



BTCLOTTERY

WHITEPAPER

The Future of Transparent Lotteries
and Interoperable Blockchain Technologies

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WWW.BTCLOTTERY.IO

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1. LOTTERY OVERVIEW

Traditional Raffle Lottery

The Lottery game is a game of chance that runs for a fixed amount of time where players can win prizes or jackpots by purchasing uniquely referenced or numbered tickets. The more tickets one has increases the likelihood of winning cash or advertised prizes. Over the years lotteries have evolved, whereby purchasers can now select their numbers on the lottery ticket, resulting in the possibility of multiple winners. Lotteries are extremely popular and albeit subject to licensing, are legal in more than a hundred countries.

Early History

The drawing of tickets or lots to determine ownership or other rights is prominent in many ancient texts. The first recorded signs of a lottery were keno slips from the Chinese Han Dynasty somewhere between 205 and 187 BC. The first known European lotteries were held during the Roman Empire, mainly as an amusement at dinner parties. Each guest would receive a ticket, and prizes would often consist of fancy items such as dinnerware. King Francis I of France discovered lotteries during his campaigns in Italy and decided to organise such a lottery in his kingdom to help the state finances. The first French lottery, the Loterie Royale, was held in 1539 and was authorised with the edict of Châteaurenard. English lotteries, authorised by King James I in 1612, granted the Virginia Company of London the right to raise money to help establish settlers in the first permanent English colony at Jamestown, Virginia.

Lotteries started to be used by public and private organisations to raise money for cities, wars, colleges, and public work projects.

Present-day

Today, most lotteries are run, or licenced, by governments. Generally, lotteries hold licenses in the countries or states that they are seeking to operate in. There are some government-controlled lotteries that even offer their games online. Although most lotteries operate in a single jurisdiction, there are some that are running in several countries, like the EuroMillions which covers nine European countries. (EuroMillions, no date).

Online Lottery

The act of wagering or betting on a result that depends on chance has been a common means of enjoyment for thousands of years. The internet has extended the availability of this form of entertainment with the advent of online gambling companies who offer the ability to gamble online and place online lottery bets. Online gambling websites are now among the fastest and most profitable businesses in the world(168casinos.com, no date).

2. LOTTERY ISSUES

Existing physical and digital lottery platforms face numerous problems including security, speed, and availability of winnings to players. Compared to traditional land-based lotteries, online lotteries operate at a fraction of the cost and do not require tangible equipment or the need for extensive staff, but have their own issues which undermine trust in the system.

We believe there is significant room for improvements that can positively impact lottery players and operators by using Blockchains to reduce risks associated with both physical and digital lotteries.

2.1. Security, Transparency and Fairness

There are multiple risks associated with the integrity of existing lottery platforms. Dealing with those risks is financially and operationally intense. Conventional digital platforms use centralised servers that can be hacked, whilst physical systems expose themselves to the risk of being 'fixed'.

Digital lottery games should be based on a Random Number Generator (R.N.G), thus ensuring transparency and fairness regarding the drawing process. Most of the casinos and lotteries state that they have a transparent and correct Random Number Generator. However, these machines can be easily rigged in the physical world or hacked when new digital vulnerabilities emerge. (Amy Kane, 2012).

A prime example of this would be the Multi-State Lottery Association case of massive fraud (which had an entire special investigation dedicated to it in the New York Times). This happened simply because an individual was able to alter the way in which the R.N.G worked, leading to millions of dollars being 'won' by a few individuals who were involved in this scam. (Forgrave, 2018).

This risk can be reduced due to the security, transparency and resilience that are core features of blockchain technologies.

2.2. Winnings, Withdrawals and Identification

In the classic lottery system, winnings and withdrawals are usually slow to be processed. The player must follow specific steps for the prize to be redeemed, which often include significant administration fees and bank transfers between parties, affecting the quality of the end user experience and increasing the period of time before the winner receives their prize. Blockchain can allow faster administration of prizes and transfer of funds.

Further, classical physical and some digital lotteries do not link specific tickets to a certain individual. This can lead to the lottery operator being unable to identify the real beneficiary and, in the event a ticket is lost or destroyed, the player would

be unable to claim their prize. Also this raises the risk of lotteries being used to launder the proceeds of crime when the real beneficiary is not recorded by the lottery.

For example:

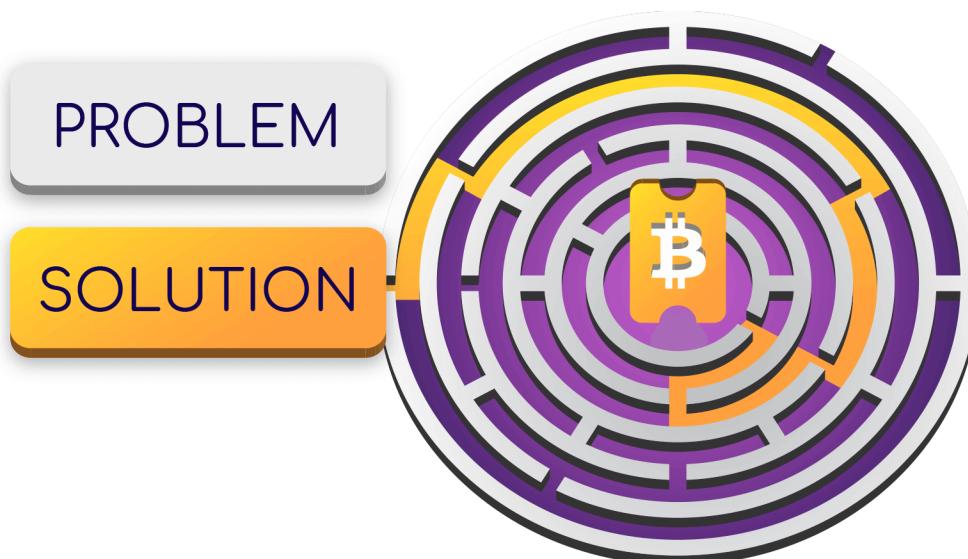
1. **Person A** holds the winning ticket for amount **X**.
2. **Person B** holds illicit cash which equals **X + Y**.
3. **Person B** identifies **Person A** before **Person A** has claimed the prize and offers **Person A** cash which equals **X+Y** for the winning ticket.
4. **Person B** then claims the prize and has laundered **X**.

Blockchain technologies can reduce this risk by certifying players and their tickets. The technology also reduces the risk of information being lost, destroyed or tampered, meaning the right player can collect their winnings quicker and more securely.

2.3. House Edge

Operating a lottery can involve high costs which heavily impact the amount of revenue that can be used for prize formation. According to an article from 2019 regarding the way that lotteries work, the House Edge (used to cover all of the costs of operating a lottery) is typically between 37% and 50%. This percentage varies by jurisdiction, business model and game design, but what this generally means, is that only unclaimed prizes can have a positive impact on the size of potential winnings (Booker, 2019).

If an operator can reduce their costs, there will be a greater amount of money left for larger prizes. Also, the operators may have more money which can be used for innovation in the technology and the products derived from it, in order to deliver further benefits to the players.



3. BITCOIN LOTTERY SOLUTIONS

The Company's vision is to connect Worldwide Lottery Players that use Blockchain Protocols such as Bitcoin, Ethereum, Tron and Binance among others. We believe that playing the lottery should have no geographical boundaries and should not be tied to local financial systems. The Company is developing new ways to tackle the lack of transparency and fairness in the gaming industry. The Company's main mission is to propel lottery games into future using distributed ledger technologies, taking advantage of the benefits which blockchain can bring to operators and players. After identifying the issues that traditional lottery games face, we began exploring options and solutions to adapt existing game models to the advancements in technology available with blockchain. We believe we can address the issues with existing lotteries, and thus offer a better alternative, both for the players and other lottery companies that choose to integrate the Company's model into their services.

3.1. Security, Transparency and Fairness

The Blockchain is a distributed database that guarantees untampered access to all game processes and algorithms. This feature ensures transparency by default because information is always available to the public. Anybody can check in-game events, transactions and lottery draws. Games are governed by Smart Contracts that are hosted on the Blockchain and can be fully audited. This guarantees the fairness of each game by having a ledger of all interactions and thus preventing unnoticed tampering within the systems. Any modification or upgrade on the Smart Contracts Governance will be subject to a three-day timelock period on all the platform's features. This process means that for 3 days the proposed platform upgrades are available to review by 3rd parties before they are implemented. Any interested party has the chance to evaluate any changes to the services before they go live.

3.2. Winnings, Withdrawals and Identification

Playing on the BTCLottery platform grants players instant access to their winnings after each game. There is no third-party intervention, no matter the winning size. This inherent feature of Distributed Ledger Technologies reduces waiting times and has a positive impact on the user experience. Furthermore, the Company's platform procedures guarantee that the winner is the one who will redeem the prize, reducing the risks of the prize ending up in the wrong hands.

3.3. House Edge / Odds

BTCLottery Games will seek to reduce draw times, resulting in multiple draws happening each day, giving players the chance to win more often, while lowering fixed costs per lottery and enabling the platform to operate with lower margins. The BTCLottery Platform will enable players to create or partake in the lottery that best suits their risk appetite and therefore benefit from reduced costs and better odds.

4. THE COMPANY

Infinity Software Limited is a private company limited by shares and incorporated in Gibraltar in accordance with the Companies Act 2014 and with the registration number 120683, (the "Company").

We have chosen to establish in Gibraltar given our understanding that this jurisdiction is crypto-friendly. On the 1st January 2018 the Distributed Ledger Technology (DLT) framework came into effect. This meant that firms in Gibraltar, that use DLT to store or transmit value belonging to others, now have to apply for a licence from the Gibraltar Financial Services Commission. Gibraltar was the first jurisdiction in the world to introduce a DLT regulatory framework.

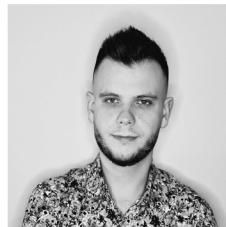
Whilst this does not apply to ICOs, we understand that Her Majesty's Government of Gibraltar continues to consider publishing complementary regulations for ICOs and that these could be published in the near future. We are of the view that better governance will help token sales to continue to gain traction as an important funding model and we are therefore delighted to have established in Gibraltar.

Should the Company or a subsidiary decide to carry out regulated activities it will seek the relevant permissions from the relevant licensing authorities.



Co-Founder & CEO:

Octavian Lojnită has a track record of building successful technology solutions in multiple emerging industries, with over 15 years experience in the IT world. Starting at a young age, Octavian built internet infrastructures. Later, he moved to software development, website and app creation, in different industries. He also developed his own projects, as a young entrepreneur. Blockchain technology caught the eye of Octavian in 2012 and became his main focus in 2015 when the Ethereum Network emerged. Along with the developments of this new technology, the limitations of the Ethereum Network became clearer. The idea of exploring Sidechains came to life in 2017 when he discovered Tendermint & Loom Network. It is no wonder that he leads, as CEO, Infinity Software Ltd in revolutionising the lottery industry with blockchain cashless payments and interoperable solutions for both players and providers.

**Co-Founder & COO**

Raul Klein can be described as a forward thinker. He has great communication and people skills and performs very well under pressure. Always on the move, connecting with people and businesses from all kinds of industries. Raul is obsessed with meeting deadlines and targets.

He had experience in managing large teams and participated in big media projects as a film and theatre director. He was the director of an intermediation and consulting company for the last 4 years. Raul also worked as an interpreter for the US Army creating communication bridges for a safer and pertinent interaction during military exercises.

**Robert Voicu is a romanian marketing and advertising expert.**

His portfolio includes collaborations with top Romanian and international companies from the majority of industries such as food, horeca, events, IT, naval, etc.

Coming from a programming background, he is the perfect fit for the BTCL project, adding value in a lot of key areas.

Underpromise, overdeliver! This is the moral value that makes Robert a true asset for the project.

**Senior Backend Developer**

Alexandru Stan is a programmer & security specialist, with a vast experience of more than 10 years as Lead Developer and System Administrator for big tech companies.



Bogdan Purnavel is a experienced Web Developer with a demonstrated history of working in the computer software industry. Skilled in Computer Science, PHP and PHP frameworks, WordPress, Databases, CSS, HTML, Javascript and Javascript frameworks. Strong engineering professional with a Bachelor's degree focused in Computer Science from Universitatea OVIDIUS din Constanta.



Stefan Apostol,
Security penetration tester | OSCP, OSWE

Over 5 years of experience in penetration testing of infrastructure and web applications for clients in industries such as Oil&Gas, Healthcare, Banking etc.

Work experience:

2016 - 2019 - Accenture - Sr. Security Analyst
2019 - Present - Sr. Cyber Security Enginee



Motion & Graphic Designer

Bratu David is known for always delivering outstanding graphics. His expertise is in motion and graphic design, with a 5 years experience in developing a keen eye for colors, typography and breathtaking design, making him a very sought after designer.

5. CROWDFUNDING

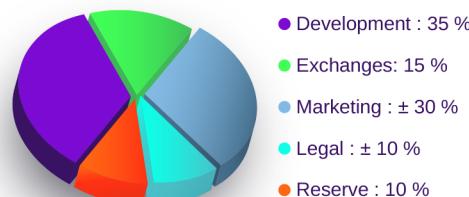
Public Sale / Token Info			Pre-Seed
Pre-Seed	15 February - 15 March 2021		Date: 15 February 2021 - 15 March 2021 Price: 0.003\$ / BTCL (Min 1000\$ / Max 15K\$) Vesting Cliff: 15 Feb 2021 - 15 April 2022 Vesting Date: 15 April 2022 - 15 June 2023 Month 1: 15% released on 15 April 2022 Months 2-9: 5% (each month) Months 10-14: 7% (each month) Months 15: 10%
Seed Round	To be announced		
Public Sale	To be announced		
Soft cap	600.000 USD		
Hard cap	45.000.000 USD		
Type	ERC-677		
Price	0,03 USD / Token		
Distribution	Total Supply	10.000.000.000 BTCL	Seed Round
	Pre-Seed	25.000.000 BTCL	Date: 15 Sep 2021 - 15 Dec 2021 Price: 0.015\$ / BTCL (Min 100\$ / Max 250K) Vesting Cliff: 15 Sep 2021 - 15 April 2022 Vesting Date: 15 April 2022 - 15 March 2023 Month 1: 24% released on 15 April 2022 Months 2-9: 5% (each month) Months 10-12: 12% (each month)
	Seed Round	250.000.000 BTCL	
	Public Sale	1.500.000.000 BTCL	Public Sale
	Bonus Reserve	2.000.000.000 BTCL	Date: 15 Feb 2022 - 15 April 2022 Price: 0.03\$ per BTCL (Min 50\$ / Max 15K) Vesting Cliff: N/A Vesting Date: 15 April 2022 - 15 Dec 2023 Month 1: 32% released on 15 April 2022 Months 2-5: 5% (each month) Months 6-9: 12% (each month)
	No Loss Lottery	2.500.000.000 BTCL	Half of the total BTCL Tokens allocated for the No Loss Lottery Daily/Weekly/Monthly Games are burned at the end of the Game
	Yield Farming	1.725.000.000 BTCL	
	Foundation	1.000.000.000 BTCL	TEAM VESTING SCHEDULE (after the end of the ICO)
	Team	1.000.000.000 BTCL	Year 1 - 20% in 2 Stages Year 2 - 40% in 4 Stages Year 3 - 40% in 4 Stages

Public Sale: Unsold tokens will be transferred to the Bonus Reserve and redistributed back to the community.

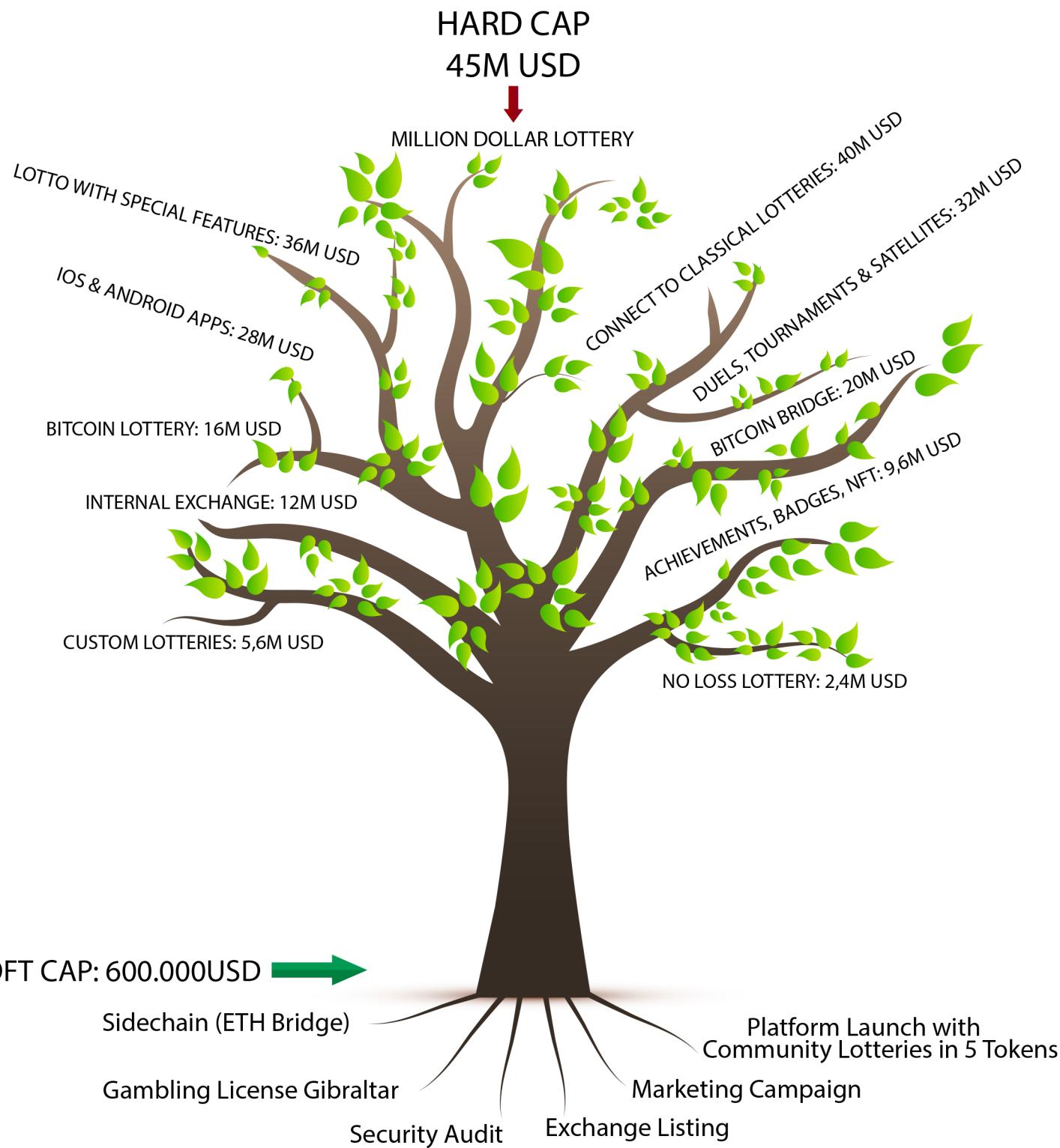
Vesting: The BTCL tokens will start to be released once the ICO is completed.

Soft Cap: If the soft Cap is not reached, contributions will be returned. All returns will be subject to a deduction of establishment costs which may include, but are not limited to, incorporation costs, legal costs and service provider fees. Contribution returns may further be affected by Ethereum blockchain transaction and mining fees, fluctuations in the exchange rate of ETH and fiat currencies, and administrative expenses incurred during the contribution return process as outlined in the ICO Terms and Conditions.

Funds Allocation



Funding Levels



6. BITCOIN LOTTERY PLATFORM

6.1. What is the Bitcoin Lottery Platform?

BTCLottery will be the first gaming platform that uses sidechain solutions to help surpass transaction limitations and gas costs (the cost to execute a transaction on the Ethereum network) required to run smart contracts on various blockchains. The Company has decided to create a gaming platform that hosts multiple types of games, from classical to innovative and tailor-made models. All while offering transparency, speed and fairness. The best way to achieve this goal proved to be a side-chain solution at the core of the Company's platform.

The BTCLottery business model requires us to reduce user friction, have fee-less transactions and reduce waiting times that are present in most blockchain networks, in the endeavor of having a better user experience. The Company believes that the Loom Network is the most suitable to build out the Lottery Chain, which will host the Company's gaming platform, the core tool in the Company's services. We have since been constructing our development environment on their network.

To maintain full control and offer the best possible services without depending on an external infrastructure, the Company will construct its own sidechain that will fit its needs and allow it to scale up the Company's services.

The Lottery Chain will consist of 21 Sidechain Validator Nodes that help secure the network with Hardware Security Modules (HSM), making the Company's designated blockchain highly transparent and resilient. It will only host the Company's services, eliminating possible delays due to network overload, guaranteeing that we can deliver 10.000 transactions every second.

The Lottery Chain Gateway consists of Oracles, that bridge multiple Blockchains into a single network. The first version of the Lottery Chain will have an Ethereum Bridge. Afterwards, we look to add Tron & Binance Bridges. Finally we will focus on bringing the Bitcoin Bridge directly, once we reach the Company's funding milestones.

As we grow and expand, we want to increase the Company's games portfolio from the initial community games to a variety of community and custom lotteries including:

- No limit / Fixed Limit Lotteries - (Turbo, Hourly, Daily, Weekly, Monthly, Yearly)
- No Loss Lotteries - (Daily/Weekly/Monthly)
- Duels
- Tournaments
- Satellites
- Custom Lotteries
- Classical Lotteries

Besides the main B2C business, we are planning to build a B2B service, promoting the Company's blockchain solutions for gaming platforms. This will mean that we are going to target classical providers in this industry, with the aim of partnering and implementing services that work best with their business model, further monetizing the Company's services.

6.2. What is the BTCL Token?

The BTCL Token is a utility token that enables players to buy Lottery tickets on the BTCL Platform and participate in a multitude of Lottery Games and Tournaments. The BTCL Token can be used to join community or self-hosted Public/Private Lotteries. Further, users will be incentivised to host their own custom lottery raffles, using BTCL Token on the platform and earning their stake as they promote that service. The token will first be available for purchasing on the Company's website, in the ICO stage, and, in due course, the Company's aim is for it to be listed in crypto exchanges for buying or trading.

6.3. How it works?

Bitcoin is the first cryptocurrency that made the world reassess its definition of Store of Value. The Ethereum Protocol and the rise of Smart Contracts have created a more distributed, resilient and transparent model, that keeps a ledger of all stored information. This new data model has allowed decentralised applications (Dapps) to begin to reshape the current technological landscape of digital payments.

This is the reason why the Company's platform is based on the Loom Network model, which uses Tendermint framework for its use as a Delegated Proof of Stake (DPoS) Consensus, that validates transactions and secures the network with block times of one second and fee-less transactions. The Company's dedicated sidechain allows us to build robust applications that provide greater scalability with a better user experience.

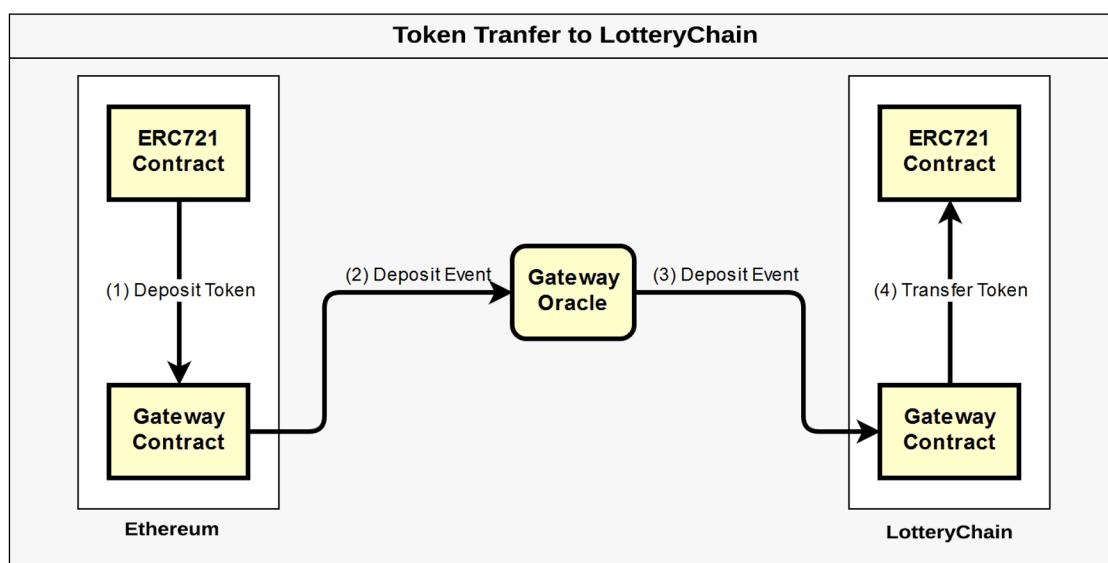


Diagram 3: Deposit Tokens to the LotteryChain

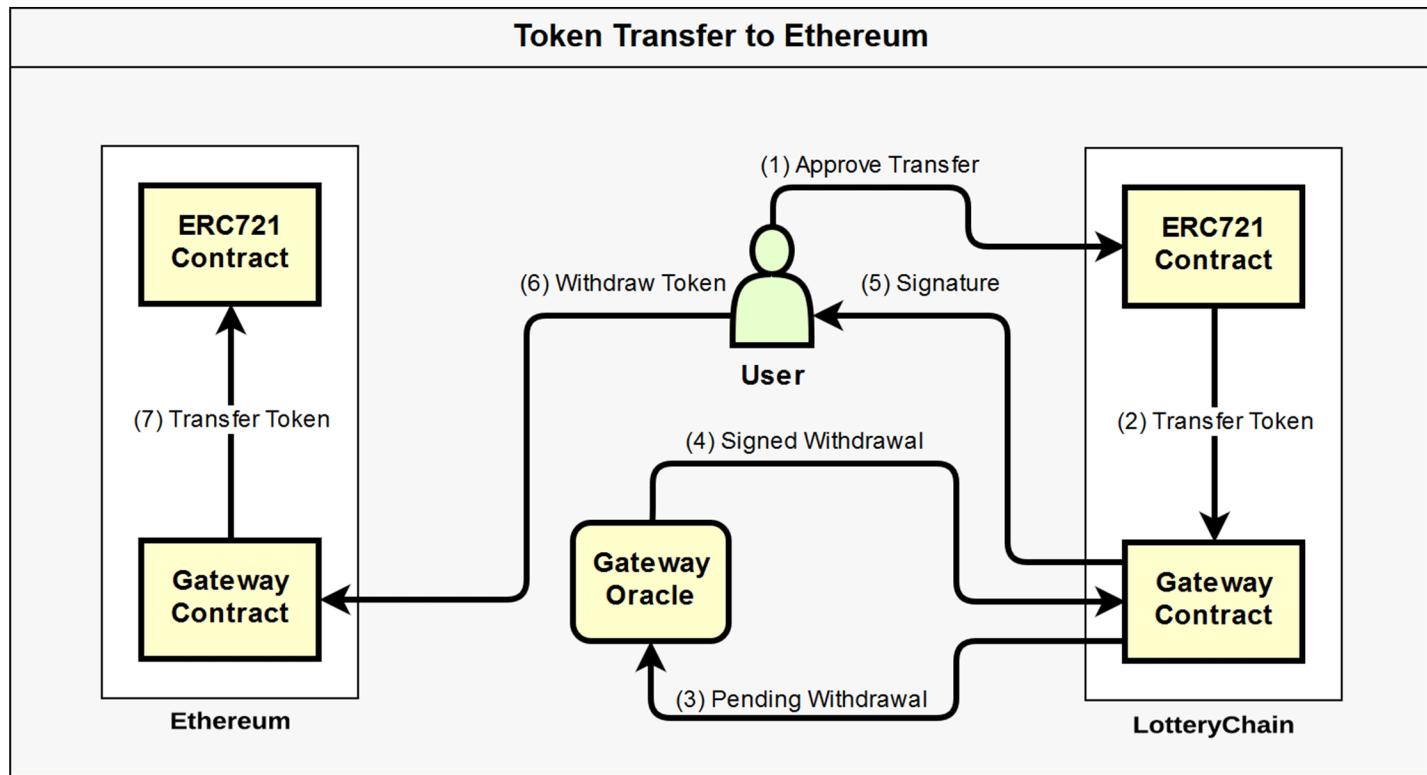


Diagram 4: Withdraw Tokens from the LotteryChain

Random Number Generator (R.N.G.)

The Lottery Chain Oracles provides a verifiable random source of entropy from multiple future Blockhashes belonging to future Blocks and stores them inside Smart Contracts and on IPFS (Interplanetary File System). The Company has chosen this process due to the fact that it keeps track of all the random draws and they can easily be verified at any future time.

Transaction speed and fees

The Lottery Chain uses a transaction scaling solution based on hierarchical trees that allows ERC20, ERC667, ERC721, BEP2 and TRX tokens to be deposited inside the Lottery Chain. Once inside, there are no gas fees deducted for player actions, meaning that there are no transaction costs on the player's side. The current Lottery Chain Testnet can process up to 10.000 transactions per second with 21 Nodes.

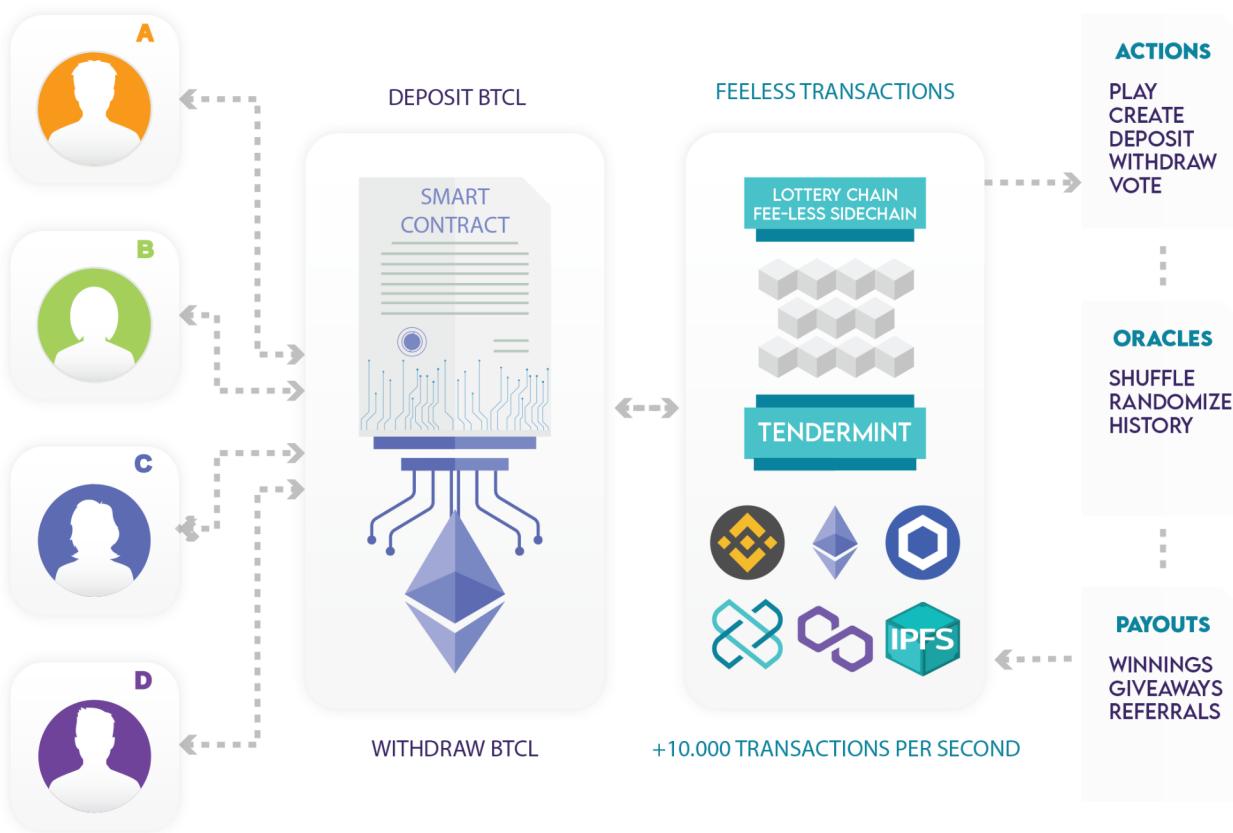


Diagram 5: How the BTCL Sidechain works

6.4. Targeted Market Segments

Business to consumer (B2C)

The Company's services are a good fit for the individual consumers including cryptocurrencies enthusiasts and anyone present in the digital gaming market.

BTCLottery will offer a wide range of gambling solutions that aim to attract as many potential customers as possible. The Company will provide a large variety of community games, custom games, and a unique feature called the No-Loss Lottery (explained in the dedicated section).

As the platform progresses, the Company will continue to expand the variety of gaming solutions according to the market's needs. Being an online business, the Company will be in close contact with the beneficiaries, allowing us to continuously research the preferences and behavioral patterns with the purpose of delivering market-fit services.

Business to business (B2B)

Aside from addressing the consumer directly, BTCLottery will also offer gaming solutions to companies. With the technical advantages offered by blockchain technology, the Company can optimise existing gaming platforms, by improving the speed and reducing costs, while creating the opportunity to reach new market segments, especially the cryptocurrency enthusiasts.

The Company's aim is to partner with different gambling entities by licencing the Company's games, thus making them available to their customers on their platforms. The Company will also seek to develop white label solutions fit to their specific requirements.

The Company's business model currently relies on direct-to-consumer gaming solutions and on collaborations with other players in the gaming market, in order to develop this industry as a whole and reach as many individuals as possible. Through cooperation, the Company can serve and offer benefits to a broader range of people who are already clients of gaming companies or want to explore the possibilities of blockchain and gaming.

6.5 Community Lottery Games

BTCL Tokens serve as lottery tickets for the Company's community and custom games. Let's take, for example, the classical lottery raffle: each participant has to deposit at least one ticket to enter the competition. Multiple tickets increase your chances of winning the final pot. When the countdown timer stops, winners are randomly drawn.

All Community Games played with the BTCL Token will be free to play and have no house edge for the first year after the Platform is launched. After this period, the commission or 'Tax' for all BTCL Community Games will be a fixed 1% from the total pot of each game. All other Community Games will be subject to a commission or 'Tax' as described in Diagram 6.

BTCL Lotteries		ETH Lotteries	
Turbo	Time: 5 Minutes / Min 5 Players Ticket Price : 1 BTCL Max Tickets : 5.000 BTCL Tax : 0 %	Turbo	Time: 5 Minutes / Min 5 Players Ticket Price : 0.001 ETH Max Tickets : 5 ETH Tax : 3 %
Hourly	Time : 1 Hour Ticket Price : 1 BTCL Max Tickets : 15.000 BTCL Tax : 0 %	Hourly	Time : 1 Hour Ticket Price : 0.001 ETH Max Tickets : 15 ETH Tax : 3 %
Duel	Time : Max 2 Players Ticket Price : 1 BTCL Max Tickets : 5000 BTCL Tax : 0 %	Duel	Time : Max 2 Players Ticket Price : 0.001 ETH Max Tickets : 5 ETH Tax : 3 %
Daily	Time : 24 Hours Ticket Price : 100 BTCL Max Tickets : 30.000 BTCL Tax : 0 % +100 BTCL Bonus	Daily	Time : 24 Hours Ticket Price : 0.1 ETH Max Tickets : 30 ETH Tax : 3 % +100 BTCL Bonus
Weekly	Time : Weekly Draw Ticket Price : 500 BTCL Max Tickets : 50.000 BTCL Tax : 0 % +1000 BTCL Bonus	Weekly	Time : Weekly Draw Ticket Price : 0.25 ETH Max Tickets : 50 ETH Tax : 3 % +1000 BTCL Bonus
Monthly	Time : Monthly Draw Ticket Price : 1000 BTCL Max Tickets : 100.000 BTCL Tax : 0 % +10.000 BTCL Bonus	Monthly	Time : Monthly Draw Ticket Price : 0.5 ETH Max Tickets : 100 ETH Tax : 3 % +10.000 BTCL Bonus

Diagram 6: BTCL & ETH Community Games

6.6. Custom Lottery Games

Custom Lotteries costs are calculated with the deployment expenditure formula for a new lottery game. BTCLottery provides its users the power to create their own lotteries with customisable parameters including; currencies, commission level, how many players may join, how much each ticket costs and how long the game will last, to fit the lottery creator's vision.

There will also be a search function within the platform, enabling players and creators to find relevant games and also exploring what types of games others like to play.

Fees raised are split in the following way:

- 60% go to the game creator
- 20% is sent to the BTCL Treasury and is redistributed back to the community in the form of bonuses and rewards (where custom games are held in other tokens than BTCL, we will exchange the amount raised in to BTCL tokens).
- 10% is burned (for custom games held in tokens other than BTCL, we will exchange the amount raised into BTCL tokens)
- 10% will go to BTCL Lottery

Currency	BTCL	Create Lottery games using BTCL
	ETH	Create Lottery games using ETH
Allow	Public Game	All users are allowed to play this game
	Private Game	Only invited users / addresses are allowed to play this game
Type	Lottery Game	Users buy one or more tickets to increase their chance of winning the prize
	Lotto Game	Under discussion with the community
Players	Unlimited	The Lottery can have unlimited player slots
	Fixed limit	Define the maximum player slots allowed
Time	Countdown	Set countdown timer
	Fill all slots	Game starts when all defined slots are filled
Price	Standard Price	Default price is 0.001 ETH or 1 BTCL
	Custom Price	Set entry ticket price
Max	Unlimited Tickets	Players have no limit on the amount of tickets they can buy
	Fixed Pot	Players have a limited amount of tickets that they can buy
Commision	BTCL 0.5%-5%	Commission that goes to the creator of the Custom Lottery Game and BTCL Platform
	ETH 1%-5%	Commission that goes to the creator of the Custom Lottery Game and BTCL Platform
Bonus	No Bonus	Prize pot starts from 0 with no additional tokens added to the pot
	Pot Bonus	The Creator can supply additional tokens to the pot
Winners	Default	1 Winner
	Custom	The creator can set the number of winners

Diagram 7: Customizable Lottery Games

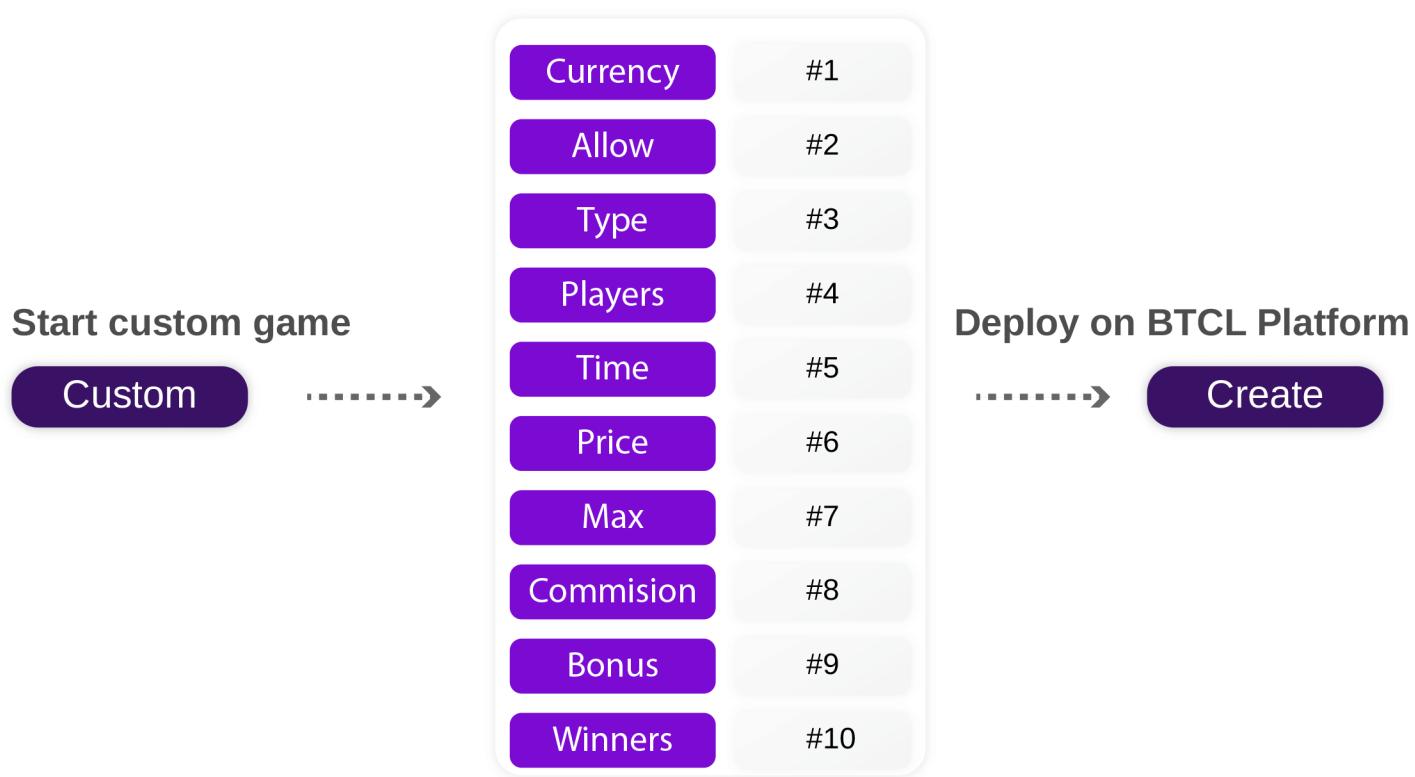


Diagram 8: Custom game parameters

6.7 NLL Token

NLL Token: This is a reward Token that can be earned in multiple ways as described in the chart above and has the sole purpose of allowing you to participate in the No Loss Lottery at any given time. Once used, the NLL Token is burned, unlike the BTCL Tokens used in the No Loss Lottery, which are given back to you even if you win or lose.

NLL Token Distribution: The NLL Token is a reward token given freely to users in multiple circumstances. You cannot buy NLL Tokens, but part of it will be distributed in the ICO alongside BTCL Tokens based on this formula: For every contribution of 0.5 ETH you will receive 1 NLL Token, the rest can be earned and distributed in the following ways:

- Achievements
- KYC Completion - Satellites
- Tournaments

NLL Token Info

Distribution

15 April 2022 - 15 June 2023

Type

ERC-677

Distribution
Total Supply

1.000.000 NLL

Achievements

400.000 NLL

Seed Round

100.000 NLL

ICO

200.000 NLL

KYC

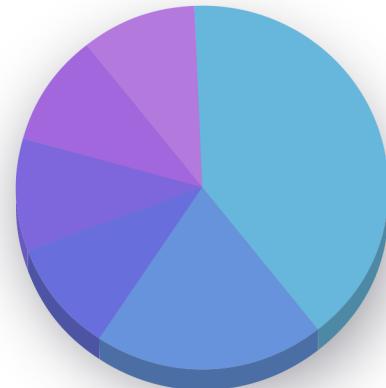
100.000 NLL

Satellites

100.000 NLL

Tourneys

100.000 NLL



- Achievements: 40%

- Seed Round: 10%

- ICO: 20%

- KYC: 10%

- Satellites: 10%

- Tourneys: 10%

No Loss Lottery (NLL): This Lottery type is a unique feature of the Bitcoin Lottery Platform. Participating gives you the chance to win a fixed pot of BTCL without losing risk (the platform offers the full amount of the prize). If you are not the winner, you get your total amount staked back. No Loss Lotteries can be played with BTCL Tokens or with the NLL Token. You either pay the entry price in BTCL Tokens, according to the current entry-level or with an NLL Token that allows you to participate at any time.

6.8 No Loss Lottery

NO LOSS LOTTERY	DAILY 1.110.000 BTCL SPLIT EQUALLY BETWEEN 10 LUCKY WINNERS	WEEKLY 8.880.000 BTCL SPLIT EQUALLY BETWEEN 20 LUCKY WINNERS	MONTHLY 30.720.000 BTCL SPLIT EQUALLY BETWEEN 30 LUCKY WINNERS
NLL TOKEN	50 BTCL ENTRY PRICE INCREASE EVERY HOUR	1200 BTCL ENTRY PRICE INCREASE EVERY DAY	1200 BTCL ENTRY PRICE INCREASE EVERY DAY
	UTC 00:00:00 - 1.200 BTCL	01.01.2021 - 4.500 BTCL	01.01.2021 - 10.500 BTCL
	UTC 01:00:00 - 1.250 BTCL	02.01.2021 - 5.700 BTCL	02.01.2021 - 11.700 BTCL
	UTC 02:00:00 - 1.300 BTCL	03.01.2021 - 6.900 BTCL	03.01.2021 - 12.900 BTCL
	UTC 03:00:00 - 1.350 BTCL	04.01.2021 - 8.100 BTCL	04.01.2021 - 14.100 BTCL
	UTC 04:00:00 - 1.400 BTCL	05.01.2021 - 10.500 BTCL	05.01.2021 - 15.300 BTCL
	UTC 05:00:00 - 1.450 BTCL	06.01.2021 - 11.700 BTCL	06.01.2021 - 16.500 BTCL
	UTC 06:00:00 - 1.500 BTCL	07.01.2021 - 12.900 BTCL	07.01.2021 - 17.700 BTCL
	UTC 07:00:00 - 1.550 BTCL		08.01.2021 - 18.900 BTCL
	UTC 08:00:00 - 1.600 BTCL		09.01.2021 - 20.100 BTCL
	UTC 09:00:00 - 1.650 BTCL		10.01.2021 - 21.300 BTCL
	UTC 10:00:00 - 1.700 BTCL		11.01.2021 - 22.500 BTCL
	UTC 11:00:00 - 1.750 BTCL		12.01.2021 - 23.700 BTCL
	UTC 12:00:00 - 1.800 BTCL		13.01.2021 - 24.900 BTCL
	UTC 13:00:00 - 1.850 BTCL		14.01.2021 - 26.100 BTCL
	UTC 14:00:00 - 1.950 BTCL		15.01.2021 - 27.300 BTCL
	UTC 15:00:00 - 2.000 BTCL		16.01.2021 - 28.500 BTCL
	UTC 16:00:00 - 2.050 BTCL		17.01.2021 - 29.700 BTCL
	UTC 17:00:00 - 2.100 BTCL		18.01.2021 - 30.900 BTCL
	UTC 18:00:00 - 2.150 BTCL		19.01.2021 - 32.100 BTCL
	UTC 19:00:00 - 2.100 BTCL		20.01.2021 - 33.300 BTCL
	UTC 20:00:00 - 2.150 BTCL		21.01.2021 - 34.500 BTCL
	UTC 21:00:00 - 2.200 BTCL		22.01.2021 - 35.700 BTCL
	UTC 22:00:00 - 2.250 BTCL		23.01.2021 - 36.900 BTCL
	UTC 23:00:00 - 2.300 BTCL		24.01.2021 - 38.100 BTCL
	UTC 24:00:00 - 2.350 BTCL		25.01.2021 - 39.300 BTCL
			26.01.2021 - 40.500 BTCL
			27.01.2021 - 41.700 BTCL
			28.01.2021 - 42.900 BTCL
			29.01.2021 - 44.100 BTCL
			30.01.2021 - 45.300 BTCL
			31.01.2021 - 46.500 BTCL

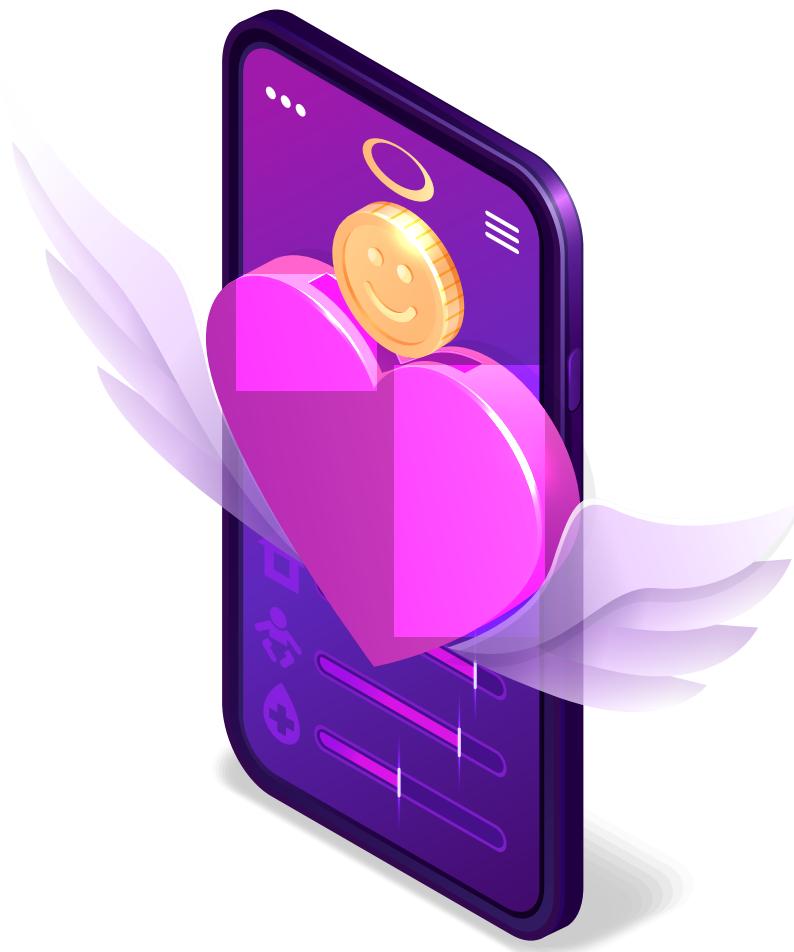
1 NLL = 1 ENTRY AT ANY TIME

6.9. Charity

The BTCLottery believes in giving back and that there are people worldwide who need help and support. Therefore, the Company's community will have the chance to get involved in charitable acts.

BTCLottery offers the opportunity to donate a percentage from the prizes won by the members of the Company's community, to a different charity or cause, each month. When a player wins a lottery game they will be given the opportunity to give away a percentage of their prize. The Company will also play its part by distributing two percent of its annual profit to the charities supported by the Company's community throughout the year.

To facilitate the allocation of the funds to the charities in a swift and transparent manner, the Company will create a smart contract to hold the community donations and direct them to community voted charities at the end of the month.



Together we can make a change!

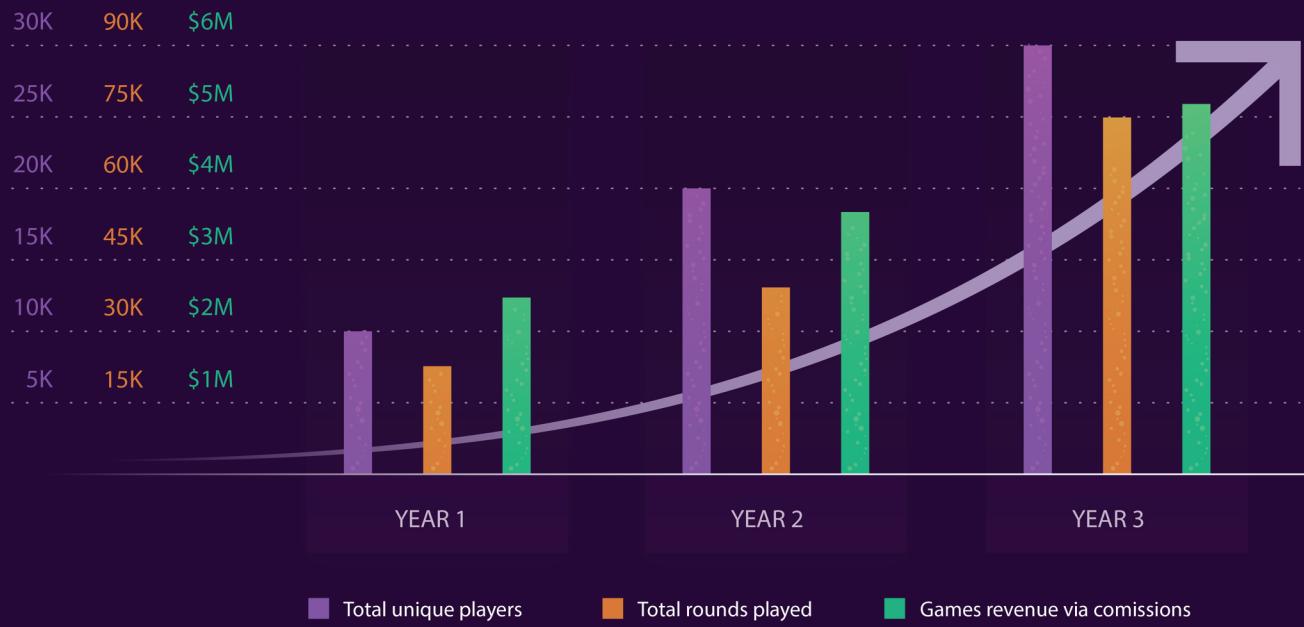
7. SELF-SUSTAINING PLATFORM

Lottery Games played in BTCL on the Lottery Chain are free to play and will have no added fees for any Community Games, in the first year. After one year of operating, the fee will be a fixed 1%. In contrast, ETH, BNB, TRON, ERC20 and BEP2 Games are charged a fixed 3% fee. The fees collected will be used to buy back BTCL Tokens from exchanges and automated market makers to resupply the Treasury, to sustain the platform's costs, whilst the remaining amount is burned.

Weekly bonuses and daily giveaways have a fixed volume, calculated to last for at least ten years. On the Lottery Chain, game creators are incentivised to create their own lottery raffles and earn commissions for hosting their games, events or giveaways. Custom game creation has a fixed cost and a small percentage that helps cover the company's expenses.

The Company has made estimates for the first operational year revenue, based on three scenarios, ranging from a pessimistic point of view to a fairly optimistic one, regarding user incorporation, number of games played by them and pot size per event.

Games Revenue Forecast for first 3 years



8. ROADMAP



9. DISCLAIMER AND RISK WARNINGS

Disclaimer

This Whitepaper has been issued by Infinity Software Limited (the "Company") and should be read in conjunction with the Company's terms and conditions (the "Terms"). The term coin, token and BTCL are used interchangeably.

The purpose of this Whitepaper is to provide prospective purchasers with the information on the Company's project and to allow the prospective purchasers to make their own decision as to whether they wish to proceed to purchase BTCLs. This Whitepaper does not constitute an offer or invitation, or any other sale or purchase of shares, securities, or any of the assets of the Company.

The Board of Directors of the Company have taken reasonable care to ensure that, as at the date of this Whitepaper, the information contained herein is accurate to the best of their knowledge and there are no other facts, the omission of which, would make misleading any statement in this Whitepaper. No representation, warranty, assurance or undertaking is made as to its continued accuracy after such date. The information contained in this Whitepaper may be subject to modification, supplementation and amendment at any time and from time to time.

This Whitepaper describes the Company's business objectives and the issue by the Company of BTCLs. It has not been reviewed, verified, approved or authorised by any regulatory or supervisory authority. The following content provided is for informational purposes related to the Company's approach of providing a solution based on blockchain technology. The following information may not be comprehensive and does not imply any elements of a contractual relationship. This document does not constitute the provision of investment or professional advisory services. The Company does not guarantee, and accept legal liability whatsoever arising from or connected to, the accuracy, reliability, or completeness of any material contained in this document. It is the responsibility of prospective purchasers of BTCLs to undertake their own due diligence.

The publication of this Whitepaper and the offering of BTCLs may be restricted in certain jurisdictions. It is the responsibility of any person in possession of this Whitepaper and any persons wishing to make an application for BTCLs (pursuant to the Terms) to inform themselves of, and to observe, any and all laws and regulations that may be applicable to them.

This Whitepaper does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so. The platform and /or the BTCLs are not intended to constitute securities in any jurisdiction. This whitepaper does not constitute a prospectus or offer document in any form and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction.

The Company token holders will not receive any form of a dividend or any other revenue right. Nor will the BTCLs holders participate in a profit-sharing scheme or the profits of the Company.

Prospective purchasers of BTCLs should inform themselves as to the legal requirements and consequences of purchasing, holding and disposing of BTCLs and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence and/or domicile.

Prospective purchasers of BTCLs are wholly responsible for ensuring that all aspects of this Whitepaper and the Terms are acceptable to them. The purchase of BTCLs may involve special risks that could lead to a loss of all or a substantial portion of the purchase amount. The purchase of BTCLs is considered speculative in nature and it involves a high degree of risk. The Company does not represent, warrant, undertake or assure that the BTCLs are defect/virus free or will meet any specific requirements of a prospective purchaser. You should only purchase BTCLs if you can afford a complete loss. Unless you fully understand and accept the nature of the BTCLs and the potential risks inherent in the purchase of BTCLs you should not purchase BTCLs.

The purchase of BTCLs is only possible after the prospective purchaser has read, understood and accepted the Terms. Each prospective purchaser will be required to acknowledge that it made an independent decision to purchase the BTCLs and that it is not relying, in any manner whatsoever, on the Company, its Board of Directors or any other person or entity (other than such purchaser's own advisers). Prospective purchasers are urged to consult their own legal, tax or other advisor before purchasing BTCLs.

The Company and its Board of Directors do not provide any advice or recommendations with respect to the BTCLs, nor do they endorse such tokens, nor do they accept any responsibility or liability for any use of this Whitepaper by any person which is in breach of any local regulatory requirements with regard to the distribution of this Whitepaper or any applicable rules pertaining to the offer of BTCLs. Statements made in this Whitepaper are based on the law and practice currently in force in Gibraltar and are subject to changes in those laws.

BTCLs will not be available to individuals or entities that are ordinarily resident in the United States of America or the People's Republic of China. Persons from the United States of America or the People's Republic of China that participate in the token sale by providing false or inaccurate information about their citizenship, residency and/or nationality shall be in breach of these terms and shall be required to forfeit the BTCLs and indemnify company in respect of any damages and/or losses suffered due to this breach in accordance with the indemnification provisions set out in these terms.

To the maximum extent permitted by the applicable laws, regulations and rules, the Company, its founders, team members and any third party involved in the Company's project shall not be liable for any indirect, special, incidental, consequential or other losses of any kind.

Furthermore, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of, or reliance on this Whitepaper.

All statements regarding the Company's financial position, business strategies, plans and prospects and the prospects of the industry which the Company is in are forward-looking statements. Neither the Company, its founders, team members, any third party involved in the Company's project nor any other person represents, warrants and undertakes that the actual future results, performance or achievements of the Company will be as discussed in these forward-looking statements.

This Whitepaper includes market and industry information and forecasts, which the Company has obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications state that the information that they contain has come from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

The Company does not make, or purport to make and disclaims any representation, warranty or undertaking in any form whatsoever to any entity or person. Including any representation, warranty or undertaking about the truth, accuracy, and completeness of any of the information set out in this Whitepaper.

Risk warnings and Factors

THIS SECTION ON RISK FACTORS IS NOT AND DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED WITH THE PURCHASE OF BTCLs. THERE MAY BE ADDITIONAL MATERIAL RISKS THAT THE DIRECTORS DO NOT CURRENTLY CONSIDER TO BE MATERIAL OR OF WHICH THE DIRECTORS ARE NOT AWARE. THE FOLLOWING THEREFORE HIGHLIGHTS CERTAIN RISKS TO WHICH THE COMPANY IS SUBJECT TO AND WHICH THE COMPANY WISHES TO ENCOURAGE PURCHASER TO DISCUSS WITH THEIR OWN PROFESSIONAL ADVISORS.

Prospective BTCLs purchasers should conduct such independent investigation and analysis regarding this Company, the BTCLs and all other relevant market and economic factors as they deem appropriate to fully evaluate the merits and risk of their purchase.

The Company and its Directors disclaim any responsibility to advise purchasers of BTCLs of the risk and considerations associated with the purchase of BTCLs as they exist at the date hereof or from time to time hereinafter.

Each prospective purchaser of any BTCLs must determine, based on his/her own independent review and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate, that the purchase of BTCLs is appropriate and suitable for it, notwithstanding the clear and substantial risks inherent with the purchase of BTCLs.

You should consult with your own legal, regulatory, tax, business, investment, financial and accounting professional advisors to the extent that you deem it necessary, and make your own decisions including decisions regarding the suitability of this purchase based upon your own judgement and upon advice from such professional advisors as you deem necessary and not upon any view expressed by any party mentioned in this Whitepaper.

The purchaser of a BTCLs should be capable of evaluating the merits and risks of such a purchase and should have sufficient resources to be able to bear any losses (which may be equal to the whole purchased amount) that may result from such a purchase. Prospective purchasers of BTCLs should be aware that the value of BTCLs may go down as well as up and that they may not be able realise their purchase amount on the secondary market (if there is any).

Forward looking statements

Certain statements in this whitepaper constitute "forward looking statements" that are used on the beliefs of the Directors and reflect their current expectations. When used in this whitepaper or in any of the Company's material, the words "estimate", "project", "believe", "anticipate", "intend", "expect", "plan", "predict", "may", "should", "would", "will", the negative of these words or such other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the views of the Directors at the time the statements are made with respect to future events based on information available at that time, and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in those forward-looking statements. The Directors assume no obligation to update or revise these statements to reflect current information, events, or circumstances, including changes in any risks or uncertainties that may impact them.

Management Risk

If any of the directors or officers of the Company cease to participate in the operation of the Company, the operations, objectives and activities of the Company may be adversely affected.

The Company indemnifies the Board of Directors against all claims by any parties which may be made against them in connection with his director duties so long as any loss or liability arose from acts performed in good faith and not involving gross negligence, wilful default, breach of duty or breach of trust respectively

Liquidity of BTCLs

As at the date of this whitepaper, there is no active secondary market for the BTCLs. Whilst the Directors hope that the success of the Company will lead to a secondary market developing, there is no guarantee or assurance that a public market will ever develop. There is often no assurance that a purchaser of the BTCLs will be able to sell or dispose of the BTCLs.

Under certain trading conditions it may be difficult or impossible for a purchaser to sell his tokens. This may occur for example at times of rapid price movements and when trading is suspended by a relevant exchange. In these circumstances it may be impossible for the purchaser to sell his tokens.

Crypto currencies are extremely volatile and therefore the price could dramatically increase or decrease without any prior notice. Purchasing crypto currencies is extremely high risk.

Changes in Applicable Law and Regulation

The Directors believe that it is possible that emergency intervention by certain Governments may take place in the future in respect of ICOs. Such intervention may be implemented on an "emergency" basis, subjecting market participants without notice to a set of regulations which in some cases may be unclear in scope and in application.

Should any relevant laws or regulations change, the legal requirements to which the Company and the BTCLs may be subject could differ materially from current requirements. No assurance can be given that future legislation, administrative rulings or court decisions will not adversely affect the Company and the BTCLs.

The Company may be subject to a number of unusual risks, including contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations.

Early-Stage Companies

The Company is a start-up and has no operating history against which purchasers of the BTCLs may consider the appropriateness of purchasing the BTCLs.

Many risks and uncertainties affect start-up and early-stage companies, which often have very limited operating history, profits or cash flow. There can be no assurance of the success of such enterprises. Their potential must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with new or developing businesses, including technology risks, unproven business models, untested plans, uncertain market acceptance, competition and lack of revenues and financing.

The technological fields and markets that many start-up and early-stage companies address have undergone and are expected to continue to undergo rapid and significant change. Rapid technological developments may result in the technology of companies becoming obsolete, uneconomical or uncompetitive before any commercial success or financial return can be achieved. Numerous other risks may affect developing companies and ventures, including risks that products or services will be

found to be ineffective, unreliable, unsafe or uncompetitive and risks that such companies' technologies, products or service will not achieve market acceptance or penetration. Market acceptance of new products, services or technologies depends on many factors and uncertainties and cannot be assured.

Start-up and early-stage companies may compete with entities that have established businesses, relationships and positions in the market and that have much more substantial financial, business, technological, marketing and distribution assets, operations and resources. There can be no assurance that any developing company will be able to compete successfully with more established companies.

These companies may be overly dependent on the vision, skill and leadership of a single or limited number of executives. In a start-up business, the loss or disability of a key person(s) can result in significant financial hardship, in some cases the failure of the company. More than other businesses, start-ups are highly dependent on the skills and contributions of very few key employees

Any projections, forecasts, plans or other forward-looking statements are subject to numerous risks, uncertainties, changing circumstances and other factors that could cause actual results, performance, plans, prospects, operations and opportunities to differ materially from any forward-looking statements, including competition, inability to identify and do business with appropriate customers, existing and future law and regulations, liabilities under the securities laws, inability to hire, retain or qualify sufficient management and staff, general economic conditions, rapid technological change, cost overruns, delays in bringing products or services to market, marketing failures, difficulty in penetrating markets, delays or failures in developing anticipated capabilities, products or services, failure to obtain necessary regulatory approvals, insufficient funding, lack of availability of capital, rates of economic growth, levels of consumer and business spending, conditions in the technology and financial industries, dependence on strategic partners and business relationships, unproven business models, adverse developments affecting customers and end-users, fluctuations in securities markets and valuations, limited marketing, expansion risks, losses and costs, uncertain revenues and profitability, conditions in particular industries, accounting problems, costs, delays and liabilities arising from legal proceedings, failure to obtain and maintain intellectual property or proprietary rights and management failures.

Gibraltar

Gibraltar is a British Overseas Territory. It is was part of the EU and left with the UK on the 31st January 2020. A transition period then commenced and ended on the 31st December 2020. On the 31st December 2020 an in principle framework agreement was announced between the UK and Spain in respect of Gibraltar and paving the way for a Treaty between the European Union and the UK in respect of Gibraltar. As at the date of this document the content of the Treaty is being negotiated. The Kingdom of Spain has not conceded its claim to sovereignty over Gibraltar. There can be no assurance or certainty as to the outcome of any future discussions on the question of Gibraltar's sovereignty, nor of how any change of sovereignty would

affect the regulation and taxation of entities incorporated or operating in or from within Gibraltar.

The above could impact on the Company's ability to undertake business in or from within Gibraltar.

Banking and custody arrangements

The Company's cash will be held by a bank. The Company acknowledges that any such deposits are not guaranteed by the bank and are exposed to losses incurred in the event of the insolvency or failure of the bank. The Company will take credit risk against any party which is holding its cash. The Company will therefore rank as a general unsecured creditor in the event of the insolvency or failure of the bank with which deposits or instruments have been placed.

Regulatory Supervision

The Company and the BTCLs are not regulated by the Gibraltar Financial Services Commission or any other regulatory or supervisory authority. The Gibraltar Financial Services Commission does not vouch for the financial soundness of the Company, the BTCLs or for the correctness of any statements made, or opinions expressed with regards to it. The GFSC may deem that the Company falls within the Financial Services Act 2019 and the Financial Services (Distributed Ledger Technology) Regulations 2020.

There are significant inconsistencies among various regulators across the world, with respect to the legal status of digital currencies. Regulators are also concerned that crypto currencies may be used by criminals and terrorist organisations. In the future, certain countries may restrict the right to acquire, own, hold, sell or use digital currencies. The Company could inadvertently receive crypto currencies that have come from illicit means. Such event could lead to the Company's Assets being frozen.

ICO Risks

The public offering of tokens that are not securities and that do not constitute outright gifts or donations are, typically, offers of commercial products and services (which, at the time of sale, may or may not exist). Such tokens are sometimes referred to as utility or access tokens and the like. In circumstances where a token constitutes a product or service that does not yet exist (or is not, at the time of sale, substantially functional), it represents, in effect, no more than a hope or ambition to deliver that product or service in the future. In such cases, purchasers risk that the product or service might never be delivered and often waive any right to the return of the price paid. Purchasers may well be prepared to take that risk but it is appropriate that they be presented, in advance, with all relevant information to enable them to make an informed decision.

Investing in ICOs is inherently high risk and it is possible that the platform will never be developed and as a consequence the value of the purchased token may be nil.

The Company considers that it may be necessary to apply for a Distributed Ledger Technology Provider license from the Gibraltar Financial Services Commission under the Financial Services Act 2019. Furthermore the company believes that it may be required to obtain a remote gambling license from the Gambling Commissioner under Gambling Act 2005. There is a risk that it may be unsuccessful with these applications and as such may seek to establish themselves in another jurisdiction.

General Crypto Currency Risks

Cyber security threats are present within the realms of crypto currencies. There is a risk of loss of funds, including a total loss, should an unauthorised intrusion or theft occur within or Wallet Provider account or Exchange Provider account.

Whilst the Company has considered its cyber security, risks related to software weakness, human error, external attacks and others, continue to exist and pose a material risk to the Company.

Advances in cryptography, or technical advances such as the development of quantum computers, may present risks for crypto-currencies and may result in the theft or loss of the Company's Assets.

Hackers or other malicious or criminal groups or organizations may attempt to interfere with the Company's accounts, in several ways including, but not limited to, denial of service attacks, Sybil attacks, mystification, phishing, attacks, smurfing, malware attacks, or consensus-based attacks.

There may be problems which relate to the Bitcoin or Ethereum networks which may affect the normal functionality of the crypto currencies. This could lead to a significant devaluation of the BTCLs Token. Any malfunction, unplanned function or unexpected operation of these networks may cause crypto currencies to lose value.

Crypto currencies and cryptographic tokens are a cutting-edge, untested technology. In addition to the risks stipulated above, there are other risks that the Company cannot predict. Risks may also occur as unanticipated combinations or as changes in the risks stipulated herein.

Loss or destruction of private key

Crypto currencies are stored in a digital wallet and are controllable only by the possessor of both the public key and the private key relating to the digital wallet in which the bitcoins are held, both of which are unique. If the private key is lost, destroyed or otherwise compromised, the Company may be unable to access the crypto currencies held in the related digital wallet which will essentially be lost. If the private key is acquired by a third party, then this third party may be able to gain access to the crypto currency.

Other cyber-security risks including malicious activity

Trading platforms and third-party service providers may be vulnerable to hacking or other malicious activities. Recent examples include Bitfinex and BitPay. Also, if one or more malicious actor(s) obtain control of sufficient consensus nodes on the network or other means of alteration, then a blockchain may be altered. While the network is decentralized, there is increasing evidence of concentration by creating of “mining pools” and other techniques, which may increase the risk that one or several actors could control the network or other similar blockchain. Such scenario could significantly impact on the Company.

Risks associated with peer-to-peer transactions

Digital currencies can be traded on numerous online platforms, through third party service providers and as peer-to-peer transactions between parties. Many marketplaces simply bring together counterparties without providing any clearing or intermediary services and without being regulated. In such a case, all risks (such as double-selling) remain between the parties directly involved in the transaction. Such a scenario could significantly impact on the Company.

Counterparty Risks

Digital currency trading platforms, largely unregulated and providing only limited transparency with respect to their operations, have come under increasing scrutiny due to cases of fraud, business failure or security breaches, where investors could not be compensated for losses suffered. Furthermore, as unregulated businesses, they generally do not have minimum capital requirements that other traditional financial services entities have and therefore if they were to become insolvent there is a risk that the purchaser would not be able to sell his tokens.

Counterparty Risks

Certain assets of the Company will be exposed to the credit risk of the counterparties with which, or the dealers, brokers and exchanges through which, the Company deals, whether they engage in exchange-traded or off-exchange transactions. The Company may be subject to risk of loss of its assets on deposit with an exchange in the event of the exchange bankruptcy, the bankruptcy of the exchange or similar event. Similarly, the Company may be subject to risk of loss of its assets held by a bank in the event of the bankruptcy of the bank. In the case of any such bankruptcy, the Company might recover, even in respect of property specifically traceable to the Company, only a pro rata share of all property available for distribution to all of the exchange's and bank's customers. Such an amount may be less than the amounts owed to the Company. Such events would have an adverse effect on the Company.

Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject the Company to substantial losses.

The Company may have credit exposure to one or more counterparties. To the extent

that a counterparty defaults on its obligation and the Company is delayed or prevented from exercising its rights, it may result in loss to the Company. Such risks will increase where the Company uses only a limited number of counterparties. The Company may, in certain circumstances, be fully subject to the default of a counterparty.

Loss of confidence in digital currencies

Crypto currencies are part of a new and rapidly evolving “digital assets industry”, which itself is subject to a high degree of uncertainty. For a relatively small use of digital currencies in the retail and commercial marketplace, online platforms have generated a large trading activity by speculators seeking to profit from the short-term or long-term holding of digital currencies. Most crypto currencies are not backed by a central bank, a national or international organization, or assets or other credit, and their value is strictly determined by the value that market participants place on them through their transactions, which means that loss of confidence may bring about a collapse of trading activities and an abrupt drop in value. This would significantly impact on the Company.

Slow-down of network

The ‘mining’ is the process by which some crypto currencies are created and transactions verified. Through downloading a specific software, the user’s computer becomes a “node” that validates blocks (i.e. details of some or all of the most recent transactions). Miners which are successful in adding a block to the Blockchain are automatically awarded additional crypto currencies (plus transaction fees for transactions recorded). However, if the rewards for solving blocks and transaction fees are not sufficiently high, or if a high volume of transactions occur at the same time, the blockchain may experience a slow-down. A slow-down is also possible for when the number of transactions on the blockchain is very high. This could negatively impact the Company.

The networks that the Company relies upon may malfunction or cease to work which cause the Company issues.

Dilution due to competition or “fork” in the Blockchain

Crypto currencies are, generally, based on protocols which govern the peer-to-peer interactions between various users. Dissent between users as to protocols to be used may result in a “fork”. Such a fork process could negatively impact the Company.

Cybersecurity

Cybersecurity threats are present within the realms of cryptocurrencies. There is a risk of loss of funds, including a total loss, should an unauthorised intrusion or theft occur.

Whilst the Company has considered its cybersecurity, risks related to software weakness, human error, external attacks and others, continue to exist and pose a material risk to the Company and the value of the BTCLs.

Ethereum Network

The BTCL is a part of the Ethereum network. If problems related to the Ethereum network normal functionality arise, this may affect the BTCL's functionality and may adversely affect the Company and the value of the BTCL.

Risks regarding licencing

In order for the platform to operate, the company believes that a gambling licence and a DLT licence are necessary from the authorities in Gibraltar. There is a risk that the company will not be granted these licences, regardless of the efforts made by the company in this matter. In this scenario, risks can arise for the activity of the company and for the price of the BTCL.

PROSPECTIVE TOKEN PURCHASERS ARE WHOLLY RESPONSIBLE FOR ENSURING THAT ALL ASPECTS OF THIS DOCUMENT ARE ACCEPTABLE TO THEM. THE PURCHASE OF THE COMPANY'S TOKENS INVOLVES SPECIAL RISKS THAT COULD LEAD TO A LOSS OF ALL OR A SUBSTANTIAL PORTION OF THE PURCHASE AMOUNT. THE PURCHASE OF THE COMPANY'S TOKENS SHOULD BE CONSIDERED SPECULATIVE IN NATURE AND IT INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD PURCHASE THE COMPANY'S TOKENS IF YOU CAN AFFORD A COMPLETE LOSS. UNLESS YOU FULLY UNDERSTAND AND ACCEPT THE NATURE OF THE COMPANY AND THE POTENTIAL RISKS YOU SHOULD NOT PURCHASE THE COMPANY'S TOKENS.

THE FOREGOING RISK FACTORS DO NOT CONSTITUTE OR PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED WITH THE COMPANY AND THE BTCLs TOKENS. POTENTIAL PURCHASERS SHOULD READ THE ENTIRE WHITEPAPER AND THE TERMS AND CONDITIONS AND CONSULT THEIR OWN ADVISORS BEFORE PURCHASING BTCLs TOKENS

10. REFERENCES

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