 |
| b) Target market size | 10 / 15 |
| c) Product-market fit | 8 / 15 |
| **Total Points - Value Proposition** | **23 / 45** |
| **2. Competitive moat** | **Points** |
| a) Integrations & partnerships | 2 / 10 |
| b) Intellectual property | - / 10 |
| c) Infrastructure - security | 8 / 10 |
| d) Infrastructure - fees and ancillary infrastructure | 8 / 10 |
| e) Treasury management | - / 10 |
| **Total Points - Value Proposition** | **18 / 30** |
| **3. Tokeneconomics** | **Points** |
| a) Genesis token distribution | 13 / 15 |
| b) Purpose of the token | 5 / 10 |

| | |
|---|---|
| c) Ongoing token issuance / inflation | **- / 10** |
| d) Value capture | **0 / 10** |
| e) Token liquidity | **5 / 5** |
| f) Extrinsic productivity | **1 / 5** |
| **Total Points - Tokenomics** | **24 / 45** |
| **4. Team** | **Points** |
| a) Credibility and reputation | **3 / 10** |
| b) Relevant experience | **4 / 15** |
| c) Thought leadership and public presence | **5 / 10** |
| d) Ability to foster a community and coordinate resources | **10 / 15** |
| **Total Points - Team** | **22 / 50** |
| **5. Governance** | **Points** |
| a) Extent of governance capabilities | **- / 10** |
| b) Active governance contributors | **- / 5** |
| c) Governance infrastructure robustness | **- / 10** |
| d) Process and ease of use | **- / 5** |
| **Total Points - Governance** | **- / 30** |
| **Total** | **87 / 170** |

## For gaming projects only:

| **6. In-game economy** | **Points** |
|---|---|
| a) Ease of use / Onboarding | **- / 15** |
| b) Sustainability of P2E or in-game economy | **- / 20** |

| c) Utilisation of NFTs | 13 / 15 |
|---|---|
| **Total Points - In-game economy** | **13 / 15** |
| **Total** | **100 / 185** |

# 1. Value Proposition

The "Value Proposition" section assesses the value a protocol delivers to its users. The rating is based on the size of the problem a protocol addresses and the product/market fit of the protocol's solution

## a) Novelty of the solution (15 points)

This score evaluates the novelty (uniqueness) of the protocol. Has the protocol introduced any innovations that help solve users' problems, either technical or organisational? Or has it just forked someone else's code?

**Answer:**

UFO Gaming is a decentralized gaming platform with a metaverse ecosystem, which links traditional games on the blockchain through integration, developing new features, and other improvements brought by blockchain technology. Protocol native token is UFO - utility token and payment currency for UFO gaming metaverse with staking feature that produces in-game fuel called Plasma Points.

The Dark Metaverse is a UFO Gaming metaverse ecosystem that will comprise P2E games, in-game NFTs, virtual land, a marketplace, and a metaverse launchpad. Each game released by UFO gaming will represent its own planet in Dark Metaverse. The first game that will be released in Dark Metaverse is Super Galactic - NFT play-to-earn game with an auto battler. Super Galactic will have a dual token system, with UFO as governance token and UAP as play-to-earn reward currency. From UFO Gaming documentation: *"Super Galactic is an RPG/arcade action/ARG game that lets you battle and breed digital super soldiers in UFO's first revealed fourth dimension realm. This is also the introduction to The Dark Metaverse's own finite in-game assets (UFOeps)."*

UFO protocol will implement a rating system that will reward users based on activity and NFT evolving in-game features.

As a gaming-focused metaverse, UFO Gaming has not introduced some novelty approaches to that market. It is quite difficult to comment on the innovative aspect of the protocol because the products are still not usable. However, it can be assumed, based on the UFO documentation, that the protocol will be focused on gaming and integration (migration) of traditional games on blockchain as well as the development of new blockchain games. Compared to the leading metaverse protocols, Decentraland and Sandbox, which are more focused on intellectual property integrations this would certainly be a different approach. Providing full service in the migration of traditional games on the blockchain model sounds like a great value proposition but it is a very complex task from many aspects (technical, economic, regulatory) and still without a serious case study (example). It is also not possible to find documentation or an article on how the UFO protocol plans to organize the processes for providing these services. If we take into account that such similar services are provided by Layer 2 protocols such as Polygon (Polygon Studios), it is quite questionable what UFO Gaming can do in this segment.

The score is lower by -5 because the UFO Gaming idea with dynamic NFTs and their better in-game utility has potential but it is still not an innovation. Additional -5 points on score because providing gaming project transition services to UFO metaverse infrastructure is difficult to achieve.

**Score:** 5

# b) Target market size (15 points)

The target market size evaluates the current and future size of the problem a protocol aims to solve. While the term Metaverse is all-encompassing, what is the target market size for the relevant sector? For example, NFT games are trying to disrupt the traditional gaming industry, which is reported to be worth roughly $175 billion.

**Answer:**

UFO Gaming's target market is the global gaming market with a size of $1.98T. The gaming market has stable and sustainable growth and growth is projected at even higher rates. In the medium term (1-5y) the UFO protocol can realistically target an online gaming market whose size is ~$40b. Given the goals of the UFO team mentioned in the protocol documentation, the UFO protocol should play a key role in the transition of online gaming projects to the use of blockchain technology. Given that this market is more dedicated to Layer 2 protocols (Polygon, Binance Smart Chain) that have more resources and robust infrastructure, the UFO protocol can only be competitive in a smaller niche.



*(source: Research and markets)*

The online gaming market is probably already reachable but most gaming protocols are in Beta or haven't even launched a minimum viable product (like UFO Gaming), so I do not expect some changes in the short term.

In the short term, gaming protocols are limited to the blockchain gaming market, mostly on building a protocol ecosystem through
- formation of an active community around protocol
- integrations and partnerships with other decentralized projects
- formation of an early user base

The gaming market is huge with signs of sustainable growth, but the protocol target market will most likely be inside crypto space, Because of that score is lower by -5.

**Score:** 10

# c) Product-market fit (15 points)

Product-market fit evaluates the degree to which a protocol satisfies market demand in their specific sector. How many users does a protocol have? What is the trading or transaction volume on a platform? Is there growth on both the buy and sell side of the market? Is the protocol targeting the right product segment at all?

**Answer:**

The UFO Gaming protocol is not yet active in the market, so it is not possible to say whether it meets market demand, but by comparing UFO protocols with protocols that have a similar product based on community engagement and the number of token holders it is possible to estimate protocol popularity.

| Metaverse P2E Protocol | Market cap | Number of accounts | mcap/N#Accounts | Twitter followers | Medium articles | Reddit members |
|---|---|---|---|---|---|---|
| UFO Gaming | $202,251,913 | 64,144 | 3153 | ~144,500 | 47 | 716 |
| STARL Metaverse | $122,032,106 | 32,680 | 3734 | ~77,500 | 22 | 3064 |
| The Sandbox | $3,339,363,395 | 135,960 | 24561 | ~977,000 | 100+ | ~16.4k |
| Decentraland | $3,228,634,833 | 235,643 | 13701 | ~607,800 | 100+* | ~86k |

*Decentraland has own blog  (source: Coingecko, Dune analytics, Twitter, Medium, Reddit)

Currently there are 64,144 UFO holders which is a respectable number if it's compared to leaders in metaverse space - Sandbox (135,960) and Decentraland (235,643), with the UFO protocol market cap per holder being much lower. Number of Medium articles is a good indicator of how active the protocol team and contributors are in informing users about protocol development, events, changes, upgrades and providing educational content. UFO Gaming has published 47 Medium blog posts which is more than double than STARL Metaverse, but much less than Decentraland (own blog) and The Sandbox which already launched a product and have a more robust infrastructure that is intended for creators, organizations, and other service providers. The UFO Gaming community is more active on Twitter, while on Reddit has just over 700 members.
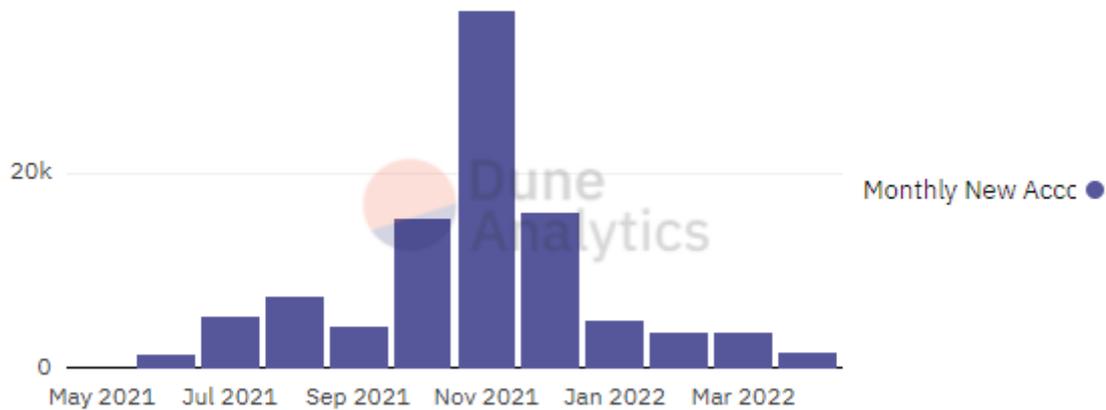
By observing the number of new accounts with UFO token on monthly basis is visible big increase in November:



UFO Gaming (UFO)                                    @guya

Monthly New Accc ●

*(source: Dune Analytics)*

Cause of the increase in the number of UFO accounts is a [Musk Effect](), since UFO belongs to the group of tokens such as DOGECOIN, SHIBA and STARL which originated as memes on Elon Musk's influence on the crypto market. On 13 November 2021, Musk's company SpaceX announced the launch of 53 Starlink satellites to orbit, and that event caused an increase in market price of mentioned tokens.

According to the number of users on social networks, the performance of UFO tokens (mcap, holders), and placed value proposition, the UFO protocol has a product that is market fit. However, the protocol emerged as a meme coin with strong marketing and a custom narrative, so the question is how relevant are the currently available data (social networks, wallet with UFO token). The [testing]() of the first UFO game in metaverse, Super Galactic, involved [1,000]() community members and for the next test the number was increased to 1200. So if that was the minimum number of users then the UFO protocol should have a solid starting position when the game launches. The score is lower by 7 because competitors like The Sandbox and Decentraland have higher user adoption and launched minimum viable product.

**Score:** 8

# 2. Competitive Moat

The "Competitiveness" section looks at a protocol's competitive moat in the space and its unforkable assets. This includes integrations and partnerships, intellectual property, the underlying infrastructure being used, and treasury management.

# a) Integrations & partnerships (10 points)

Due to crypto's open-source nature, the code of most protocols can easily be forked. This score represents one piece of unforkable value. Some indicators are the number of applications built on top of the protocol (vertical integration) and other entities integrating the protocol's services (horizontal integration).

**Answer:**
UFO Gaming doesn't have any integration currently, and the significant partnerships are with Horizon Union, Merit Circle DAO, Polygon, and Kadena network.

Merit Circle is a  DAO with a focus on play to earn activities. The main feature of Merit Circle is that it does not invest directly in gaming protocols but by investing in protocol NFTs (game items, land plots) and tokens with the aim of active participation. Merit Circle has acquired a combination of in-game NFTs, land plots and $UFO tokens for a total worth $140,000.

UFO Gaming is the first blockchain startup to form a significant partnership with the well-known eSport, gaming, and content organization, Horizon Union, which have close ties with the giant brand, GFUEL. Signifying that they are further branching into the eSport scene, as they have just completed a successful tournament.

UFO Gaming has made a strategic partnership with Kadena blockchain in order to make a better P2E experience for The Dark Metaverse. A partnership has also been concluded with Polygon - EVM compatible multi scaling solution.

**Score:** 2

# b) Intellectual property (10 points)

Intellectual property is and will continue to be a crucial part of the metaverse. This score considers if a project, for example, developed a unique IP that creates a sustainable competitive moat around it or, as an alternative, secured IP through agreements with outside parties.

**Answer:**
Although no product has yet been launched, UFO Gaming will focus on implementing traditional games on the blockchain infrastructure and will provide gaming teams with assistance throughout the migration process. From this VP it can be concluded that the UFO protocol will at the same time develop its own IP as a service provider and build partnerships by providing services to clients with already developed IP (third party).

**Score:** N/A

# c) Infrastructure - security (10 points)

Metaverse projects make all kinds of choices when it comes to infrastructure. Some build their own solutions, whether Ethereum side-chains or a new blockchain entirely, and some deploy to an existing sidechain or a level 1 blockchain. These decisions have significant trade-offs across security, maintenance, ease of use, costs and scalability, etc. This score assesses specifically the security of the chosen infrastructure solution.

**Answer:**

UFO Gaming made two partnerships related to implementation of scaling solutions, with Kadena and Polygon. Kadena is an ultra scalable layer 1 proof-of-work system that provides security of Bitcoin, virtually free gas (transaction fees), smart contracts with built-in automated auditing (PACT) and unparallel throughput.

Kadena blockchain looks like a great solution for P2E gaming protocols like UFO Gaming, but UFO is the first such protocol on Kadena so all the above features should be taken with a dose of caution.

Polygon is a great scaling solution, especially for gaming protocols because of very low gas fees, high scalability and fast processing transactions. The only significant drawback of Polygon is the small number of validators, capped at max 100 validators.

Both scaling solutions are great choices with minimal security trade-offs, however the UFO protocol is not currently deployed on any chain which is why the score was reduced by 3 points.

**Score:** 8

# d) Infrastructure - fees and ancillary infrastructure (10 points)

The section above assessed specifically the security of the chosen infrastructure solution. This score, however, looks at the other side of the scalability trilemma - fees and the ancillary infrastructure like bridges, wallets, etc.

**Answer:**

There are several reasons why the UFO protocol team focused on Layer 1 scaling solution such as Kadena blockchain:

- UFO Gaming first game Super Galactic will utilise some new NFT functions like dynamic NFT features, coding royalties into NFT, allowing first buyer to determine percentage of royalties etc. With Kadena, it will be possible to code into the back-end of an NFT directly and expand potential use-cases of NFTs.
- Kadena wallet integrations allows protocols to integrate more friendly log-in systems by using simple password, app with face-id or fingerprint confirmation. This feature can significantly improve user experience. There are 6 crypto wallets that support Kadena: X-wallet and Chainweaver are Kadena native wallets and others have multi-chain integrations: Zelcore, Clover Finance, Ledger and Torus.
- Although the existing gas fee costs for customers are very low, Kadena blockchain also has a built-in crypto gas station, so dapps can completely eliminate gas fees for their customers

One of the disadvantages of Kadena infrastructure is the lack of cross-chain bridge solutions.

Polygon is a Layer 2 solution which is a full-stack scaling solution with high speed transaction and near zero gas fees. This features are very important for UFO Gaming dynamic NFTs which are updated every 24 hours. Polygon SDK is a modular, versatile framework for creating and linking Secured Chains such as Plasma, Optimistic Rollups, zkRollups and Validium. Polygon has been deployed over 500 dapps so it is a tested solution, supports more than 30 different crypto wallets and is integrated on most bridges (Hop protocol, Li.Fi, Connext, Movr Network etc).

The score is lower by -3 because protocol currently is not deployed on any of these chains.

**Score:** 8

# e) Treasury management (10 points)

Treasury management refers to the project's management of its assets and balance sheet. How diversified is its treasury? If diversified, are the assets productive? For example, does the project own its liquidity? Are there procedures and plans in place for managing the treasury?

**Answer:**

**Score:** N/A

# 3. Token Economics

The "Token Economics" section assesses the function of a protocol's token. This includes the token distribution, its functionality, the ability of the token to incentivise desired behaviours and value capture potential.

# a) Genesis token distribution (15 points)

Token distribution can be an indicator of a healthy protocol and, if done well, can improve coordination and alignment among different stakeholders. Was the initial distribution fair and balanced? Are the tokens distributed widely or is the ownership concentrated?

**Answer:**

According to etherscan the maximum total supply of UFO Token is 51,515,151,515,151 UFO with 50% burnt forever which was added to Uniswap, this was done directly to incentive and reward token holders. With a deep dive in etherscan it shows a transaction detail where the 50% of the total supply was deposited to a null address which is perceived to be the 50% burnt token.

As at the time of writing the total number of unique addresses that hold assets in the network is currently above 64,000
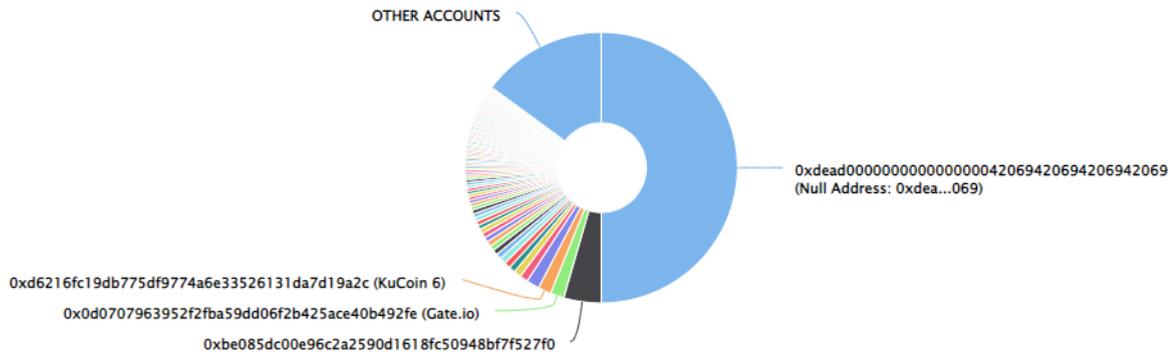


**Total Addresses**
The total number of unique addresses that hold assets in the network.
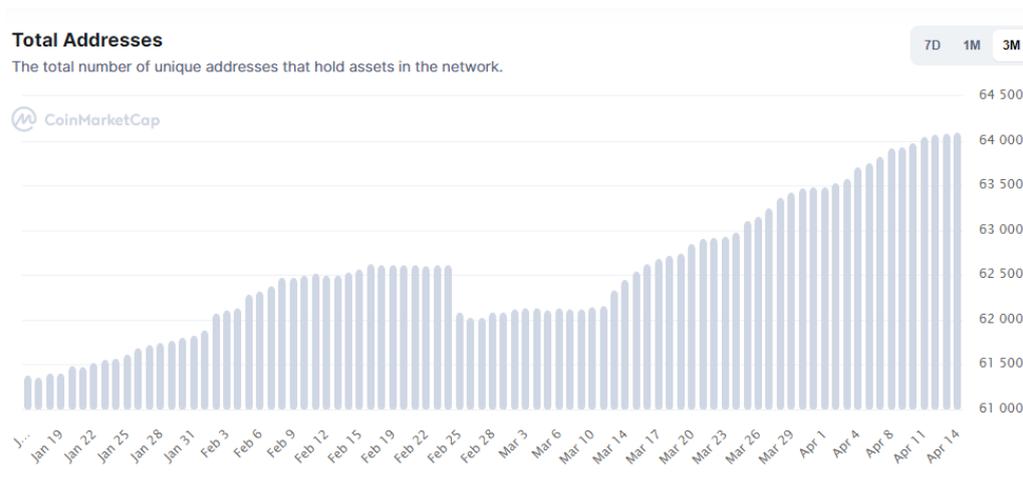
CoinMarketCap

*(Source: coinmarketcap)*

The top 100 holders collectively own approximately 85.11% of the total supply, however, the token distribution among different wallets is the fairest in the Universe with No team allocations, no private sale, and zero tokenomics, which is to ensure the project is dedicated to people who believe in its vision and community.

THE TRUTH Top 100 Token Holders

Source: Etherscan.io

OTHER ACCOUNTS

0xdead00000000000000042069420694206942069
(Null Address: 0xdea...069)

0xd6216fc19db775df9774a6e33526131da7d19a2c (KuCoin 6)
0x0d0707963952f2fba59dd06f2b425ace40b492fe (Gate.io)
0xbe085dc00e96c2a2590d1618fc50948bf7f527f0

*(Source: Etherscan)*

**Score: 13**

# b) Purpose of the token (10 points)

This score evaluates the purpose of a token in the project's ecosystem. For example, does it provide utility? Does it have governance rights attached to it or a built-in value capture mechanism?

**Answer:**

UFO is the utility token based on the blockchain gaming platform UFO. This play-to-earn game (P2E) is set on the dark Metaverse. It hopes to integrate the fundamental features of traditional online multiplayer gaming with the power of the blockchain and give players the chance to earn assets in the form of cryptocurrencies and NFTs. Here are some of the purpose of the UFO utility token:

- As a utility token, UFO is used to make purchases and complete transactions within the UFO gaming universe
- The token is also used as the main currency to pay for earned rewards on the platform
- Holders of the UFO token also get voting rights on the platform's DAO, which is currently not yet implemented.

**Score: 5**

## c) Ongoing token issuance / inflation (10 points)

Most tokens have built-in inflation. This section evaluates the purpose of that inflation. Is it justifiable? Does it help improve the coordination and alignment of incentives for the protocol? Does it incentivise positive-sum behaviour? Are the benefits flowing to all relevant stakeholders or just select groups?

**Answer: N/A**

**Score:**

## d) Value capture (10 points)

The ability to accrue value and consequently distribute it to stakeholders can be an effective coordination mechanism and deliver long-term benefits to a project.

**Answer:**

No distribution Mechanism in place

**Score: 0**

## e) Token liquidity (5 points)

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

**Answer:**

The top cryptocurrency exchanges for trading in UFO Gaming stock are currently Uniswap (v2), BKEX, Bitget, KuCoin, Gate.io, MEXC, and Bitrue. Listed on 14 cryptocurrency exchanges, including KuCoin and Gate.io (see the full list). Comes in trading pairs with USDT and WETH.

As seen in the image below the $UFO token is widely available on both DEXs and CEXs and has deep liquidity

| # | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Uniswap (v2) | UFO/WETH | Live Chart | $0.00000795 | 0.6% | $254,687 | $253,922 | $155,939 | 3.85% | Recently ● |
| 2 | BKEX | UFO/USDT | | $0.00000798 | 0.2% | $34,582 | $41,466 | $619,255 | 15.29% | Recently ● |
| 3 | KuCoin | UFO/USDT | | $0.00000801 | 0.12% | $9,661 | $41,871 | $279,625 | 6.90% | Recently ● |
| 4 | Gate.io | UFO/USDT | | $0.00000798 | 0.04% | $5,230 | $6,942 | $991,924 | 24.49% | Recently ● |
| 5 | MEXC Global | UFO/USDT | | $0.00000796 | 0.13% | $4,314 | $8,245 | $134,735 | 3.33% | Recently ● |
| 6 | LBank | UFO/USDT | | $0.00000787 | 0.03% | $369 | $139 | $1,139,540 | 28.13% | Recently ● |
| 7 | Decoin | UFO/USDT | | $0.00000790 | 0.25% | $3,893 | $3,778 | $74,498 | 1.84% | Recently ● |
| 8 | BitMart | UFO/USDT | | $0.00000816 | 1.14% | $1,041 | $495 | $654,470 | 16.16% | Recently ● |
| 9 | Hoo.com | UFO/USDT | | $0.00000792 | 1.59% | $577 | $4,278 | $437,953 | 10.81% | Recently ● |
| 10 | Bitget | UFO/USDT | | $0.00000797 | 0.89% | $1,819 | $3,137 | $58,327 | 1.44% | Recently ● |
| 11 | LATOKEN | UFO/USDT | | $0.00000791 | 0.76% | $416 | $694 | $137,981 | 3.41% | Recently ● |
| 12 | Bitrue | UFO/USDT | | $0.00000714 | 14.27% | $0 | $0 | $4,761 | 0.12% | Recently ● |
| 13 | Shibaswap | UFO/WETH | | $0.00000807 | 0.61% | $2,272 | $2,265 | $2,246 | 0.06% | **7 hours ago ● |
| 14 | Sifchain | UFO/EROWAN | | $0.00000819 | 0.61% | $2,302 | $2,295 | $33.01 | | **23 hours ago ● |

*(Source: coinGecko)*

**Score: 5**

# f) Extrinsic productivity (5 points)

Can the token be used outside of the project's ecosystem? For example, can it be used as collateral elsewhere, be staked for yield or rewards, etc.

**Answer:**

There is currently no extrinsic value of the UFO token outside of the ecosystem.

**Score:1**

# 4. 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) Credibility and reputation (10 points)

Are the identities of the core team public? In the case of anon team members, do they have a track record or reputation in the crypto space?

**Answer:**

The team consists of game developers who have worked in the gaming industry for 6 years, most of whom have been in the crypto space since 2014. The team is currently anonymous and claims that they are long term driven and aim to build UFO gaming to the frontier of blockchain gaming. There is no mention about the founder and the team on UFO Gaming website

| Launch Phase (Q3 2021) | GROWTH PHASE (Q4 2021) | EXPANSION PHASE (Q1 2022) |
|---|---|---|
| Deploy Contract ✔ | Litepaper Release ✔ | Cosmos Event |
| Audit ✔ | WP Release ✔ | Staking |
| | Partnership Reveal ✔ | NFT Minting |
| | Tier 1 Centralized Exchange ✔ | Marketplace Unveil |
| | | Super Galactic |
| | | Beta |
| | | PVE Multiplayer and Co-op with friends |
| | | PVP |
| | | Virtual Land |

*(UFO Gaming Roadmap)*

The team has achieved their promises as far as the roadmap goes so far and has some ambitious plans lined up for the next few months of Q1 2022.

**Score: 3**

# b) Relevant experience? (15 points)

Does the team have a track record of execution? Have individual team members built a product or a business before? Does the team have the necessary skills? For example, if a project is making a game, do they have a game developer?

**Answer:**

The team behind the UFO token has over 6 years of experience in creating games. The team claims to have long-term goals and plans to lead the world into a new era of blockchain gaming. UFO Gaming team consists of up to 50 employees, according to LinkedIn. Co-founded by Narek Avayan, an entrepreneur, salesman, and consultant with a background in strategy and product management.

CEO called UFoger is anonymous and only shares his/her UFO identity. Claims to have experience in the crypto space since 2010, where he/she was trading shitcoins, participated (according to him) in numerous Bitcoin cycles, and was involved with the memes.

The team members have a lot of expertise in marketing and strategic management. However, almost no information about the developers behind the UFO Gaming project.

**Score: 4**

# c) Thought leadership and public presence (10 points)

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

**Answer:**

In the short time since they've launched, the team behind UFO Gaming have already established themselves as serious players in the GameFi space. They announced themselves as Technology Sponsors of ChainLink's prestigious [Fall 2021 Hackathon](#), alongside industry leaders such as GoogleCloud, EY, and FileCoin.

Additionally, the gaming company made headlines recently for becoming the first-ever P2E platform to host an [E-Sports tournament](#), hosting an Apex Legends Tournament that featured Twitch streamers Apryze and Nokokopuffs and had a significant $10k cash pool at stake.

The team and contributors are active on [Twitter](#) and have made few [youtube podcast](#) appearances.

**Score: 5**

# d) Ability to foster a community and coordinate resources (15 points)

How effective is the team at attracting and coordinating resources for the benefit of the protocol? Do they manage the community well, fostering a welcoming and positive environment? Does the community represent the project well externally?

**Answer:**

Considering that the protocol has not yet launched a usable product and the basic infrastructure of its metaverse, the protocol team has managed to attract the attention of a large number of users. Thus UFO Gaming has over [140k Twitter followers](#) and more than 60k UFO token holders (mentioned in answer 1c) while the number of Discord members is not available but community managers answer questions fairly quickly and without the need to create a support ticket. The UFO Gaming Medium profile is also quite active and is based largely on protocol-oriented content such as game-play introductions, partnership announcements, and in-game NFTs. Although the UFO Gaming community is large in numbers, the level of knowledge, activity, and knowledge of how the protocol works is quite low. In Discord, we ask 7 questions but we received 2 incomplete answers.

UFO Gaming token economics with 57 trillion UFO token supply is probably a product of marketing strategy as well as 100% token distribution on Uniswap. According to the [Cointelegraph](#), most likely that behind UFO protocol is the Shiba community, a meme coin known for its aggressive market presence and momentum capturing strategy, so-called "[pumpamentals](#)". The UFO market cap even exceeded $ 1 billion at the time which means that the UFO team implemented its strategy quite efficiently.

On the other hand, the UFO Gaming protocol does not have detailed documentation and the mentioned value proposition is more like creating a narrative that would support the market price of a UFO token. UFO Gaming team also missed every deadline on the roadmap which is confirmed by this Reddit [post](#).

Social media accounts: [Twitter](#) (144.6K), [Telegram](#) (28K), [Discord](#) (2.8K), [YouTube](#) (258K).

Token marketing is based on connections and networks of influencers and high-profile individuals, who do not get compensation in UFO tokens.

Since January 2022, UFO gaming started bi-weekly community updates, available on [Medium](#).

The score is lower by -5 because the UFO team does not justify the goals and value proposition of the protocol with proper information.

**Score: 10**

# 5. Governance

The "Governance" section evaluates all aspects of the protocol's governance, from infrastructure to processes and distribution of governance power.

## a) Extent of governance capabilities (10 points)

Distributed governance should allow token holders to participate in the governance process. How much influence does the current governance process have when everything works as intended? What parts of the protocol does governance touch? Who can put forward a vote, and are there any limits or requirements (number of tokens, only the team can queue votes up, etc.)?

**Answer:**

In contrast to traditional hierarchies, UFO is [organised by a DAO](#) — a decentralized autonomous organization. [UFO](#) make use of a community-governed ecosystem. Due to the lack of team tokens or allocations, everyone in TFD or Fourth Dimension, including the "team", is an investor; everyone is on an equal footing and has a vested stake in the project's success. In the future, holders of $UFO will have the ability to propose ideas and vote on them to steer the project forward. However, currently the token holders do not participate in Governance.

UFO aspires to be a completely community-governed ecosystem. In comparison to other projects that use a fixed structure and a traditional system of employees and executives. Through dialogue, UFO will ensure that the community is included in important decisions. Because there were no team tokens or allocations, everyone in TFD,

**Score: N/A**

## b) Active governance contributors (5 points)

Governance is time-consuming, and governance apathy is a common problem in most democratic systems, including crypto. Therefore, it's essential to have a sufficient number of community members allocate resources to the governance process of the protocol. How many individuals participate in the debate around the protocol? How active are voters? Is delegation enabled?

**Answer:**

**Score:** N/A

## c) Governance infrastructure robustness (10 points)

Robust infrastructure relates to how well the technology, software, and models used by the protocol's governance withstand actual use cases. Does the protocol have a reliable voting mechanism? How robust is the governance process, and does it facilitate good governance? Are the votes binding, or do they function solely as signals to the team?

**Answer:**

**Score:** N/A

## d) Process and ease of use (5 points)

This score is based on the documentation and process for governance. More specifically, how easy it is to participate in governance. Does the protocol have a formal governance process? Is sufficient documentation available? Is there a basic framework to establish social consensus? Are there channels dedicated to governance debate?

**Answer:**

**Score:** N/A

# 6. Gaming Specific - In-game Economy

Gaming is and will continue to be an essential part of the metaverse. One of the benefits of NFT gaming and blockchain technology more broadly is authentic verifiable digital ownership. For games, that enables the creation of open in-game economies. However, these economies need to be well balanced through token economics and token design. The "Gaming" section focuses on the analysis of in-game economies and their sustainability.

## a) Ease of use / Onboarding (15 points)

Gaming projects are introducing crypto to a lot of people in a short space of time. How easy is it for players to get to grips with the game, token economics, and onboard funds from the traditional financial system? Can the game be played on mobile, PC (browser or install) or both?

**Answer:**

UFO Gaming still does not have a usable product, so it is not possible to fully answer this question. From UFO Gaming [documentation](): *"To play Super Galactic, you need a playable character. These are the NFTs called UFOeps.*
*Players can get an Origin class UFOep from the Cosmos event in the early days, but the rate of minting an origin class falls dramatically with time. To mint these, you need Plasma Points.``*

UFO will have a rating system implemented that will make the gameplay much easier because it will allow more active users more quests, increased $ UAP earning, more missions, etc. The rating system will affect the character dynamic NFT.

It can be concluded that the UFO game, Super Galactic will not be completely free-to-play, and users will need to purchase NFTs for onboarding or collect enough Plasma points from staking.

**Score:** N/A

# b) Sustainability of P2E or in-game economy (20 points)

This section scores the sustainability of the in-game economy. Does it rely on the ever-increasing growth to sustain the ecosystem? Are there multiple levers the team can pull to balance the economy?

**Answer:**

**Score:** N/A

# c) Utilisation of NFTs (15 points)

NFTs are the fundamental building block of NFT gaming projects and enable open and transparent in-game economies. Can everything in the game be owned by players (Land, Character, Items) as an NFT, or is it limited? Once owned, can items be traded freely?

**Answer:**

In UFO gaming documentation is stated that in-game tokens - $UAP, $UFO and UFOeps NFT - can be owned by users and tradeable on UFO marketplace, but only Plasma points will be limited in usability: "*Plasma Points will only exist for the express purpose of minting UFOep NFTs for Super Galactic, whereas $UFO and $UAP can be exchanged on the open market.*"

NFTs are a key part of the UFO gaming metaverse where serve as in-game economy balancing mechanism (breeding mechanism), as a tool for measuring player progress (dynamic NFT), metaverse expansion (virtual lands) and in-game monetization tool (earned in-game and tradeable).

UFOep is a character NFT that is required for playing Super Galactic game, and comes in three different types: Origin, Gen Alpha and Gen Beta. Origin (Genesis) UFOeps are most valuable type with higher scarcity and better in-game capabilities. Origin UFOeps can't breed to produce another Origin UFOep. From UFO Gaming documentation: "*Players can get an Origin class UFOep from the Cosmos event in the early days, but the rate of minting an origin class falls dramatically with time. To mint these, you need Plasma Points.*"

In-game items NFTs are part of Super Galactic in-game economy for upgrading player character, currently exist only in form o weapons.

Virtual land - ERC-721 tradeable NFT with many utility like DAO governance rights, metaverse IDO access, access to metaverse launchpad and revenue share from planetary fund weighted on NFT rarity level:

**Rarity levels of Virtual Land NFTs**

Less common: -23% of Total Land Available -Rating Level 2 -20% Planetary Share

Common: -57% of Total Land Available -Rating Level 1 -20% Planetary Share

Common Rare: -11% of Total Land Available -Rating Level 3 -20% Planetary Share

Rare: -6% of Total Land Available -Rating Level 4 -20% Planetary Share

Eternal Land: -3% of Total Land Available -Rating Level 5 -20% Dark Metaverse Share

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(source: UFO Gaming documentation)

NFTs are a crucial part of UFO Gaming metaverse and metaverse first game - Super Galactic. All NFTs will be freely tradable and all types of NFTs can be owned by users. The score is lower by -2, because NFT gaming concept isn't tested yet.

**Score:** 13

# About the Author:

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