

Investigation Findings and Decision Regarding NFTEarth Grant Funding

Dear Community Members,

We wish to notify you of a dispute regarding NFTEarth during the Arbitrum on Gitcoin Grant Funding Fest. The purpose of this document is to share the outcomes of our investigation and the subsequent decision.

Dispute

Multiple community members flagged a “bad actor” in the grant round. Additionally, their STIP proposal was flagged.

Decision

Plurality Labs* has decided to exclude NFTEarth from receiving the matching funds payout from the recent Gitcoin on Arbitrum Funding Fest. Remove eligibility from all Plurality Labs grant programs and recommend the same for other Arbitrum grant programs.

Reasoning

The investigations centered on identifying projects that exhibited behaviors falling into the following categories:

- Proven bad actors within the web3 community.
- Misuse of funds, improper representation, farming
- Grant emulations, fake projects that simulate the behavior of genuine grants.
- Other malicious activities, including projects involved in sybil attacks, round farming, or other extractive or prohibited actions as per our eligibility criteria.

Out of the 51 approved projects, one project, in particular, has been actively pursuing payouts while invoking multiple reasons. This raised concerns that the project may fit into the scenarios outlined above (1 and/or 2). After thorough scrutiny of the project, specifically NFTEarth, we uncovered the following:

1. Improper representation - The leadership of NFTEarth is closely linked to that of L2DAO, a known bad actor in the web3 community. (Reference: [L2DAO Grant Usage Final Summary](#))
2. Misuse of funds - An investigation into L2DAO revealed mishandling of funds received. (Reference [L2DAO Investigation Summary](#))
3. Inappropriate reaction - threatening round admins and using alternate accounts to simulate the appearance of an upset community

Supporting Evidence

During our investigation, multiple individuals, some associated with the grant program and others not, came forward and indicated that NFTEarth is known for its unfavorable reputation within the web3 ecosystem. We also reached out to multiple Arbitrum delegates and Optimism community members familiar with the incident there.

NFTEarth’s reaction to our inquiries was hostile. First, the NFTEarth team initiated contact with our team members and exerted pressure to expedite the distribution of matching funds. Upon presenting the evidence linking them to L2DAO and the allegations of misconduct, NFTEarth’s response was to assert that they were being unfairly targeted due to their innovative and competitive approach. Subsequently, they resorted to making threats against our team members in our Telegram channel.

Additionally, tweets were posted from an account primarily used for retweeting NFTEarth posts, accusing our team of involvement in various unfounded and illogical malicious activities.

Background

It is important to note that all grants within Plurality Labs programs are subject to the discretion of both the round manager and Plurality Labs*. While we aim to maintain transparency to the extent possible, we reserve the right to withhold specific reasons for our decisions. Our overarching commitment is to promote fairness and ensure the integrity of our grant programs.

We appreciate your understanding and continued support as we work diligently to uphold the principles of transparency and fairness in our grant allocation processes.

*Plurality Labs holds the right to disqualify any grant from a program it manages. These grants always reserve the right to appeal via snapshot vote. Plurality Labs will always uphold the results of a direct vote on Snapshot which reaches quorum.