

DART

Digital Assets Risk and Trustworthiness Assessment



TABLE OF CONTENTS

01 / Project information

02 / Team

03 / Github & Code Quality

04 / Socials & Community

05 / Business model

06 / Conclusion and Score

PROJECT INFORMATION

Parallel Finance

Project Category: DeFi application

Official Website: www.parallel.fi

Blockchain/Platform: Polkadot Network

Brief Description: Parallel Finance is built on the Polkadot ecosystem, and it is the first decentralized lending, borrowing, and staking protocol on Polkadot. It also offers DeFi services and products, such as trading, lending, staking, and derivatives on multi-chains.

Prelude: This review presents the risk factors associated with the given project and provides an analysis and respective overall risk rating as per a prescribed methodology.



TEAM COMPOSITION

The Parallel Finance team is comprised of the following individuals:

Yubo Ruan:

A software entrepreneur and venture capitalist, was born in Beijing in 1996. He is the creator and captain of Parallel Finance. He is the Founder and captain of 8 Decimal Capital, a venture capital company that invests in early-stage Fintech companies. Ruan created and enhanced the smart piggy bank technology between 2008 and 2012. He was one of the co-founders of Skylight Investment in 2017, which Taiyou Fund and New Oriental supported. He founded 8 Decimal Capital in 2017 and it has assets under management (AUM) of more than \$60 million.

Abraham Gomez:

Abraham Gomez is Parallel finance's Growth officer (6 months), an advisor at the private office of H.H Sheikh Ahmed Dalmook Al Maktoum for over a year and half at the moment, for 5 years and 7 months till date Abraham Gomez has been a co-founder at Wild and West (Lead generation Donation campaigns and community growth Non Profit Organization), consultant at DPC & Incorporated (a NPO) that focuses on a full service response processing and marketing company that specializes in fundraising, data processing and mailing services(4 years 11 months), co-founder at KNW media (2 years 11 months).

CJ:

A Blockchain lead at parallel finance.

Jia:

A graduate of Shaanxi University of sciences and Technology (BSc, Engineering, Physic/Applied Physic. Jia Zhou, is a blockchain developer at Parallel finance for over 2 years and 5 months now, blockchain developer at Poolin (a cryptocurrency mining pool, MARS project, Poolin wallet) for over 3 years and 8 months.

Hanquan Ren:

A holder of BSc computer software engineering, is one among the Parallel finance's engineers, also a front end developer at DingTalk for over a year and half, web developer at Thoughtworks for 1 year and 10 months and a web developer at Xian GrapeCity I.T.InC for over 3 years 1 month.

Jaden:

An Engineer at Parallel Finance.

Other team members:

Yuntian,
Crystalyn,
Johnny,
Kush,
Aleksie Nefedov,
Ben,
Naval Ravikant,
Dan Boneh,
and Gene Huang.

There is little to no information identified on these individuals.

TEAM COMPOSITION

The Parallel Finance team structure

Parallel finance's network Advisors: Ben, Naval Ravikant, Dan Boneh, Gene Huang.

The Parallel finance network team consists of one captain, a chief growth officer, a blockchain lead, 5 engineers, a product officer, a marketing officer, a community manager, and 4 advisors.

The Parallel Finance supporters

Individual supporters include: Gavin wood, Naval Ravikant, YIDA GAO, Lark Davis and others.

The partners includes: Polychain Capital, SLOW, S32, PANTERA, SEQUOIA, and twelve others.

The Parallel Finance connections

Parallel currently operates in the Polkadot ecosystem.

The Parallel Finance concerns

While Parallel Finances' network team boasts a founder with a wealth of experience in the tech and entrepreneurship industry, little to no information can be found regarding the project engineers and project advisors (as seen on the project's website). The list of project team members lacks background information on their experiences and, at most, a link to their resumes. While the list of project advisors includes notable individuals, there is no information about who these individuals are and how beneficial they are to the project (i.e., what kind of advice they provide, whether managerial or technical).

The limited background of the team members provided above was a personal effort to search the LinkedIn and Wikipedia profiles of some team members. In fact, most of the team members have no information on their LinkedIn profiles, and some do not even have a profile on LinkedIn or Wikipedia.

GITHUB & CODE QUALITY

Grading the GitHub activities of the Parallel Finance network as moderate, despite having 71 repositories, 6 contributors, good-quality documentation, and the use of accepted software development practices, can be rationalized by comparing it to the standard activities for a project with high GitHub activities. While the network demonstrates commendable qualities such as good documentation and adherence to accepted software development practices, including the use of various programming languages like HTML, Rust, JavaScript, TypeScript, and Shell, these factors alone may not be sufficient to classify it as having high GitHub activities.

In a project with high GitHub activities, we typically expect to see not only a substantial number of repositories and contributors but also frequent updates and commits, active issue tracking and resolution, community engagement through discussions, pull requests, and collaboration across multiple branches.

Although the network has good documentation and follows accepted software development practices, the relatively small number of contributors and repositories might indicate limited development and collaboration compared to high-activity projects. Additionally, while the use of multiple programming languages is a positive sign, it does not necessarily correlate with the level of GitHub activity.

While Parallel Finance demonstrates quality in certain aspects, such as documentation and adherence to software development practices, there is still room for improvement in terms of expanding the contributor base, increasing collaboration, and enhancing the frequency and depth of activities to match the standards of projects with high Github activities.

SOCIAL MEDIA & COMMUNITY

Community size and activity

The network has a substantial following across multiple platforms, including X app, Telegram, and Discord, with 204K followers on X app, 44,837 members on Telegram, and 65,697 members on Discord, making the community size considerable. The engagement levels on X app and Telegram seem to be good, with a significant number of posts, replies, and interactions. However, the activity level on Discord appears to be moderate, with slow responses from the admin and team.

Quality of interactions

The interactions between the team and community members vary across platforms. On X app and Telegram, there seems to be good engagement, with reposts, comments, likes, and impressions indicating active participation. In contrast, on Discord, there are reports of slow responses from the admin and team, indicating a potential issue with communication and support.

Red Flags and Risks

The presence of a significant number of scam reports across all social media platforms, especially on Telegram and Discord, is a major red flag. Despite the efforts of the admin and team to raise anti-scam awareness through the use of auto-ban bots, the risk of scams remains high. Unanswered questions, particularly technical ones, on Discord may indicate a lack of adequate support or expertise within the admin. While the Parallel Finance network boasts a large and moderately active community, there are notable red flags such as the prevalence of scam reports and slow responses from the team on Discord. Improvements in communication, support, and addressing scam-related issues are necessary to ensure a healthier and safer community. Parallel Finance's decision to host crowdloan activities on their website instead of using the Polkadot JS extension may pose significant risks, including security vulnerabilities, lack of accountability, trust issues, and legal concerns, ultimately jeopardizing participant funds and project credibility (heightening concerns regarding the project's integrity and its commitment to returning contributions and distributing rewards as promised). However, the claim process for crowdloan participants was then provided to the community via their X app posts during the first quarter of 2024.

BUSINESS MODEL

The network's financial planning appears sound, with features like gas fee sponsorship and WebAssembly execution environment showing a proactive approach to balancing user needs with security. However, there are areas for improvement in the project's strategy and financial planning, such as providing more detailed insights into revenue generation strategies and long-term sustainability plans. Despite these areas for improvement, the project exhibits strong potential for growth and profitability within the blockchain ecosystem.

CONCLUSION AND SCORE

Conclusion

The Parallel Finance Network exhibits several strengths across its various facets, including its comprehensive DeFi suite, capital efficiency, Multichain support, and emphasis on security. However, there are notable areas for improvement, particularly in the transparency and verifiability of the team's credentials, community engagement, and code quality on Github.

The team, led by Yubo Ruan, boasts a founder with significant experience in software entrepreneurship and venture capital. However, the lack of detailed information about other team members and advisors raises concerns about the project's transparency and credibility. Similarly, while the project's social media presence is substantial, with a large and moderately active community, the prevalence of scam reports and slow response times from the team on platforms like Discord indicate areas for improvement in community management and support. Parallel Finance's decision to host crowdloan activities on their website instead of utilizing the Polkadot JS extension may raise doubts about the project's trustworthiness and its dedication to fulfilling promises of returning contributions and distributing rewards.

In terms of code quality, the project demonstrates moderate activity on Github with sufficient documentation and adherence to good practices. However, there is room for enhancement in terms of expanding the contributor base and increasing collaboration to match the standards of projects with high Github activities. Despite these areas for improvement, the Parallel Finance Network presents a compelling value proposition to users seeking scalable DeFi solutions. Its robust business model, clear value offering, and sound financial planning position it well for growth and profitability within the blockchain ecosystem.

Score

As per the reasons covered above, the project falls into the **Moderate Risk** category. We advise potential investors and users to closely monitor the project's developments, particularly in addressing the highlighted areas for improvement. As always, conducting thorough research and staying informed about the project's official communications is essential for making informed decisions in the dynamic blockchain space.

CONTACT US

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[Discord Community](#)



ANTI·SCAM
TEAM