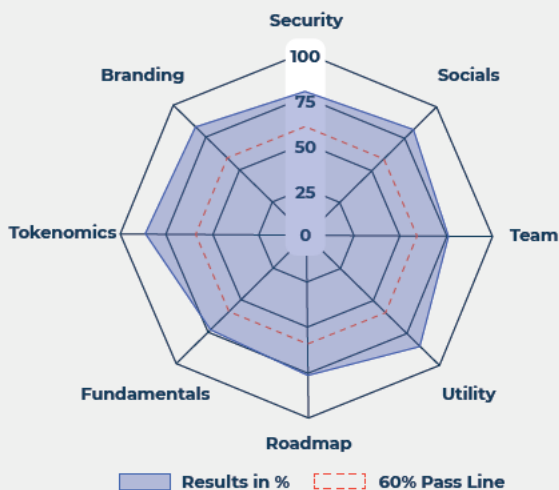# CYPHER REPORT
/ NIGHT OWL SYNDICATE   JULY 18 2022 PRE-MINT

OVERALL SCORE
81

REPORT SUMMARY

This report is the result of an assessment on the Night Owl Syndicate NFT project. It covers eight domains and determines scores using weighted data-points. The assessment is used to highlight the key strengths and weaknesses of the project. The Cypher team use these results to offer areas of improvement and recommended action to the project.

ASSESSMENT RESULTS

Security, Socials, Team, Utility, Roadmap, Fundamentals, Tokenomics, Branding

Scale: 0, 25, 50, 75, 100

Results in %   60% Pass Line

SECURITY	SOCIALS
79%	**83%**
PASS	PASS

TEAM	UTILITY
77%	**87%**
PASS	PASS

ROADMAP	FUNDAMENTALS
77%	**73%**
PASS	PASS

TOKENOMICS	BRANDING
88%	**84%**
PASS	PASS

AWARDS ACHIEVED

HIGHLIGHTED STRENGTHS

1. Night Owl Syndicate have set up a team that brings together a range of skills that aligns with what the project wants to achieve. The team is experienced in events management, clothing, branding, hospitality and music from their prior experience working in Web2 companies.
2. Night Owl Syndicate have partnered with many reputable NFT projects. Some include strategic business, audit, whitelist and tooling partnerships.
3. Well-written blogs about the project are accessible via the Night Owl Syndicate Meidum site. Information can be found about the team, tokenomics and branding.

HIGHLIGHTED AREAS OF IMPROVEMENT AND RECOMMENDED ACTIONS

1. We suggest that timescales are attached to each roadmap section, for example, giving each stage of the roadmap a date or year quarter of when they are expected to be released.
2. We recommend creating a tokenomics Discord channel and also a section on the website dedicated to tokenomics. The information in this channel should break down the distribution of tokens via infographics
3. Night Owl Syndicate should consider implementing cold admin accounts, whereby admin accounts are separated from the day-to-day use accounts of staff.

TWITTER METRICS	Number of Followers **21K**	Twitter Bot Score **3**/5	Engagement Score **3**/5	Team Activity **5**/5	

DISCORD METRICS	Number of Members **13K**	Discord Bot Score **4**/5	Activity Score **5**/5	Team Activity **5**/5	

TWITTER METRICS
Bot Score: Using an online tool, we assess how many of your Twitter followers are considered as "bots" (not real users). We then evaluate the outcome against pre-set thresholds to get a score out of 5 (1 = high amount of bots 5 = low amount of bots)

Engagement Score: Using our in-house formula, we assess engaged your Twitter followers are. We then evaluate the outcome against pre-set thresholds to get a score out of 5 (1 = low engagement, 5 = high engagement)

Team Activity: Using our in-house formula we score the core team's activity (average of 3 team members) based on how many tweets and replies your team members are sending out. We then evaluate this score against pre-set thresholds to get a score out of 5 (1 = low activity to 5 = high activity)

DISCORD METRICS
Bot Score: Using our in-house formula, we assess how many of your Discord members are considered as "bots" (not real users). We then evaluate the outcome against pre-set thresholds to get a score out of 5 (1 = high amount of bots 5 = low amount of bots)

Activity Score: We will assess how many messages are sent in your general Discord chat. We then evaluate this score against pre-set thresholds to get a score out of 5 (1 = low activity to 5 = high activity)

Team Activity: Using our in-house formula we score the core team's activity (average of 3 team members) based on how many messages the team is sending in the general chat. We then evaluate this score against pre-set thresholds to get a score out of 5 (1 = low activity to 5 = high activity)

SECURITY

The security domain assesses a projects' level of security by analysing their website, security hygiene, Discord security and smart contracts.

HIGHLIGHTED STRENGTHS

The Night Owl Syndicate team follows best practices for securely storing the private wallet keys of the team. Only one team member has access to the keys and has stored the private keys offline. Furthermore, the two-factor authentication requirement for Discord moderator accounts is enabled. This ensures a second line of defense if an attacker obtains a password from any team members.

Both the moderators' and administrators' activity covers all time zones. This is especially important as the Night Owl Syndicate Discord has over 13,000 members. The Night Owl Syndicate team follow a formal vetting process when hiring new moderators. The team will review the applicants' prior experience and select moderators who have previously worked with reputable projects.

Moderator permissions have a least privilege approach where they only have permission to conduct their role. Moderators can not @everyone or give out roles. This minimizes the damage an attacker can cause if they get access to one of the moderator accounts. In addition to this, Discord bots roles have been locked down and given only the permissions they need to function correctly.

🔒 HIDDEN

This information is not available publicly. This is to protect the safety and integrity of the Night Owl Sydicate project.

SOCIAL

83%

The social domain assesses a project's social presence by investigating traffic and engagement across multiple media platforms.

HIGHLIGHTED STRENGTHS

Night Owl Syndicate has strong community engagement, which is a positive sign for a project pre-mint. There have been over 8400 messages sent in their Discord general chat over the last seven days.

The Night Owl Syndicate Discord has several roles to encourage community members to be active members of the community. In particular, the 'Parliament Nest' role gives members the following benefits: whitelist for all NOS Mints, access to VIP network, merch airdrops and special giveaways. Community members are hand-picked for the 'Parliament Nest' role and, therefore, will motivate community members to engage in the community.

Night Owl Syndicate often hosts Twitter spaces to spread the word about their project. Night Owl Syndicate frequently collaborates with other projects and influencers on Twitter spaces to gain more reach. As a result, this will boost engagement and educate community members about the Night Owl Syndicate project.

To keep community members engaged, Night Owl Syndicate frequently hosts community events that enable the community to connect with each other, such as poker nights. Night Owl Syndicate also hosts events that directly align with their nightlife and music branding such as music live streams. This will attract and retain users who enjoy a night out. In addition, there is also a 'Dance Floor' voice channel where members of the community can chill out and listen to their favorite music.

Community members can vote on items they want to be listed in the Night Owl Syndicate marketplace. This could be anything from an NFT being listed to whitelist spots. Giving community members the ability to vote on project decisions will make them feel a sense of belonging and provide them with a reason to hold their NFTs for the long term.

AREAS OF IMPROVEMENT AND RECOMMENDED ACTIONS

We recommend adding some game bots to the Night Owl Syndicate Discord server such as trivia, image guessing games, and mini-games. Having gaming bots in Discord increases the likelihood that the community will continue interacting, resulting in a thriving ecosystem.

TEAM

77%

An NFT project's team is critical to its success, this is why we evaluate the experience, activity and history of the team behind the project.

HIGHLIGHTED STRENGTHS

Night Owl Syndicate have set up a team that brings together a range of skills that aligns with what the project wants to achieve. The team is experienced in events management, clothing, branding, hospitality and music from their prior experience working in Web2 companies. The team has many experts in their respective fields, which will help them reach their goals. In particular, one of the team members has experience with co-organizing the music festival called FEST, which had 30k attendees and over 90 music artists. Another team member is a producer and songwriter that has contributed to over 100 million streams worldwide. This experience could help build trust with investors and make them feel confident to buy an NFT and hold on to it for the long term. Information about the team is clearly portrayed in the 'meet-the-team' Discord channel, which outlines each team member's prior experience, interests and bio. Information about the team is also accessible on the website and a deep dive on a blog.

AREAS OF IMPROVEMENT
AND RECOMMENDED ACTIONS

The '#meet-the-team' Discord channel displays a description of each team member's experience, however, there is no description of what each team member's role is in the project. We recommend giving more of an outline of each team member's role within the project, not just their previous experience. This could be in the form of a short description of what that team member does in terms of development, management or moderation so the community can understand what areas of the project are being developed by each team member. We also recommend linking each team member's social accounts such as Twitter. In addition, for any doxxed team members, we recommend including a link to their Linkedin or IRL social accounts.

UTILITY

The utility domain assesses the true value that the project delivers to holders via our dynamic assessment criteria which evaluates areas such as innovation, staking and metaverse integrations.

HIGHLIGHTED STRENGTHS

Night Owl Syndicate is focusing on developing and delivering three key utility areas to holders.

Global Events - One of the core elements of the Night Owl Syndicate utility is holders' VIP access to global events hosted by the Night Owl team. Night Owl Syndicate aims to prove that blockchain technology can provide real-life benefits that the average person would be interested in. Owls holders get free drinks and backstage passes. A blog posted by the Night Owl team states that the first event will be used as a PR stunt to boost marketing. This will include talking to the press after movies and interviews to create exposure and bring eyes to the project. The team has specified that their event director is organizing the venue and the co-founder (Albert) is connecting with artists in the music and event space. The event will be announced pre-mint.

Clothing Brand - Instead of going for the traditional approach to launching overpriced and low-quality merch, Night Owl is taking a different approach. They are marketing their clothing brand to be high quality and launched through limited-edition drops. Night Owl has also stated that they will collaborate with other brands and projects that match their vibe. This will allow the merch campaign to receive more exposure. All of the Night Owl Syndicate merchandise will be open to the public to buy however holders of the NFT will be granted early access to merchandise drops and discounts using the Night Owl native token called $HOOT.

Music Label - Night Owl Syndicate plans to start a music label that brings together music artists within and outside the NFT community. The project plans to bring artists in to create a platform where they can gain exposure, which will grow the Night Owl brand. The Night Owl team has already signed two artists under their label before mint. This is a healthy sign that the team can continue growing the label and sign more artists. The project's co-founder (Albert) has experience working with big names like David Guetta, Avicii, and Nicky Romero. Making holders aware of this experience can give investors confidence to invest in the project and grow with the brand.

These three areas all intertwine with the creative vision of the project. All of the utility is relevant to achieving the goals set out by Night Owl Syndicate. In addition to the core utility, holders also receive other benefits such as:

Access to the NightOwlsDAO, allowing holders to vote for things like event locations, clothing designs, fund distribution or new business ventures.
Access to staking which enables holders to buy festival tickets, NFTs, Clothing Brand purchases, discounts and early access.
Chance to win trips and accommodations for events.

AREAS OF IMPROVEMENT
AND RECOMMENDED ACTIONS

There is no action required as we have assessed the utility to be a good fit for the project.

ROADMAP

77%

An NFT project's team is critical to its success, this is why we evaluate the experience, activity and history of the team behind the project.

HIGHLIGHTED STRENGTHS

The long-term goal of Night Owl Syndicate is to build a thriving nightlife-focused project. The roadmap is accessible on the Night Owl website and information is clearly portrayed in 5 stages:

Building the nest - Milestones related to initially developing the business, including the development of the website, business plan, strategy and team
Tending the nest - Outlines community growth and marketing goals such as collaborations, Discord activities and giveaways
Hatching - Milestones associated with launching the Night Owl Syndicate NFT through a launchpad and listing the NFT on Magic Eden
Spreading the wings - Milestones regarding the development of the Night Owl ecosystem including, staking, clothing brand release, collaborations and website redesign.
Gliding flight - Describes the goals of creating Events, clothing brands, a music label and a festival with community profit sharing.

The project has many long-term aspirations that will inspire investors to hold their Night Owl Syndicate for the long term.

AREAS OF IMPROVEMENT
AND RECOMMENDED ACTIONS

Although the roadmap is displayed in clear stages, no dates or timescales have been assigned. We suggest that timescales are attached to each roadmap section, for example, giving each stage of the roadmap a date or year quarter of when they are expected to be released. This will strengthen the community's confidence that everything will be executed and it should also help create momentum and hype for each milestone.

FUNDAMENTALS

The fundamentals domain evaluates the core building blocks that make up a project, including logistics, information, transparency, content and exposure.

HIGHLIGHTED STRENGTHS

Night Owl Syndicate have built their brand around nightlife. The name 'Night Owl Syndicate' aligns with nightlife making community members instantly associate the project's name with their vision.

Night Owl Syndicate have partnered with many reputable NFT projects. Some include strategic business, audit, whitelist and tooling partnerships. In particular, Night Owl Syndicate have partnered with Blocksmith Labs and is live on their Mercury platform. Mercury provides a service that will automate the collection of users' wallets for whitelists. Using the platform saves the moderators and team a tremendous amount of time as there is no need for manual collection. Having a range of partners will create exposure for the project and improve utility and efficiency.

The Night Owl Syndicate Discord has a 'FAQ' channel. This will preventcommunity members from joining Discord and asking simple questions like "what is the supply?". Instead of asking these simple questions, a potential investor can go to the FAQ channel and be informed about frequently asked questions which will free up time for moderators.

Night Owl Syndicate's goal is to expand the NFT user base by bringing new utilities to the current users of the NFT market rather than bringing new users over to the NFT and crypto world. Night Owl Syndicate plan to achieve this by bringing together a set of new utility in the form of IRL events, clothing brand and music label.

Well-written blogs about the project are accessible via the Night Owl Syndicate Meidum site. Information can be found about the team, tokenomics and branding. This information gives the reader a deep dive into certain aspects of the project and helps them in their research process.

AREAS OF IMPROVEMENT AND RECOMMENDED ACTIONS

The Night Owl Syndicate brand image is focused on nightlife. This is evident throughout their website and Discord server. However, the team could implement written lore to form a deeper connection with holders, making them feel like they belong to the Night Owl Syndicate community.

Although potential investors can get the information needed about Night Owl

Syndicate from channels in the Discord, we recommend consolidating all of the key information into an easy-to-read litepaper or whitepaper. Having a litepaper or whitepaper is an informative and effective method of portraying key information to holders so they can get the full picture of what they will get from an NFT. In addition, it is an effective way of reminding the community of the vision and values of the project.

Although the FAQ does answer key questions that community members may ask we recommend adding information around royalties, utility and tokenomics.

TOKENOMICS

88%

The tokenomics domain assesses a project's fundamental token utility, transparency and security to ensure a well rounded overview.

HIGHLIGHTED STRENGTHS

Night Owl Syndicates token is called $HOOT which can be earnt through staking. 10 $HOOT is earnt each day for each staked NFT. There is no liquidity pool for $HOOT; instead, the value is derived from what the community values the token. This is a reasonable approach to tokenomics as in the past many projects have launched tokens with liquidity pools that have been drained, leading to the failure of the project. To extend the supply of $HOOT and to reward early holders there will be two halving events. A halving event means the number of tokens being distributed each day will be halved - after six months of the project's launch the daily $HOOT staking reward will be 5 per day.

$HOOT can be spent in the Night Owl store where holders can buy merchandise, accessories, tickets for events, NFTs and whitelist spots. Any $HOOT spent in the store will be locked into a DAO wallet and distributed back to investors over time. $HOOT can also be spent to mint future collections launched by Night Owl Syndicate. There are also plans to allow holders to spend their $HOOT at Night Owl Events to buy drinks, clothes and food.

Several items in the shop will burn $HOOT instead of putting it into the DAO wallet to create a deflationary system. In theory, this should drive the price of $HOOT up over time as there will be less supply. A deep dive into tokenomics can be found on the project's medium blog site.

AREAS OF IMPROVEMENT AND RECOMMENDED ACTIONS

Information can be found on the announcements channel or the Night Owl Syndicate medium blog. We recommend creating a tokenomics Discord channel and also a section on the website dedicated to tokenomics. The information in this channel should break down the distribution of tokens via infographics. This will create transparency with holders and give them the confidence to buy a Night Owl Syndicate NFT.

BRANDING

The branding domain looks into the key areas of what makes up successful branding. Scores are based from facts and the score isn't a representation of the standard of artwork.

HIGHLIGHTED STRENGTHS

The branding of Night Owl Syndicate has been aligned with a nightlife feel that ties into the project's overall vision. The Night Owl Syndicate infographics and artwork use a consistent color pallet of a dark background combined with purple text. This makes the brand easily recognizable when a Twitter post is made.

AREAS OF IMPROVEMENT
AND RECOMMENDED ACTIONS

There is no action required as we have assessed the branding and artwork to be of sufficient quality and distinctiveness.

Information accurate at date of release to the best of our knowledge.

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