

**Ledger Score**

**Score Calculation Doc**

**version 1.2**

**Internal Use Only**

**2021-08**

**WEIGHTS**

**point system based on FICO min/100 → max/1000**

**possible points to accumulate = 900 (max-min)**

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v1 Tokens

TRANSACTIONS

accounts for 35% of score for a maximum of 175

consists of sends & receives

| **Sends** can only impact negatively | |
| --- | --- |
| Percentage of balance | Points |
| 30% | -40% of max |
| 31-40% | -60% of max |
| 41-50% | -80% of max |
| 51%+ | 0% |

| **Receives** can only impact positively | |
| --- | --- |
| Percentage of balance | Points |
| 30% | +40% of max |
| 31-40% | +60% of max |
| 41-50% | +80% of max |
| 51%+ | +100% of max |

Example: 2 ETH in transactions, 0.5 ETH in sends, 1.5 ETH received = 66% of ETH transactions are received, thus 100% of max points are received or 175 pts.

HISTORICAL BEHAVIOR

accounts for 25% of score for a maximum of 125

consists of historical LS patterns

(*calculated every 24 hrs GMT*)

| Historical LS | |
| --- | --- |
| Pct of inc/dec of LS | Pts |
| +-20% | +-20% |
| +-30% | +-40% |
| +-31-40% | +-60% |
| +-41-50% | +-80% |
| +-51% | +-100% |

Example:

DAY 1: LedgerScore = 500  
DAY 2: LedgerScore = 650  
DAY 3: Historical Behavior Points = 25 (due to 23% increase in score)

PREFERRED TOKENS

accounts for 25% of score for a maximum of 125

consists of top 10 token per cap allocation per wallet addr

(*calculated every 24 hrs GMT*)

| Pct of Token Balance in top 10 | |
| --- | --- |
| % | % of points |
| 90% | +100% |
| 80-90% | +80% |
| 70-80% | +60% |
| 60-70% | +40% |
| >= 50% | +20% |

LS RANK

accounts for 15% of score for a maximum of 75

(*calculated every 24 hrs GMT*)

| Comparative ranking vs LS peers (last 30 days) | |
| --- | --- |
| % | Pts |
| +-10% | +100% |
| +-8-9% | +80% |
| +-6-7% | +60% |
| +-4-5% | +40% |
| +-2-3% | +20% |

v2 Tokens

PORTFOLIO

TBD

| Volume of holdings in USD | |
| --- | --- |
| USD | Pts |
| 10M+ | +5 |
| 1M-10M | +4 |
| 100K-1M | +3 |
| 10K-99K | +2 |
| 3K-10K | +1 |

LOCKED TOKENS

| Pct of tokens locked by smart contract | |
| --- | --- |
| % | Pts |
| +-5% | +-5 |
| +-5-10% | +-4 |
| +-10-15% | +-3 |
| +-15-20% | +-2 |
| +->20 | +-1 |

Version History

| 1.2 | 08/29/21 | all 4 criteria for LS calc v1   1. Historical Behavior 2. Preferred Tokens 3. LS Rank 4. Transaction Score |
| --- | --- | --- |
| 1.1 | 07/18/21 | * changed score min/max from 300/850 to 100/1000 as per dev discussion |
| 1.0 | 07/11/21 | initial draft |