THE FRAUDULENT RESOLUTION OF THE POLYMARKET "ZELENSKYY SUIT" MARKET

I. Contractual Foundation

The rules of the Polymarket contract were explicit.

> *"This market will resolve to 'Yes' if Volodymyr Zelenskyy is photographed or videotaped wearing a suit between May 22 and June 30, 2025 ET. Otherwise, this market will resolve to 'No'. The resolution source will be a consensus of credible reporting."*

Key criteria:

1. **Photograph or video**
2. **Suit** (undefined by tailoring or tie, only the garment category)
3. **Authentic media released within timeframe**
4. **Resolution by a "consensus of credible reporting"**

This is a binary logic tree. There is no allowance for token-holder interpretation, style-based subjectivity, or definitional override. The contract is not a debate, it is a specification.

II. Factual Satisfaction of the Contractual Conditions

Each of the contract's resolution criteria was not only satisfied but satisfied in a manner that admits no reasonable dispute. The facts of the event fall squarely within the parameters stipulated by the contract's plain language.

A. President Zelenskyy Was Photographed Wearing a Suit Within the Stated Timeframe

On **June 24, 2025**, during the **NATO summit in The Hague**, President Volodymyr Zelenskyy appeared in public wearing a two-piece matching ensemble consisting of:

- A black **tailored jacket**
- **Matching trousers** of identical material and color
- A **collared button-up shirt,** worn beneath the jacket

This appearance was documented by numerous international media outlets, photographed from multiple angles, and disseminated on the same calendar day. The authenticity of the photographic material is uncontested, and the release date – June 24 – places it firmly within the required window of **May 22 to June 30, 2025,** as delineated by the contract.

There exists no credible allegation of AI manipulation, artificial generation, or ex post timestamping. The media was captured live and a major international summit, in full view of diplomatic officials, press corps, and life audiences.

This element of the contract, that Zelenskyy be "photographed or videotaped wearing a suit between May 22 and June 30", was satisfied without ambiguity.

The image above, widely circulated on social media and in professional coverage, displays the exact outfit in question. The photographic integrity and visual evidence will be elaborated in subsequent sections.

B. Zelenskyy's Attire Meets the Objective Definition of a "Suit"

The second contractual requirement – that Zelenskyy be photographed "wearing a suit" – hinges on the meaning of the term *suit* as used in the contract. Importantly, **the contract does not define this term,** and therefore its meaning defaults to the **ordinary and customary usage** as understood by the general public and as reflected in standard English-language dictionaries.

The ordinary definition of a *suit* is not determined by subjective impressions or social expectations, but by established linguistic authorities. According to multiple leading dictionaries:

- **Oxford Learner's Dictionary** defines a suit as "a set of clothes made of the same cloth, including a jacket and trousers or a skirt."
- **Collins English Dictionary** states: "a set of garments of the same color and fabric, consisting of trousers, a jacket, and sometimes a vest."
- **Lingvanex Dictionary** similarly defines a suit as "a set of clothes, typically consisting of a jacket and trousers, worn together."

In every case:

- **A tie is not required**
- **Dress shoes are not required**
- **Formality level is not a definitional element**

Under these definitions, Zelenskyy's attire – a matching jacket and trousers ensemble – qualifies unequivocally as a suit. The contract did not introduce any tailoring-specific or cultural caveats. It did not require the suit to conform to any Western standards, include a white shirt, or be accompanied by specific footwear. Introducing such requirements post hoc constitutes an unauthorized rendition of the contract's terms.

The clothing worn by President Zelenskyy satisfies all established definitions of a "suit". Any contrary interpretation is a subjective insertion not found in the contract or in ordinary language.

What Is a "Suit"?

Comparative Dictionary Definitions

Source	Primary Clothing Definition	Tie Required?	Shoes Required?
Oxford Learner's Dictionary	"a set of clothes made of the same cloth, including a jacket and trousers or a skirt"	No	No
Collins English Dictionary	"a set of garments of the same color and fabric, consisting of trousers, a jacket, and sometimes a vest"	No	No
Lingvanex	"A set of clothes, typically consisting of a jacket and trousers, worn together"	No	No

Consensus: Jacket + matching trousers = suit; tie and footwear are optional.

This chart visually confirms that none of the required definitions require a tie, specific tailoring, or footwear. The essence of a suit is defined by **material uniformity** and the pairing of jacket and trousers – which Zelenskyy's ensemble clearly reflects.

C. A Consensus of Credible Reporting Identified the Garment as a Suit

The final clause of the contract specifies that resolution shall be based on a **"consensus of credible reporting"**. This is not a subjective standard. It is a legally operative clause that sets the **epistemic authority** by which the question must be adjudicated. The contract delegates interpretation not to oracular voters, but to the external consensus of professional media institutions.

In the present case, there exists a preponderance and supermajority of reporting by reputable, independent outlets referring to Zelenskyy's attire as a suit.

The following media outlets explicitly characterizd the June 24 attire as a "suit":

This data was taken from 🗐 Polymarket: Will Zelenskyy wear a suit before July?

Source	Statement
New York Post	"Zelensky ditches T-shirt for a **suit**"
Polymarket	"President Zelenskyy **in a suit** last night"
BBC	"Zelensky swaps military fatigues for **black suit** at Nato summit"
Kyiv Post	"The Ukrainian leader was spotted **wearing a suit**"
Reuters	"switching his typical khaki military-style tee-shirts and long-sleeved tops for more formal, but still rugged, **black suit-style jackets and shirts**."
The World	"Ukrainian President Volodymyr Zelenskyy attended the NATO summit at the Hague today, and notably was **wearing a suit**."
New York Times	"Mr. Zelensky even **wore a black suit jacket**"
News 18 (CNN)	"Zelenskyy Ditches Combat Look At NATO, **Suits Up** After Trump's Oval Office Rebuke"
Metro	"Ukrainian President Volodymyr Zelensky swapped his polo shirt for **a suit** for his meeting with Donald Trump"
Bild	"Now Zelenskyy counters **in a suit**"
HuffPost	"Zelensky **wears a suit** for the first time"
ANI News	"Ukrainian President Zelenskyy **wore a suit** to the event"
Hindustan Times	"Volodymyr Zelensky opted for **a black suit** to attend the royal dinner"
Times Now World	"Ukrainian President Volodymyr Zelensky swapped his green fatigues for **a sleek black suit**"
Worldcrunch	"Volodymyr Zelensky has shown up **in a suit**."
The Sun	"Zelensky swapped his signature battlefield khakis for **a slick black suit** today"
OK! Magazine	"Volodymyr Zelenskyy Shockingly **Dons Suit** at NATO Summit"
Telegraph	"for the first time since the beginning of Russia's invasion of Ukraine, he has appeared at an official meeting **wearing a suit**."
Euromaidan Press	"Zelenskyy **wore a suit**."
Ukraine's Official Instagram	"Zelensky **put on a suit**"

Fox News / Daily Beast	"Zelensky's outfit **qualified as a suit** this time."
Espreso	"Zelenskyy **wears black suit for first time** since full-scale invasion ahead of Trump meeting"
Republic World	"Ukrainian President Volodymyr Zelenskyy arrived in **a formal black suit** for the NATO dinner"
Mashable India	"Zelenskyy Gets Internet's Attention After **Wearing A Suit** To NATO Summit"
Firstpost	"Several photos and videos of the Ukrainian president **wearing the suit** quickly went viral online"
Maeil Business Newspaper	"President Zelensky, who showed off **his suit** for the first time since the outbreak of the war"
Censor.NET	"Zelenskyy appeared at the official event **in a classic suit**."
Free Press Journal	"Zelenskyy 'Finally **Wears Suit**' At NATO Summit"
EA Daily	"Vladimir Zelensky, came to a meeting with US President Donald Trump at the NATO summit in The Hague **in a suit**"
Revue Conflits	"This time, the Ukrainian president **wore a black suit**. It was the first time since February 2022 that he had appeared in this way."
News.Az	"Zelensky swaps military fatigues for **black suit** at Nato summit"
The Daily Jagran	"In a rare sartorial shift, Ukrainian President Volodymyr Zelensky appeared in **a formal black suit**"
MEAWW	"Zelensky sparks meme fest for ditching combat gear **for suit** at royal dinner"
Gazeta Express	"Zelensky swaps military uniform **for black suit** at NATO summit"
Interia Wydarzenia	"During the summit in The Hague, Ukrainian President Volodymyr Zelensky surprised with his style, **wearing an elegant suit**"
Polskie Radio	"Although the leader of the country defending itself against Russian aggression usually appears in a sweatshirt or sweater with the Ukrainian emblem, this time he decided to **wear an elegant suit**. "
Pro TV	"The surprise of the evening was Volodymyr Zelensky, who **appeared in a black suit** - for the first time since the beginning of the war."
Truwire	"Zelenskyy spotted **wearing somewhat of a SUIT** at the national summit in the Netherlands."
Breaking911	"Zelenskyy spotted **wearing a SUIT**"
Ukranian News	"Zelenskyy **appears in public in suit for first time** since start of war"

RBC Ukraine	"Volodymyr Zelenskyy appeared in public **wearing a classic suit**."
New Voice	"Volodymyr Zelensky's outfit looks almost **like a classic suit**"
24 Show	"Volodymyr Zelenskyy wore a black button-down blazer with pockets, matching pants and a shirt. It is worth noting that all of the items together **look like a suit**."
The Irrawaddy	"Zelensky **wears a classic suit** for the first time since 2022"
Times Now	"Ukrainian President Volodymyr Zelenskyy made headlines at the NATO Summit's royal dinner in the Netherlands by **appearing in a tailored black suit**."
The Counteroffensive	"Zelenskyy arrives at the NATO summit, **wearing a suit**."
Ukrinform	"A few pieces do show photos of Volodymyr Zelensky **wearing a suit**, but only in the context of reporting on the events of the NATO summit."
Al Bawaba	"Ukrainian President Volodymyr Zelenskyy recently went viral on social media after cameras captured him at the 2025 Hague Summit **wearing a sleek black suit**"
The Patriot Oasis	"Zelensky actually **wore a SUIT** this time in a public outing"
The Sprinter Observer	"Ukrainian President Zelensky attended the NATO summit **in a suit**."
Business Basics	"Zelensky **wore a suit**."

The reporting crosses all relevant thresholds:
- **Numerosity:** Dozens of outlets published the story.
- **Geographic diversity:** North America, Europe, Africa, Asia.
- **Ideological neutrality:** Left-wing, right-wing and centrist outlets all agreed on the classification.
- **Temporal consistency:** The language was used uniformly on and after June 24.

This contract mandates a resolution by a "consensus of credible reporting". That consensus indisputably existed – and labelled the attire a *suit*.

III. Breach of Contract and Malicious Resolution Procedure

Despite the fact that **every contractual condition was satisfied,** the market was resolved to "**No."** This outcome is not simply erroneous, it is a knowing and willful breach of the express terms of the contract, executed through a manipulated and extralegal process.

This resolution:
- **Contradicts observable fact**
- **Ignores explicit documentation**
- **Subverts the stated resolution authority**

- **Was executed through coercion, not deliberation**

A. The Outcome Contradicted the Factual Record

All four conditions of the contract were fulfilled.

The resolution to "No" thus violates the plain meaning of the contract and ignores all relevant documentation. It introduces a non-contractual override mechanism, wherein outcome is determined not by facts, but by the sentiment of token-weighted voters, voters who are financially incentivized to vote against truth. This is a textbook nonperformance and breach of contract.
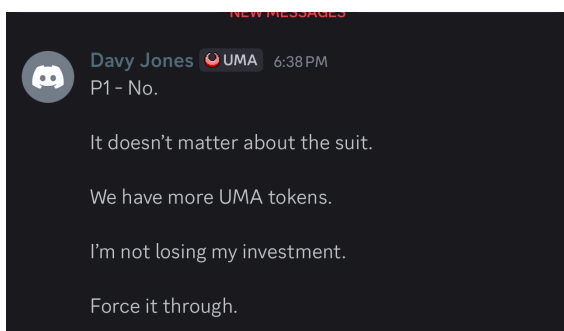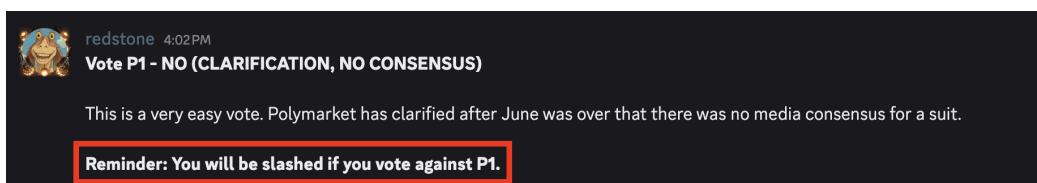
"A party who performs all its obligations under a contract is entitled to the benefit of the bargain. A party who rewrites the contract's terms post hoc commits breach." – *Restatement (Second) of Contracts*

B. Governance was Not Based on Evidence, But on Threats and Collusion

Polymarket utilizes UMA's "Optimistic Oracle" to resolve markets. In theory, this process is designed to create decentralized truth by allowing token holders to resolve disputes via vote. In practice, this system is captured by a cartel of high-volume token holders who coordinate their votes to guarantee outcomes that maximise personal gain, not truth.

The real-world governance process in this case included:

- **Threats** to slash the stake of anyone voting "YES"
- **Statements from whale voters** saying that evidence didn't matter
- **Coordinated Discord instructions** to resolve "NO" regardless of facts
- **Explicit collusion:** one participant admitted they "didn't care about the suit", only that they "weren't going to lose to retail".

redstone 4:02PM
Vote P1 - NO (CLARIFICATION, NO CONSENSUS)

This is a very easy vote. Polymarket has clarified after June was over that there was no media consensus for a suit.

Reminder: You will be slashed if you vote against P1.

Davy Jones ✪ UMA 6:38PM
P1 - No.

It doesn't matter about the suit.

We have more UMA tokens.

I'm not losing my investment.

Force it through.

These messages are direct evidence of collusion and governance coercion. This was not arbitration – it was economic bullying. The oracle's legitemacy rests on the assumption that token holders are impartial agents of truth. That assumption is shattered.

C. This was Not Adjudication – It was Market Manipulation

This was not a dispute over ambiguity. It was not a disagreement over tailoring, it was a premeditated override of facts, coordinated via token-weighted governance for the express purpose of redistributing funds to insiders.

That is:

- **Tortious interference**
- **Breach of the implied covenant of good faith and fair dealing**
- **Deceptive trade practice**
- **Fraudulent inducement**

"A party cannot disclaim a contract's obligations by empowering an interested third party to unilaterally override factual conditions." – *United States v. U.S. Gypsum Co., 438 U.S. 422 (1978)*

This was, by all reasonable standards, a **fraudulent resolution executed through structurally rigged governance.** If it occurred in any regulated financial market, it would trigger regulatory enforcement, civil liability, and criminal exposure.

IV. Precedent of Patterened Abuse and Governance Fraud

This is not the first time UMA and Polymarket have resolved a market in direct contradiction to stated contractual terms. There exists a well-documented pattern of resolution misconduct wherein rules were ignored, timelines were distorted, definitions rewritten, and factual criteria dismissed post hoc in favor of financially convenient outcomes.

The Zelenskyy suit market is not an anomaly. It is simply the latest installment in a long-running series of manipulations, carried out through the same mechanisms: opaque oracles, token-weighted votes, vague appeals to credibility, and captured governance actors.

A. Venezuela Presidential Election 2024 Market

Market: https://polymarket.com/event/venezuela-election-winner ("Who will win the Venezuela Election?")

Rule: "The primary resolution source for this market will be official information from Venezuela, however a consensus of credible reporting will also suffice."

- On election night, Venezuela's official electoral body (CNE) declared **Nicolás Maduro** the winner.

- Supreme Court affirmed the result.
- Even **Reuters** and **Venezuelanalysis** confirmed that the opposition challenges were rejected.
- The United States walked back its brief recognition of opposition figure Edumundo González.

Despite the official declarations satisfying the market's primary resolution source, UMA disregarded the hierarchy and resolved in favor of the secondary clause – selectively citing U.S. press narratives about "fraud".

UMA ignored primary source authority and replaced it with editorial preference. The override was willful.

B. Trump Rare Earths Market

Market: https://polymarket.com/event/ukraine-agrees-to-give-trump-rare-earth-metals-before-april
("Ukraine agrees to Trump mineral deal before April?")

- **No such deal was signed.**
- UMA voters declared "YES" regardless – citing vague statements of intent.
- Polymarket users were denied refunds, even when proof was submitted post-resolution.

C. Titan Submarine Market

Market: https://polymarket.com/event/will-the-missing-submarine-be-found-by-june-23 ("Will the missing submarine be found by June 23?")

- **Market description required full body of the vessel.**
- Only debris was found.
- UMA resolved "YES" anyway.

D. ETH ETF Approval Market

Market: https://polymarket.com/event/ethereum-etf-approved-by-may-31 ("Ethereum ETF approved by May 31?")

- SEC approved the **19b-4,** but **not the S-1**, which is required to launch the ETF.
- Thus, no actual ETF was approved by the deadline.
- UMA resolved "YES".

V. Legal Liability and Theories of Actionability

The resolution of the Zelenskyy market not only violates the contract's express terms – it engages a constellation of actionable legal offenses under both common law and regulatory doctrine. This was not a mere misjudgement. It was a deceptive, manipulative, and injurious act that exposed participants to material harm in reliance on false assurances of rule-based adjudication.

A. Fraudulent Inducement

Polymarket solicited user participation in this market by presenting a clearly defined contract, complete with:

- Transparent criteria ("photographed or videotaped wearing a suit")
- Objective verification standard ("a consensus of credible reporting")
- Predictable enforcement mechanism (market resolution via oracle)

By promoting this contract and accepting wagers, Polymarket induced users to rely on the false representation that resolution would follow observable facts and not be retroactively altered by token-holder discretion.

Fraudulent inducement occurs when one party knowingly misrepresents a material fact to induce another party into a contract, and that party suffers harm as a result of reliance on the misrepresentation.

Here:

- The market was advertised as truth-based
- Participants relied on the rules as written
- The contract was later reinterpreted or ignored for the benefit of governance insiders
- Users suffered quantifiable financial losses due to that reliance

B. Breach of the Implied Covenant of Good Faith and Fair Dealing

Every contract, whether formal or informal, carries with it a **covenant of good faith and fair dealing** – a duty that neither party will act in a way that unfairly deprives the other of the contract's benefits. In this case,

- Polymarket and UMA knew that "YES" was the correct factual resolution.
- They allowed (and in some cases, encouraged) token-weighted actors to resolve "NO" anyway.
- They actively threatened voters who challenged the cartel narrative.
- They postured neutrality while benefiting from insider resolution results.

Breaching good faith means sabotaging the outcome your counterparty was entitled to under the contract. Here, that sabotage was deliberate and repeated.

C. Tortious Interference with Contractual Expectancy

By facilitating, encouraging, or permitting cartel-like manipulation of the oracle vote, UMA government actors, including individuals affiliated with Risk Labs – interfered with the contractually expected resolution outcome.

This interference was knowing, malicious, without justification, and conducted in a manner that intentionally subverted the terms of the contract.

"One who intentionally and improperly interferes with the performance of a contract… is subject to liability." – *Restatement (Second) of Torts §766*

The fact that Risk Labs-connected individuals threatened and coerced voters to conform to a "NO" result, knowing full well that the contractual conditions supported a "YES" is grounds for liability under this tort.
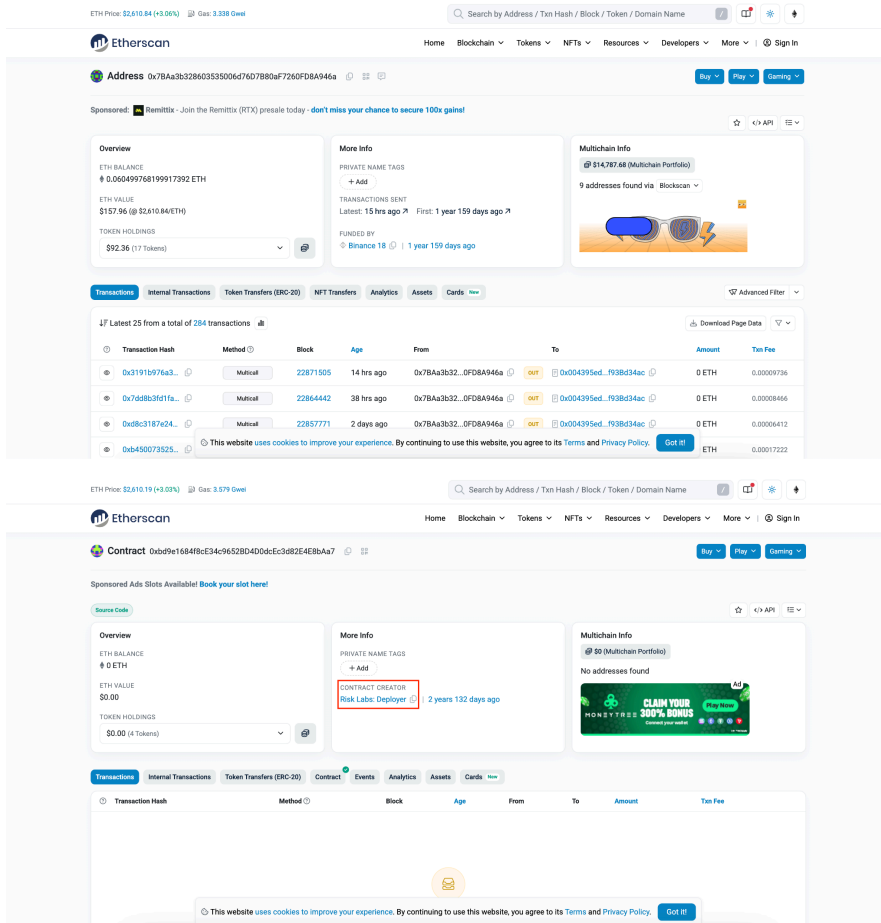
Comparison between independent (legitimate) voter and Risk-Labs affiliated voter
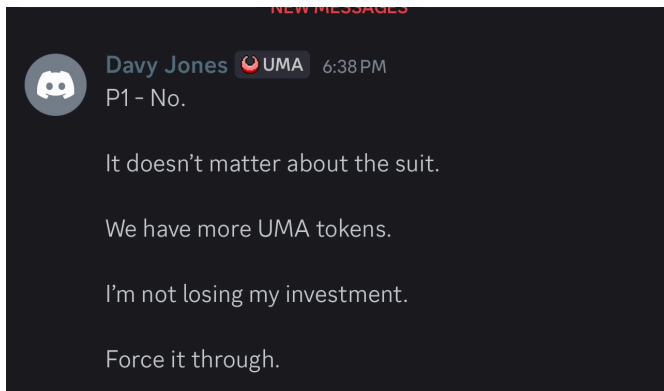
This is intentional subversion of a third-party contract for financial gain.

D. Regulatory Violations

While Polymarket's legal domicile in the Republic of Panama places it outside of United States ifnancial regulators, the fact does not absolve the platform – or its oracle provider UMA – of liability. On the contrary, Polymarket's legal obligations are governed by Panamanian civil and commercial law, which recognizes and penalizes the very conduct exhibited in the resolution of this market.

i. Fraudulent Conduct and Contractual Abuse

Under Panamanian civil doctrine, any contract formed through *fraude* or executed through *mala fe* may be voided and subject to damages. This includes contracts entered into under false pretenses, as well as those unilaterally modified or misapplied in ways that defeat their original purpose. Here:

- Participants were induced to enter a contract based on objective, rule-goverened adjudication
- The resolution was later conducted in open defiance of those rules
- Participants were deprived of the contractual benefit for which they bargained
- Governance actors knowingly and deliberately caused this outcome.

This constitutes fraudulent inducement, actionable under the Panamanian Civil Code – particularly under provisions related to ***vicio del consentimiento*** and ***nulidad por causa ilícita.***

ii. *Enriquecimiento sin causa* (Unjust Enrichment)

Panama's courts recognize unjust enrichment as a freestanding course of action. Where one party benefits financially at the expense of another through wrongful conduct, and where no legitimate legal basis for that enrichment exists, the injured party is entitled to restitution.

In the Zelenskyy market:

- Oracle participants with privileged token access manipulated the vote to produce a "NO" outcome.
- The outcome enriched those insiders by redirecting payouts that should have gone to "YES" participants.
- The enrichment was secured not by fair prediction, but by post hoc override and procedural capture.

Such conduct satisfies the elements of ***enriquecimiento sin causa*** and exposes governance actors – including those affiliated with Risk Labs – to liability under Panamanian civil remedies.

iii. Deceptive Commercial Practice

Polymarket publicly represented itself as a platform for truth-based prediction, governed by transparent rules and external consensus. It described its system as evidence-driven and rule-compliant. At no point

did it disclose that resolutions outcomes would be nullified or rewritten by token-weighted votes, much less by actors with material conflicts of interest. This misrepresentation of commercial characteristics – especially while being paired with financial loss – constitutes *publicidad engañosa* under Panamanian law. Where a service is marketed under falso promises and those promises are later reputed, both the operator and and beneficiary of the fraud may face civil penalties and claims for damages.

The laws of Panama protect against deceptive inducement, breach of faith, economic coercion, and unjust enrichment. Every one of those harms is present in this resolution.

VI. Systemic Risk

The fraudulent resolution of the Zelenskyy suit market is not merely a breach of contract or a rogue governance event – it is a foundational rupture, severing the core trust mechanism upon which all prediction markets are built.

A. Erosion of Predictive Market Legitemacy

Prediction markets derive their value from truth-based incentives, the idea that participants are rewarded for correctly anticipating real-world outcomes. When those outcomes are post hoc overwritten by insiders, the system becomes indistinguishable from a casino rigged by the house.

With this resolution, Polymarket and UMA have signalled that:

- Facts do not matter
- Contracts are subordinate to cartel interests
- "Credible reporting is whatever insiders say it is, ex post
- Truth is negotiable

Without resolution integrity, there is no reason to participate.

B. Insider Profit Incentives

The current UMA governance system incentivizes:

- Coordinated voting blocs
- Coercion and threats
- Profit-driven misresolutions
- Anti-truth behavior

This not only introduces perverse incentives, it ensures that outcomes can be reverse-engineered by large token-holders. Retail users cannot compete. Retail users do not win. Retail users do not have veto power. When truth loses and tokens win, the game is lost.

C. Deplatforming

As these patterns of manipulation continue, external institutions will intervene, either through regulatory action or platform blacklisting. Already, multiple user-led exposés are gaining traction in:

- Crypto media (Rekt.news)
- Mainstream financial outlets
- Legal forums
- Reddit whistleblower threads.

rekt
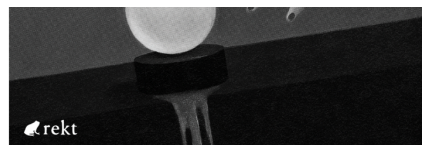
When does a prediction market cease to reflect reality and start to shape it?

On a sweltering July day in Caracas, as the President of Venezuela awaited the official announcement that would cement his grip on power, a storm was brewing in the digital realm.

For months, Polymarket traders had been betting on this outcome, their predictions becoming a self-fulfilling prophecy.

In the realm of crypto prediction markets, UMA Protocol serves as the digital oracle, designed to provide unbiased truth.

Yet in the murky waters of Venezuelan politics, this oracle found itself not just reporting outcomes, but effectively deciding them.

As votes were counted and disputed, a $6.1 million prediction market morphed into a battleground over truth and official results.

Polymarket, a platform built on the promise of decentralized betting, suddenly faced questions about centralized power and market manipulation.

With allegations of fraud flying from both sides, Polymarket and UMA made a decision that shocked many observers.

In this strange new world of digital prophecy, when the oracle speaks, are we witnessing the future or creating it?

VII. Concluding Memorandum

The resolution of the Zelenskyy suit market was not a close call, nor a mistake to be explained by ambiguity. It is an unambiguous act of fraud, executed through the systemic breach of contract, manipulation of oracle governance, and the suppression of observable truth in favor of insider financial interest.

Each contractual requirement was satisfied:

- Zelenskyy was photographed and videotaped during the relevant period
- He was wearing a suit, as defined by every reputable dictionary
- The media was authentic, uncontested, and time-valid
- A broad international consensus of reputable media outlets used the term "suit"

And yet, the market resolved "NO."

This resolution was not a product of good faith-error. It was the consequence of:

- Token-holder collusion
- Threat-based governance coercion
- Post hoc reinterpretation of language
- Deliberate exclusion of factual evidence
- Conflict of interest by Risk Labs-afilliated voters

Polymarket, UMA, and associated governance entities engaged in a resolution process that violated their own rules, injured market participants, and defrauded users of rightful gains under the guise of decentralization.

This is not new. It follows a well-worn path:

- Venezuela's election market - resolved in defiance of official state declarations
- The ETH ETF market - resolved on incomplete approvals
- The Titan submersible market - resolved without the vessel

The Zelenskyy resolution is merely the most egregious: a case where all evidence was aligned, and yet was discarded to favor a narrative pre-decided by insiders.

This cannot stand.

It invites not only market collapse, but regulatory inquiry, civil litagion, and permanent reputational damage. The foundations of any financial system – decentralized or otherwise – are contract, truth, and recourse. All three have been violated here.

Therefore, let it be stated unequivocally:

- This resolution is **fraudulent.**
- This governance process is **compromised.**
- This market, as resolved, is **illegitimate, unenforceable and void ab initio.**
- Unless rectified, this event will mark the beginning of the end of predictive market legitimacy.

Let those who stand by this fraud be counted. And let every future participant understand:

They are not betting on truth.

They are betting against a cartel.

And unless this changes, the house will always win.

Glossary of Legal & Governance Terms

A **Breach of Contract** occurs when one party fails to perform according to the explicit terms of an agreement. In this case, resolving the market to "No" despite all conditions being met constitutes a textbook breach.

Fraudulent Inducement is a form of fraud where one party enters into a contract based on false or misleading representations. Polymarket users were lured into betting under the false pretense that the outcome would follow clearly defined rules and factual evidence.

The **Implied Covenant of Good Faith and Fair Dealing** is an unwritten provision in every contract requiring parties to act honestly and fairly toward one another. Allowing insider manipulation and coercion to affect market resolution violates this principle.

Tortious Interference with Contractual Expectancy occurs when a third party intentionally disrupts a contractual relationship or expected outcome, causing harm. Token whales and affiliated insiders voting "No" despite knowing the truth qualify as such third-party disruptors

Enriquecimiento sin causa (Unjust Enrichment) is a legal doctrine that prevents someone from profiting unfairly at another's expense. Here, token-holders profited by denying rightful payouts to those who bet on the objectively correct outcome.

Publicidad Engañosa (Deceptive Commercial Practice) is the act of advertising a product or service under false or misleading terms. Promoting Polymarket as an evidence-based platform, then ignoring evidence in resolution, is a classic example.

Vicio del Consentimiento is a civil concept meaning "defect of consent". Contracts entered into under false pretenses or misinformation can be rendered null and void under this doctrine, as seen under Panamanian law.

Void ab initio is a Latin term meaning "invalid from the outset". If a contract or resolution is fundamentally flawed – as this one was – it can be declared null and unenforceable from the beginning.

Post Hoc Modification is the act of altering contract interpretation or resolution after the fact. This destroys contractual integrity and transforms a rules-based market into a discretionary scam.

A **Conflict of Interest** occurs when a party in a decision-making position stands to benefit personally from the outcome.

Cartel Governance is an informal and collusive group controlling outcomes for private gain, to the detriment of fairness or legal correctness.

Restatement (Second) of Contracts is a legal treatise used by U.S. courts as a persuasive authority in contract law cases.