Protocol: 88mph ($MPH)
Version: Initiating coverage
Previous Report: N/A

Date: 29 November 2021
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Reviewed by: 🐸 a Rating Pepe
Season/competition: Rate-athon #2

Instructions
Please go to files and make a copy of this template.
Fill in all questions with a written explainer, any relevant links, and score per variable. Insert the scores in the scorecard at the end of the report.
Please include your sources into the text (as a link), so others can follow your trail of thought.

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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:

88mph is a DeFi, non-custodial yield generating protocol built on Ethereum using Solidity smart-contracts. The protocol acts as an intermediary between depositors (who want to earn passive-income) and yield-generating protocols such as Aave, Compound and yEarn for yield farming. It then strips the yields earned from these protocols to a fixed-rate portion and a floating-rate portion, returning each back to fixed-rate depositors on 88mph (for less risk-averse investors) and floating-rate investors on 88mph (more risk-tolerant, speculative investors). As of the time of writing this report, fixed-rate investors also earn MPH reward tokens at maturity, which can be further used for staking and voting rights on 88mph (see Tokenomics section in this report).

Though the concept of stripping out yield into a fixed and floating component is not new (see Section 1d below), there are novel features introduced by 88mph into the yield generation playing field. Firstly, unlike market-leading competitors like BarnBridge or Pendle, 88mph offers custom-maturity expiration for fixed-rate investors (it is a separate question whether there is a genuine demand for such flexibility in the DeFi marketplace). Secondly, fixed-rate investors receive an ERC-721 NFT token representing their custom-maturity, yield-generating token. These NFT's can be customized by the investor with metadata of their choice. And finally, with it's floating-rate, speculative yield token design, 88mph offers significantly higher upside leverage vs. other yield-stripping protocols such as BarnBridge.

For these reasons, we award 88mph 12/15 points on novelty of solution. While it is not the first yield-stripping protocol out there, it introduces some innovations to the DeFi ecosystem.

Score: 12/15

Sources: 88mph [documentation](#), 88mph [Medium](#) article, Sant + mm3729 analysis

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:

According to [DeFi Llama](#), 88mph ranks 47th in terms of TVL for yield farming (see Illustration A for TVL growth graph). This is a significant show of faith from the market in 88mph for two reasons. Firstly, TVL growth for 88mph has occurred at a time when borrowing demand in DeFi has dwindled considerably. For example, lending rates for USDC [dropped](#) 85% from 9.6% to 1.4%. It is noteworthy that Barnbridge, over the same time period, has gone from a TVL of US$400m to US$20m, a drop of over 95% (see Illustation B). Secondly, TVL growth for 88mph occurs closely around the launch of its improved v3 protocol. The [improved protocol](#) has several UX and tokenomics-related improvements and the jump in TVL shows that the team has got the product-market fit right. To be sure, we verified this hypothesis with the 88mph Co-Founding team via Discord as well (Illustration C).

We award 12 points on these considerations (full points would go to top 3 market leading players).

Illustration A: 88mph TVL in US$ (Source: DeFi Llama)

Illustration B: Barnbridge (BOND) TVL in US$ (Source: DeFi Llama)

Illustration C: Discord conversation with 88mph Co-Founder on source of TVL growth

mm3729 Yesterday at 9:42 PM
Thanks for your answers on the admin keys McFly. One more question, I noticed the steep growth in TVL for 88mph last couple of months. What has been driving this? Any idea what is the source of funds? I'm awed because it has been a hard-time for folks at Barnbridge for example and lending rates have been so low.
This is the chart I saw on DeFi Llama

@mm3729 Thanks for your answers on the admin keys McFly. One more question, I noticed the steep growth in TVL for 88mph last coupl...

McFly Yesterday at 10:22 PM
It was driven by our v3 release in mid-September. Funds are coming from organic growth. More TVL is expected before EOY via yield aggregators.
Another source of growth is the recent launch of our incentive program on Fantom

Score: 12/15

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: Yield farming, also called the rocket-fuel of DeFi by Coindesk, in a multi-billion dollar market in the as-yet nascent DeFi sector. As a reference, the top 10 yield farming DeFi protocols currently have a combined TVL of US$30b. The growth potential in the sector is evidenced in Illustration C below, showing the growth in the DeFi space over the past 5 years. We give full points to 88mph on target market size for this reason.

Illustration D: TVL in USD in DeFi (Source: DeFi Pulse)
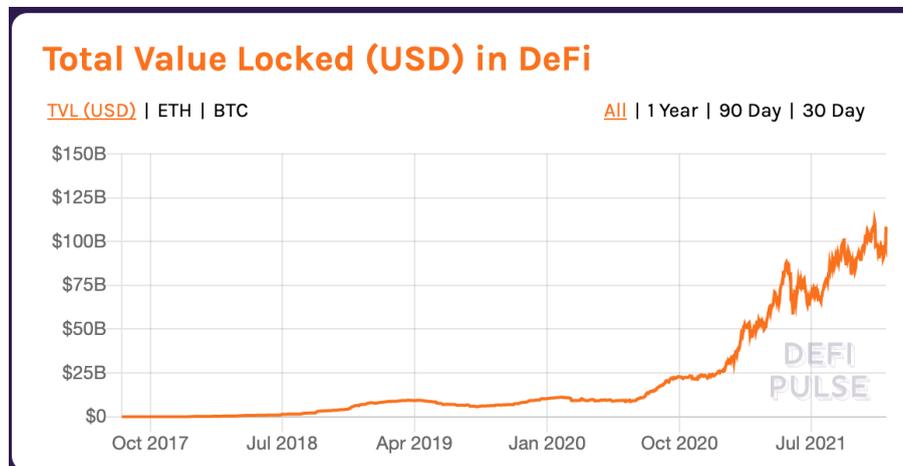
Score: 10/10

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:

According to DeFi Pulse, 88mph currently has less than 0.01% of total supply locked in its protocol (vs. 2.30%/1.3% for the likes of Maker/Aave). It also ranks 47th in terms of TVL in the yield farming space. For these reasons, we do not regard it as a market leader or top alternative in the market segment. However, we find the recent growth in TVL and the launch of v3 encouraging to allocate 6 points to 88mph, recognizing it as a rising star.

Score: 6/10

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:

88mph has [partnerships](#) with major plumbing components of the DeFi ecosystem, ranging from Uniswap and Aave. Moreover, the protocol has partnerships with Immunefi for it's bounty program. 88mph offers bounties and grants for building on top of it's protocol, but it is not yet clear from their documents or from the public domain what the demand is for this from external parties. Recently, the team has integrated with yield aggregators like Geist and Scream for Fantom, and Benqi for Avalanche. We see this as a positive, proactive step to capture market share in nascent Layer 1 yield markets.

We give a score of 8 points here and will increase scoring once we find evidence of a good amount of applications built on top of 88mph.
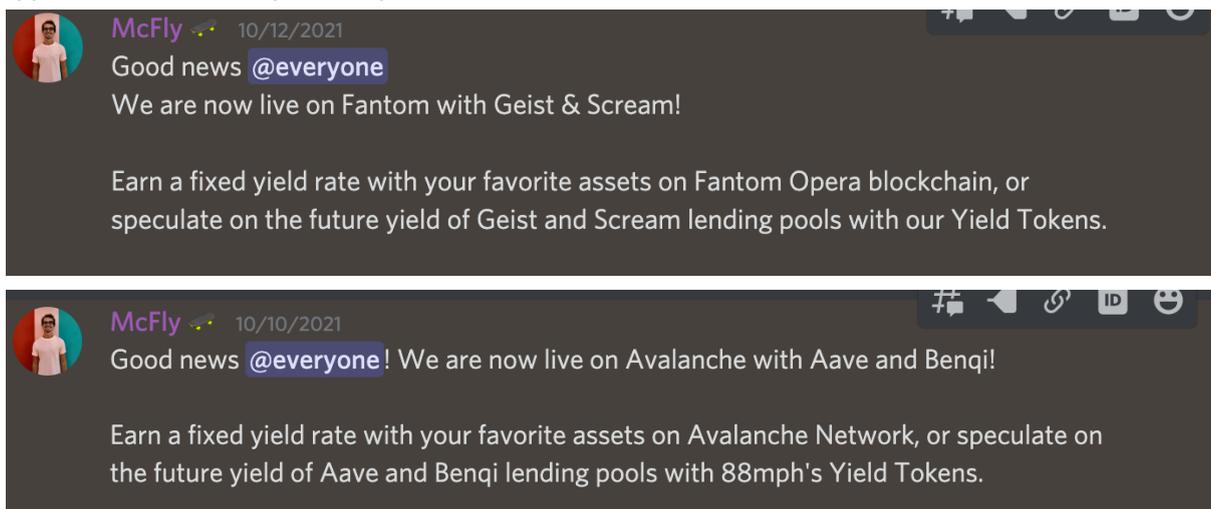
Score: 8/15

Source: Discord chats with core team

2. Tokeneconomics

The Tokeneonomics 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.

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:

The initial supply of 88 000 MPH was minted and distributed at launch via a liquidity mining program on Uniswap. This aims to be a fair way to democratize the chance to show early interest in the project. Further MPH is minted as users interact with the protocol. For instance, earning fixed-rate yield or holding yield tokens allows you to earn MPH as rewards.

There are currently only 4807 holders of MPH with a total supply of 418 237. Concentration of top 10 holders is shown in Illustration E

Illustration E: Top 10 holders of MPH (Source - Etherscan)

Rank	Address	Quantity	Percentage	Value
1	0x1702f18c1173b791900f81ebae59b908da8f689b	111,784.382822115140090314	26.7275%	$3,532,506.35
2	Bancor: Converter 552	39,757.069887473244331323	9.5059%	$1,256,366.04
3	SushiSwap: MPH	37,837.23574915558492558	9.0468%	$1,195,697.22
4	0x8943eb8f104bcf826910e7d2f4d59edfe018e0e7	27,980.908274476473586735	6.6902%	$884,226.70
5	0xc2be79cf419cf48f447320d5d16f5115bbb58b03	24,659.81806898439332224	5.8961%	$779,276.69
6	0xfecbad5d60725eb6fd10f8936e02fa203fd27e4b	9,856.483261716205152528	2.3567%	$311,475.44
7	0xf92660595bbf1c76071f262e186bd2182815c613	8,761.588390966066464524	2.0949%	$276,875.59
8	0x498efb1bd2b816a60301ab258e59ed5399efe338	7,828.937587790316766942	1.8719%	$247,402.82
9	0x98df8d9e56b51e4ea8aa9b57f8a5df7a044234e1	7,685.431229837229058716	1.8376%	$242,867.87
10	0x56f34826cc63151f74fa8f701e4f73c5eaae52ad	6,099.490387736147868708	1.4584%	$192,750.44

Illustration F shows that the majority of tokens are held by the community (dark grey) or are being staked (yellow). It is a positive indicator to see other well respected DeFi protocols such as Bancor and SushiSwap as large holders (light grey and blue respectively).

Illustration F: MPH supply distribution (Source - [88MPH](#))
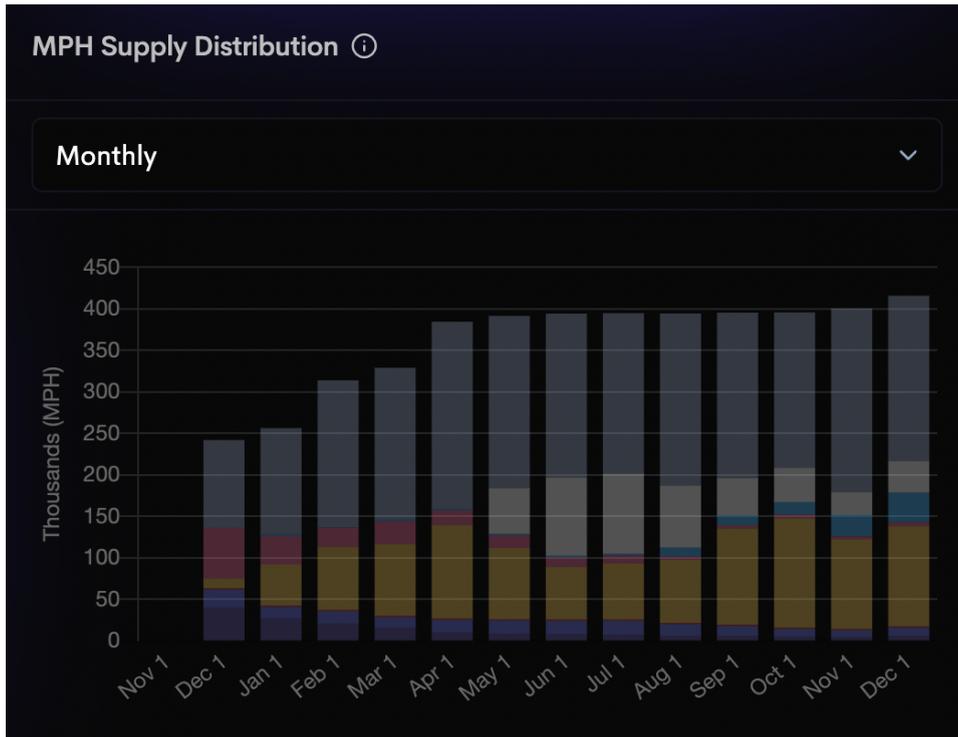
The approach to distribution is one of the most equitable and fair in the industry. The amount for 'insiders' (the development fund in this case) is small and actually controlled by the community through distributed governance. They have aimed to achieve equitable initial as well as reward participants of the protocol in MPH. Given that MPH holders can participate in governance, this would naturally incentivize participants and holders to act in the best interests of the protocol. Since there are only 4807 holders, which is low compared to other protocols (Barnbridge has 9508), we deduct 3 points.

Score: 12/15

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:

MPH token holders participate in the governance through vote signalling on Snapshot and staked MPH earns part of the revenues (interest margin) generated, according to [Coingecko](#)

[MPH](#) token gives you access to different features:

- staking
- liquidity mining
- governance

Holders can participate in the governance if they have staked MPH or provided liquidity (discussed further below). Given that the token has revenue and governance capabilities, it is awarded 6 points. Stronger governance rights or utility capabilities would increase the score.

Score: 6/10

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 behavior? Are all relevant stakeholders benefiting from the issuance model?

Answer:

The initial distribution was done through a liquidity mining program which successfully allowed broad based access to the token. Subsequent issuances are done on the basis of rewards by participating in the platform. There is no supply cap of MPH since rewards to lenders are given by minting new MPH, therefore it is connected to the protocols TVL. The premise of improving coordination of the protocol through earning MPH creates an incentive for holders to vote in the best interests of the protocol and ensure its success.

Over its existence, 88MPH has managed to ensure that the majority of the tokens are in the community's hands and there is a strong incentive to stake. Users of the protocol earn yield in part with MPH. Therefore it creates a strong cyclical loop of users benefitting from the growth of 88MPH.

However without direct utility of the token (just as rewards and ability to trade), we are unsure whether this model is sustainable. What would stop another competitor replicating the system and siphoning liquidity? Better UX / UI, marketing or higher rewards could all be reasons for users to leave. This is a risk faced by many protocols using the same strategy and therefore loses 2 points.

Score: 8/10

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:

The [sustainability](#)of the protocol and the MPH token are driven by its Developer Fund and Governance Treasury. Rewards in MPH are distributed to participants in the protocol - users who stake, provide liquidity or lend to the protocol.

Developer Fund:

Whenever MPH is minted by user activities, an additional 10% of the minted amount is minted and sent to the developer fund. These MPH tokens will be used to pay for future development & maintenance of the protocol.

Development funds controlled by 88mph SA: 0xfecBad5D60725EB6fd10f8936e02fa203fd27E4b

Governance treasury:

Whenever MPH is minted by user activities, an additional 10% of the minted amount is minted and sent to the governance treasury. These MPH tokens will be used according to the governance proposals approved by the community on the Snapshot page and the 88mph foundation (under creation).

Governance treasury controlled by the 88mph Foundation:
0x56f34826Cc63151f74FA8f701E4f73C5EAae52AD

The protocol accrues value through the yield spread that is generated between its deposits and borrowings. This is distributed to MPH holders who stake their tokens. This creates an element of cyclicality which promotes self sufficiency. If they can remain a leader in the fixed rate interest space then this model can work effectively, however it is susceptible to competition. Liquidity and tradability of the MPH token poses risks. There is also potential for improvement if holders were incentivised to vote by earning rewards, promoting holder activity. Voting is still done off chain - signalling on Snapshot. Given these risks and limitations, 2 points are deducted.

Score: 8/10

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:

The MPH token is only traded on a limited number of exchanges and has relatively low levels of liquidity according to CoinMarketCap - see Illustration G below. It has a 24 hour trading volume of USD219 804 on a USD10 875 601 market cap.

Illustration G: Liquidity of MPH token (Source - CoinMarketCap)

#	Source	Pairs	Price	+2% Depth	-2% Depth	Volume	Volume %	Confidence	Liquidity	Updated
1	Gate.io	88MPH/USDT	$31.64	$374.73	$2,070.56	$20,176	8.90%	High	52	49 hours ago
2	Uniswap (V2)	MPH/WETH	$29.83	-	-	$8,449	3.73%	N/A	-	49 hours ago
3	Poloniex	MPH/USDT	$34.94	$576.20	$116.03	$6.53	0.00%	N/A	10	49 hours ago
4	Sushiswap	MPH/WETH	$29.90	-	-	$71,278	31.45%	N/A	-	49 hours ago
5	MEXC	MPH/USDT	$30.13	$238.60	$1,032.02	$57,745	25.48%	High	119	49 hours ago
6	AEX	MPH/USDT	$34.28	$180.72	-	$108,021	47.66%	High	30	49 hours ago

Score: 2/5

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:

The token can be provided in liquidity pools on SushiSwap.

In addition, MPH can be used as collateral in a few protocols. Current options are:

- Rari Capital
- Mantra Dao
- Unit Protocol

A score of 5 is given as there are limited extrinsic use cases, however it should be noted that the team are actively looking to grow this. A recent Twitter post announced new tokenomics 2.0 will be posted Wednesday 8 December where a proposal will be open to comments before voting.

Score: 5/10

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:

According to their LinkedIn page, 88MPH has 4 employees, who are relatively inexperienced when compared to other DeFi project teams. The most prominent and active member in the community is one of the Co-Founders who refers to himself as [McFly](#) (reference to back to the future) whose actual name is [Guillaume Palayer](#). He is also the founder of Bacon Labs, the product development studio. Guillaume has a Masters degree in communication and media studies and has been exclusively focused on cryptocurrencies for the last 4 years.

Bacon Labs products include:

- 88mph (https://88mph.app)
- Betoken (https://betoken.fund)
- Fantastic12 (https://f12.network)

Bacon Labs just have a landing page as a website and describe themselves as - *"a creative squad, busy designing and building beautiful products"*

The other founder of Bacon Labs is [Zefram Lou.](#) according to LinkedIn. He is completing his Masters in Computer Science in 2021 and is a crypto native, working in cryptocurrencies for the last 4 years. He considers himself experienced in developing Ethereum smart contracts and applications, as well as cryptography research. His Github can be explored [here](#).

The team is credible and public. Zefram also created Betoken which is a crowdsourced cryptocurrency hedge fund. It won the Microsoft prize at the [Proffer Hackathon](#).

Compared to other DeFi teams, 88MPH is relatively young and less credible than others and therefore gets 12 points.

Score: 12/15

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:

The team has strong relevant experience but not a substantial amount - combined 8 years dedicated professional crypto experience. Together, the founders have complementary skill sets. Refer to LinkedIn pages above. They have both been involved with Betoken before, which is a promising project that was founded in 2017. It is a crypto hedge fund that allows users to crowd source investment decisions.

Some experience is evident and successful past project success gives them some credence however there could be greater depth in personnel.

Score: 6/10

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 founders have a small public profile. Guillaume (Mcfly) only has 1762 followers on [Twitter](#) and only 1390 followers on LinkedIn. They are not particularly active in giving presentations publicly and don't do much beyond the promotion of 88MPH to shape public debate.

Their [Medium](#) page has a limited number of posts.

Score: 1/5

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:

As previously stated the 88MPH LinkedIn page cites only 4 employees and there are no jobs posted. It is unclear whether the team is growing or seeks to build out capacity. They have produced a solid project for the fixed interest space with a small team, however would need to grow as it does.

They do have a clever mechanism in the Developer Fund to attract resources for improving the protocol. Development funds controlled by 88mph SA: [0xfecBad5D60725EB6fd10f8936e02fa203fd27E4b](#).

It is unclear how well this has worked in practice to date and seems as if it has not been tested yet either.

88MPH provides grants for projects, initiatives, resources, NFTs, and events that encourage and develop the 88mph ecosystem and empower the community. They offer grants ranging from $100 - $5k worth of $MPH and distribute blocks of funds as predetermined milestones are achieved. These are very small and should be further reviewed, if they want to use this to attract meaningful talent through this.

Neither 88MPH or Bacon Labs are listed on Crunchbase - it is assumed that they have not yet raised external equity or debt funding. Guillaume and Zefram discussed bootstrapping their projects in an article in [DeFi Prime](#).

Some mechanisms are in place however it is not yet clear that these will be sufficient and well coordinated on a sustainable basis. Therefore a score of 6 is given.

Score: 6/10

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:

There is no publicly available information presently on the administration and control of 88mph's admin keys, something that has also received critical feedback from [past audits](#) and security analysis (see Illustration G and DeFi [Safety Report](#)). From a Discord conversation with the Co-Founder (see Illustration H) where we asked for more information, we learned of plans to transition to a 6/9 multisig setup for their treasury wallet. The multisig will be controlled by the core 88mph team and "well known partners" that the protocol trusts.

Given the past track record of the protocol on this topic, the lack of clarity on the upcoming multisig setup, and no verifiability available so far, we award 6 points. We would add another 10 points with evidence (in a third party audit or independent security analysis) of admin key control moving to a multisig setup with staked individuals on a time-lock. Full points would be if admin key control moves to a DAO setup with staked, community members in charge.

Illustration G: Example of critique re: 88mph's admin key management (Source: Twitter)

Asaf Orpani @asaforpani · 2 Sep

This raised a couple of red flags to us, here at Arkhivist, since: 1) They didn't communicate anything about the change before they did it. 2) They changed from an "almost" secure implementation to something which puts MPH Token holders in a huge and immediate risk.

💬 1   🔁   ♡   ↥

Show this thread

Asaf Orpani @asaforpani · 2 Sep

In result of the change, that can happen in 14 hours from now, 88MPH Protocol Admins will be able to mint tokens uncontrollably, since they will have direct access to the MPH Token's contract, without a timelock.

💬 1   🔁   ♡ 1   ↥

Show this thread

Asaf Orpani @asaforpani · 2 Sep

The governance treasury is a GnosisSafe multisig, owned by 88MPH Admins, that needs the signature of 1 out of 2 EOA's, which are 88MPH's devs.

gnosis-safe.io/app/#/safes/0x...

Illustration H: 88mph Co-Founder discussion on admin key changes (Source: Discord)

> 🔵 @mm3729 Hi there, I'm doing some research on 88mph as an investor, and was wondering how ...
>
> **McFly** 🌀 12/02/2021
> Moving on a 6/9 multisig this week for the gov treasury wallet that controls everything
> Stay tuned for the announcement post here or on Twitter
>
> 🔵 @Howard Peng I can't believe why it's only $400 in AVAX 🖼
>
> **McFly** 🌀 12/02/2021
> Yep that's unfortunate. Any growth hack idea without relying on token incentives?
>
> **Howard Peng** 12/02/2021
> I should dig deeper! Haven't take a look on 88mph for a while. My bad...
>
> 🔵 @McFly 🌀 Moving on a 6/9 multisig this week for the gov treasury wallet that controls everythi...
>
> **mm3729** 12/02/2021
> Thanks for the fast reply @McFly 🌀 . Could you give some more details? Who controls the multisigs? Community members? Core team? Looking forward to the announcement post as well.
>
> 🔵 @mm3729 Thanks for the fast reply @McFly 🌀 . Could you give some more details? Who cont...
>
> **McFly** 🌀 12/02/2021
> Rn core team only. New changes includes more well-known partners that we trust
> 👍 1

Score: 6/20

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:

From 88mph's documents…

"*MPH holders have the power to shape the future of the protocol. A dedicated Snapshot is live to enable the community of users to signal their preferences on the project developments.*

The governance process works by having users signal their preferences with their MPH tokens on various proposals ranging from protocol parameters to smart ways of using the capital assets stored in the treasury for creating new incentives, capitalization, and at the end growth. The 88mph community can vote on 8IP - 88mph Improvement Protocol - proposals using their staked MPH (coined $sqrtMPH) as their vote's weighting."

Based on this, we award 2 points as governance is presently only a signalling mechanism to the team. We award 2 points for the transparency around improvement proposals and use of Snapshot for sentiment gathering. Full/higher points would be awarded with more evidence of governance votes driving on-chain changes, budgets and strategic decisions.

Score: 2/15

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:

88mph has a limited number of proposals/discussions on its forum (7 discussion topics since March 2021) for which we remove one point. There is also a mismatch on discussion topics present in the forum (only one formal improvement proposal) vs. the topics on Snapshot with 8 improvement proposals. Where is the discussion for these improvement proposals taking place? We remove one point for this mismatch. From the forum discussions present, there is evidence of active discussion among various individuals. There is further evidence of contribution/participation on the protocol's Snapshot page, where certain proposals have more than 70 voters participating, both for and against the motion.

Score: 3/5

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:

88mph uses a public forum for discussion and sentiment gathering, and Snapshot to capture a formal direction from governance members. These are both basic requirements for top 50 DeFi protocols and we award only 3 points for them. More points would come with greater documentation (presently, the 88mph forum is not updated with information we see on Twitter/Discord), greater space for community debate (including specific calls, forums, channels for this purpose), and technology moving community decision making to on-chain implementation.

Score: 3/10

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:

Based on all the information presented in Sections 4a-4d, we award 4 points to 88mph on their governance process. All evidence so far suggests an informal governance process that is borderline centralized with the core team. We would increase the score if there is improvement along any of the various points we have identified earlier.

Score: 4/10

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:

88MPH is a registered entity in Geneva Switzerland. From [Business Monitor](#):

"88mph SA is a Limited based in Genève, in the canton of Geneva, founded in 2021. Its identification number UID is CHE-300.280.232. It is active in "computer programming activities". Currently, the people holding decision-making roles are Guillaume Palayer (Member of the board of directors) and Victor-Manuel Casa (Authorized signatory)."

This is positive and credible for the protocol and one can assume that it gives them some legal accountability.

Score: 15/15

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:

Switzerland is considered to be a top tier jurisdiction. Full points.

Score: 10/10

Scorecard

1. Value Proposition	Points
a) Novelty of the solution	12 / 15
b) Market fit/demand	12 / 15
c) Target Market Size	10 / 10
d) Competitiveness within market sector(s)	6 / 10
e) Integrations & Partnerships	8 / 15
Total Points - Value Proposition	**48 / 65**
2. Tokeneconomics	**Points**
a) Is the token sufficiently distributed?	12 / 15
b) What is the extent of the token's capabilities?	6 / 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?	8 / 10
e) Is the token sufficiently liquid to enable active use and trade?	2 / 5
f) Are there any extrinsic productivity use cases?	5 / 10
Total Points - Tokenomics	**41 / 60**
3. Team	**Points**
a) Is the team credible and public? (No, Partly, Yes & Anon , Yes & Public)	12 / 15
b) Does the team have relevant experience?	6 / 10
c) Does the team participate and help shape the public debate?	1 / 5
d) Is the team able to effectively attract and coordinate resources?	6 / 10
Total Points - Team	**25 / 40**
4. Governance	**Points**
a) Admin Keys	6 / 20
b) Extent of Governance capabilities	2 / 15
c) Active Governance contributors	3 / 5
d) Governance infrastructure	3 /10
e) Robustness of Governance process	4 / 10
Total Points - Governance	**18 / 60**

5. Regulatory	Points
a) Does the protocol have any legal accountability?	15 / 15
b) What is the quality of the legal jurisdiction?	10 / 10
Total Points - Regulatory	**25 / 25**
Total	**157 / 250**

About the Authors:

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Mayank works as a personal coach for people wanting to find greater personal freedom, explore alternative lifestyles and to transition out of the 9 to 5 life. He is a former JPMorgan hedge funds due-diligence analyst and writer for the Wall Street Journal India. He has spent the last years building Web 2.0 products for companies such as Amazon and Get Your Guide. When not hiking in the woods, he can be found slow-travelling, writing and spending time with family. Learn more and get in touch on his LinkedIn profile.

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