

FAQ

Generic FAQs



GNOSIS X

What is Gnosis SDK?

The Gnosis SDK is a Javascript library (Gnosis.js) providing an easy-to-use tool to enable any developer to build and maintain prediction market applications on top of Gnosis. By reverse engineering the examples, you can build out your own more complex interface for a prediction market use case that is most interesting to you.

What is Ethereum?

Ethereum is an open-source blockchain platform that lets anyone build and use decentralized applications (dApps) using blockchain technology. More information can be found in the Ethereum whitepaper [here](#).

What is a prediction market?

Sometimes called information markets, idea futures, event derivatives, decision markets, or virtual stock markets, prediction markets are in essence a vehicle for aggregating information about the expected outcome of a future event. More information can be found [here](#).

How do Gnosis prediction markets work?

Learn more about our contract architecture in this [blog post](#).

What is an Oracle?

To resolve an event, an event contract needs information about what actually happened in the real world, e.g. who won the presidential election or what is Apple's stock price at the end of the year? Oracles are used to capture this real-world information and set the outcome for an event in the event contract. Gnosis is agnostic towards Oracles and allows any contract implementing the Oracle interface to be used as an Oracle. For more information on Oracles, please take a look at this [blog post](#).

Do I need Ether to use the Gnosis SDK?

You will need Ether on your respective network to pay gas costs for executing functions on Ethereum using the Gnosis SDK. You may acquire test Ether for the test networks with the following faucets:

Rinkeby: <https://faucet.rinkeby.io>

Kovan: <https://github.com/kovan-testnet/faucet>

Ropsten: <http://faucet.ropsten.be:3001>

Can I use Ether as collateral on Gnosis Prediction Markets?

Gnosis prediction markets require an ERC20 token to be used as collateral. You may use an ERC20 wrapper for Ether. On the mainnet, we use the [MakerDAO WETH](#) as the Ether wrapper by default. On the testnets, a custom simple wrapper is used. Not sure what a collateral token is? Read up on our contract architecture [here](#).

Do I need to pay for using the Gnosis SDK?

The Gnosis SDK is free to use.

What are the licensing terms for the Gnosis SDK?

The Gnosis SDK is released under the [MIT](#) license.

Who is legally responsible for prediction market applications built on top of Gnosis?

Gnosis is a platform provider and only provides the infrastructure to build prediction market applications. Gnosis is not responsible for applications building on the Gnosis platform, legally or otherwise. Hence, developers building on top of Gnosis are responsible for evaluating the legal situation of their application and bear the full legal responsibility. Unfortunately, we are legally prohibited from providing any form of legal advice. However, we're happy to recommend people who can advise on legal matters.

Rest assured that the Gnosis team and legal advisors are currently pursuing strategies to bring the benefits of Gnosis and the information sharing economy to everyone. Part of this effort is the clarification of contentious questions around certain types of prediction market applications.

Technical FAQs

How does the Gnosis SDK work?

The Gnosis SDK works as an npm package you can install and import easily into your project.

Where can I download the Gnosis SDK?

There are two ways to install the Gnosis SDK, by using the npm package manager or by cloning the Git repository [here](#).

What are the system requirements for the Gnosis SDK?

The minimum system requirements for running the Gnosis SDK are the following:

- NodeJS >= 7
- npm >= 5
- Git = All

How do I get notified when a new Gnosis SDK version is available?

Participants who sign up for the challenge will receive priority access to updates and new releases related to the Gnosis SDK. You can also stay on top of general updates and releases by checking out the libraries on [GitHub](#) and [Gitter](#). Please note that you do not need to [sign up](#) before you submit your dApp.

Which operating systems are supported?

All operating systems satisfying the minimum requirements. For system requirements, see above.

Which languages does the Gnosis SDK support?

The Gnosis SDK is a fully NodeJS/Javascript library. Check out the minimum requirements above for running the SDK.

Which browsers does the Gnosis SDK run on?

The Gnosis SDK is fully compatible with the most recent versions of the following browsers:

- Google Chrome
- Mozilla
- Safari

How can I create a prediction market using the Gnosis SDK?

You can find an explanation on how to create prediction markets using the Gnosis SDK in our official documentation [here](#).

What fees apply to Gnosis Prediction Markets?

Whenever the event contract mints sets of outcome tokens in exchange for collateral tokens **on the mainnet**, a platform fee of 0.5% of the transaction volume is charged.

What is IPFS?

IPFS (InterPlanetary File System) is a new hypermedia distribution protocol, addressed by content and identities which enables the creation of completely distributed applications. Check out their website at <https://ipfs.io/>

What is GnosisDB?

GnosisDB is a generic database layer combining cheap storage with the advantage of fast document search and retrieval. It indexes everything created using the Gnosis SDK. Variables such as new markets, buy/sell trades, etc. are stored using the GnosisDB layer. It also offers a useful API that returns market information.

Repository: <https://github.com/gnosis/gnosisdb/>

Utils Documentation: <https://github.com/gnosis/gnosis-sdk-utils>

What networks are supported by the Gnosis SDK?

The Gnosis SDK supports the following networks:

- [Ethereum Mainnet](#) (ID 1)
- [Ethereum Rinkeby test network](#) (ID 4)
- Ethereum Kovan test network (ID 42)
- [Ethereum Ropsten test network](#) (ID 3)
- Local test network

Do I need to run my own Ethereum node?

You are not required to run your own Ethereum node, your Gnosis SDK instance will automatically leverage Gnosis services.

Do I need to install GnosisDB locally?

You have to manually deploy contracts if you're using a local test network. We strongly encourage participants to use the Rinkeby test network since the GnosisDB already runs against Rinkeby. If you would like to run your dApp on a different test network, you would need to install the GnosisDB locally or on a dedicated machine.

Do I need to run an IPFS node locally?

You are not required to run your own IPFS node locally.

What kind of markets can I create?

The Gnosis platform supports two kinds of events: [scalar](#) and [categorical](#).

What is the difference between categorical events and scalar events?

- A categorical event resolves to an outcome from a defined list, whereas a scalar event resolves to a number within a defined range.
- An example for a categorical event would be "Where will Amazon locate its next headquarters?" with the outcomes A) Phoenix, B) Chicago, or C) Austin.
- An example for a scalar event would be "What will Apple's stock price be in Q4?" The outcome is a scalar value, i.e. a range between two USD amounts.

For a detailed description of scalar and categorical events, please refer to our [blogpost](#).

How many outcomes can a categorical market support?

Due to current limitations within the blockchain technology, you can create up to 5 outcomes for a categorical market. If there are more than 5 outcomes for the market, the most popular or likely outcomes should be listed individually and all other outcomes can be aggregated into an outcome option like "Other".

I have created a market, how can I verify it has been indexed by GnosisDB?

The Gnosis SDK will return the newly created market's address. You can verify that it has been indexed by executing a REST call to the GnosisDB API and passing the market address into the following URL: <https://gnosisdb.rinkeby.gnosis.pm/api/markets/{marketAddress}/>. The example API response listed [here](#) contains the full market details.

How can I buy shares on a prediction market?

The Gnosis SDK contains convenience functions for buying and selling outcome tokens from a market. Those are [Gnosis.buyOutcomeTokens](#) and [Gnosis.sellOutcomeTokens](#). Check out the full documentation [here](#).

How can I sell shares from a prediction market?

Check out how to sell shares [here](#).

When can I redeem winnings?

You can redeem winnings once the market is resolved and if you hold shares on the winning outcome.

How many tokens should I receive when a market gets resolved?

The amount of tokens you receive when a market is resolved depends on the type of market (scalar or categorical). The token mechanism is explained [here](#).

How to resolve a prediction market?

From a technical perspective, resolving a prediction market means setting the winning outcome on the Event and Oracle contract instances.

The documentation found [here](#) explains how to resolve a market using Gnosis.js.

How to close a prediction market?

In order to close a prediction market, its owner has to call the "[close](#)" method on the Market contract instance.

What's the difference between closing and resolving a market?

- By resolving a market, the owner sets the winning outcome.
- Closing a market stops market trading without setting an outcome for resolution.

What's the difference between shares and tokens in a prediction market?

On the Gnosis platform, shares are represented by outcome tokens. In general, tokens refer to any ERC20 compatible contract.

How long will the market creation process take?

The minimum time it will take to create a market is around 1 minute. Creation duration can be affected by two factors:

1. The network you are connected to, due to the difference in time needed to mine a block on the mainnet versus a testnet.

2. Gas price value—the larger the gas price, the quicker a transaction will be mined.

How can I get a smart contract instance to use Gnosis.js?

Once you have created an instance of Gnosis.js, specify the contract you're interested in and its address as shown below:

```
const categoricalEvent = gnosisJsInstance.contracts.CategoricalEvent.at(categoricalEventAddress);
```

What can I do if the market creation process fails?

In case of failures, you will need to recover the latest instance created and continue processing from that point on. For example, if you have created a scalar event successfully, but the market creation step fails, you will have to get the scalar event instance as explained above and then continue with the market creation.

Customer Support FAQs

I need specific support on the Gnosis SDK, who can I contact and how?

To contact support, please reach out to us via Gitter and our Forum.

- [Gitter](#)
- [Forum](#)

How much does the customer support cost?

Customer support is free. Questions will be answered to in the order they are received.. No weekend support will be provided.