

### OTTO LOTTO Lottery without intermediaries

First fully transparent gaming platform on blockchain\*

\*Ethereum Blockchain - Platform for programming decentralized online services on smart-contract basis. It looks like unified decentralized virtual machine.



#### What is OTTO LOTTO?

We've created the first online gaming platform, where every game is a smart contract \*. Users make bets through the cryptocurrency and play with each other, not with the company. The money is stored inside the blockchain and no one can take them.

And also no one can affect the results of games, because the core of the blockchain is a cryptographic protocol and the data is not stored on a single server that can be hacked.

At the same time, all information about bets and draws is available on the site https://etherscan.io/, each player (and anyone else) can check the game progress, the results of previous games and data on each bet at any time.

All games on our platform use a hash \* from Ethereum blockchain. It can not be foreseen. Each game uses the hash data in its own way, thereby providing the user with a transparent prize draw scheme.

<sup>\*</sup> smart contracts - a computer algorithm designed to conclude and support self-executing contracts that are performed in a blockchain environment. Such contracts are written in the form of code that exists in a distributed registry - a block that is maintained and managed by a network of computers. In simple words, smart contracts allow you to exchange assets without resorting to the services of intermediaries.

<sup>\*</sup> hash - the result of data processing on the block, represented in hexadecimal form.



# The project of a gaming portal based on blockchain technology

Ottlotto.io is the most advanced gaming platform in the world market, which uses modern technologies of smart contracts and security advantages of blockchain.

This is the most honest and transparent gaming portal from all existing with a new approach and a look at the industry. We do not control the process of drawing and giving out prizes - it is fully automated and executed by a smart contract.

Our main advantage is the use of blockchain technology, which makes the process of the game transparent, in contrast to the classic games and lotteries. Our team also invented a unique way to calculate a winning combination that uses block hashes from the blockchain. This allows you to make the gaming process public and absolutely unpredictable.

The code underlying the platform is posted on the technical resource <u>github.com</u> and specialists can evaluate our expertise. At the same time, public access to the code does not give access to the management of the platform.



### Project management through the Decentralized Autonomous Organization

Our platform is based on the ERC-20 token. This means that tokens owners can regulate the activities of the platform.

To manage the platform, three types of proposals are created: creation, editing and deletion of rules. To make a proposal you need to own at least 3% of tokens. After the proposal is created, it is displayed on the DAO website and becomes available to vote to other token-holders.

After the offer gets 50% + 1 vote or more, it automatically becomes the DAO rule and start working immediately.

Rules within the platform are of two types: fixed and percentage.

A fixed rule means a need to collect a certain amount for the conduct of an action. After reaching the required amount, the rule is automatically deleted. Interest rates are constantly in effect - they are in the accrual of funds as a percentage of various wallets associated with the platform. Charging occurs while community members do not delete the rule.



### Project management through the Decentralized Autonomous Organization

All commission funds from the smart contracts of the platform <u>ottolotto.io</u> are sent to the DAO contract. According to the established rule, the funds are accumulated within the DAO smart contract. When the amount is accumulated in 0.05 ETH, the smart contract starts distributing funds between the rules and, when the settlement period comes, sends dividends to the token-holders. Anyone can initiate a distribution on the DAO website. In this case, the payment for the commission of the Ethereum network falls on him.

It is important that when allocating funds between the rules, 30% of the amount is guaranteed for dividends, and the remaining 70% are distributed according to the rules. Unallocated funds are also diverted.

Every 90 days a smart contract gives you the opportunity to launch a dividend receipt period. All available funds in the DAO smart contract are fixed and the owners of the tokens can receive dividends in their private area on the website. If the owner of the tokens has not taken the dividends within 90 days after the accrual, they fall into the total amount of the next period and will be redistributed among all the owners of the tokens. This scheme will not lose the accrued dividends in case of losing tokens by their owner.



#### Why did we start with the lottery?

First, the lotteries are insanely popular all over the world. The annual turnover of the industry in 2017 is about \$ 261 billion. \* And the popularity of lotteries is growing every year.

Secondly, there are no transparent lotteries. We really want to fix this!

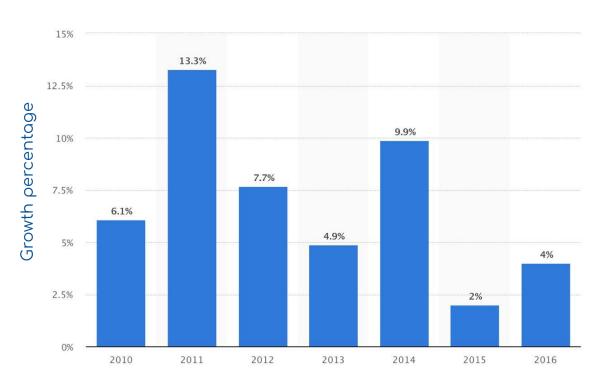
And thirdly, we have a unique computational algorithm that no one has used in the game industry before.

Now we really have the opportunity to implement the dream of everyone who has bought a lottery ticket at least once in a lifetime - we have a transparent drawing scheme and every ticket plays twice! (in its regular game and at the end of the year). This is a unique feature of our lottery!

What is the advantage of having rates in the crypto currency? First, the cryptocurrencies and the blockchain are not regulated. In addition, the market capitalization of the Crypto-currency as of 08.04.2018 was \$ 255 billion, respectively, the interest and understanding of the technology by users is growing.

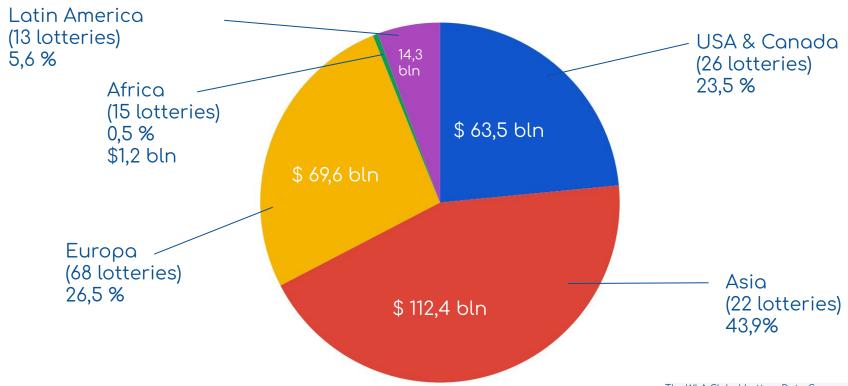


# Profit growth of lotteries all over the world from 2010 to 2016.





# The number of lotteries in the world and their annual turnover



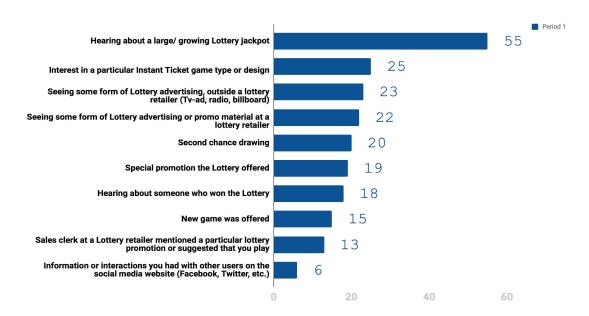


# Factors that affect the purchase of a lottery ticket

Big / Growing Jackpot is still in the lead among reasons for buying a ticket

Approximately one in four respondents argues that lottery advertising and / or the main reason for buying a ticket

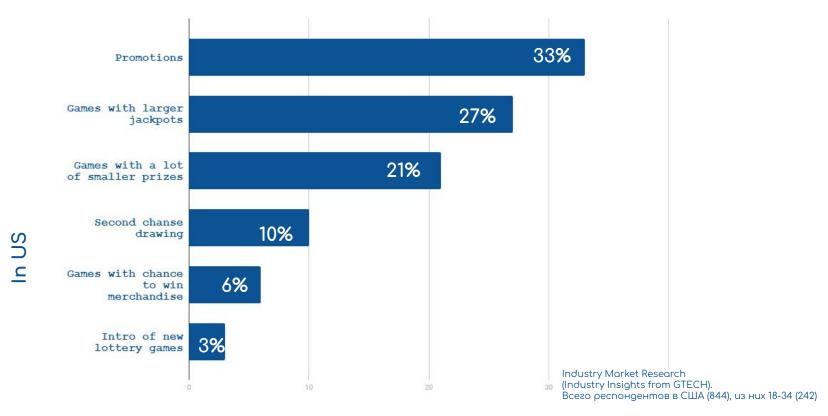




Industry Market Research (Industry Insights from GTECH). Всего респондентов 8179



#### Lottery motivators





#### Why online lottery?

The American lottery industry is losing about \$ 17.5 billion dollars a year. And all this is only because the market is stuck in an offline environment: tickets are sold at gas stations, and draws are held on TV. You can get more online only, interacting with users!

These are the findings of a recent study conducted by Lottovate and independently confirmed by YouGov, who interviewed Americans between the ages of 18 and 50. The subject of the study were lotteries, the frequency of buying tickets and plans for participating in lotteries in the future.

Polls showed that 62.7 million people would play the lottery, which is available online. Of which 19.2 million are new players who have never participated in lotteries before. These 19.2 million users are equal to \$ 5.8 billion of potential money. We are ready to provide this audience with our service. The platform is even better than they expect!



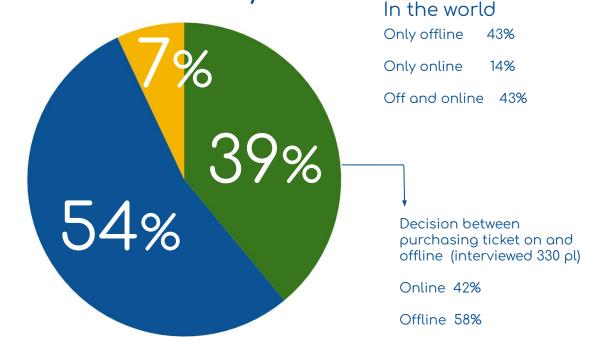
The growth of the number of online players in the lottery

USA (18-34)

Only offline 54%

Only online 10%

Off and online 36%





### Why blockchain?

The blockchain is very stable. The power is in decentralization! This is what we will use to ensure that our gaming platform is always transparent and reliable. Using all 5 main advantages of blockchain technology: transparency, speed, security, decentralization, and low transaction costs, we were able to create this unique product.

It is the technology of blockchain that allows you to remove the restrictions that are associated with state borders, the number of tickets purchased and the amount of winnings. Absolute freedom for players all over the world!

By the way, all data on the draw and the purse wallets address will be stored on the blockchain in the public domain on the tracker <a href="https://etherscan.io/">https://etherscan.io/</a>. But the confidentiality of each player will be preserved, because when creating a cryptocurrency wallet, the user does not specify his personal data.



### Comparison with blockchain lottery competitors

	OTTO	LOTTO	TRUE	SMART	Fire	
Factors	LOTTO	LAND	FLIP	BILLIONS	Lotto	Reason
Transparency	YES	NO	NO	YES	YES	OTTO LOTTO uses smart-contract and blockchain technology to create transparency, while LOTTOLAND hide all information about transactions TRUE FLIP transfer Prize into the account on the web site. SMART BILLIONS uses ETH to transfer price. FIRE LOTTO is using ETH smart contract to distribute winnings.
Fair	YES	NO	YES	YES	YES	OTTO LOTTO uses ETH blockchain to get the results of the game, while LOTTOLAND uses lottery machine of the third party. FIRE LOTTO form RNG on the Bitcoin blockchain
Fraud Possibility	NO	YES	YES	YES	YES	LOTTOLAND have multiple possibilities for employees and third party's to fix or change the results of the game. They may not give you a chance to win a large sum of money. TRUE FLIP know all information about players and winners and have ability to terminate any account at any time SMART BILLIONS is paying winners of every draw by themselves and even right now they don't have amount of money to fulfill some winning combinations. FIRE LOTTO is not disclosing fully the process of the RNG and has minimum guaranteed prize.
Anonymity	YES	NO	NO	YES	YES	LOTTOLAND collects many documents like (ID, proof of residency, etc.). They will definitely know how much you won, also results are published in media. TRUE FLIP collects many documents. SMART BILLIONS as OTTO LOTTO and FIRE LOTTO do not collect any information.
Good Will	YES	NO	NO	NO	NO	LOTTOLAND,TRUE FLIP, SMART BILLIONS and FIRE LOTTO do not allocate any funds towards good cause



### Comparison with blockchain lottery competitors

Factors	ОТТО	LOTTO	TRUE	SMART	Fire	Reason
	LOTTO	LAND	FLIP	BILLIONS	Lotto	
Area Restrictions	NO	YES	YES	NO	NO	LOTTOLAND has restrictions for some areas in the world TRUE FLIP have restrictions for some areas in the world. SMART BILLIONS , FIRE LOTTO AND We are worldwide.
Middle man	NO	YES	NO	NO	NO	LOTTOLAND most of the time acts like a middle man between lottery's and their players. Lottoland passes on Player's Bets to EU Lotto, which is acting as a bookmaker
Third Parties Involved	NO	YES	YES	NO	NO	LOTTOLAND and TRUE FLIP uses third party to check personal information
Influence	NO	YES	YES	YES	PARTLY	LOTTOLAND is privately owned company (EU Lotto Limited) with the fixed rules that could be changed at any time. While OTTO LOTTO is a service which allows people to play with each other using blockchain technology for security, transparency and fair reasons. Our Smart Contract is programed from the beginning and there no chance for anybody to change the rules. TRUE FLIP may restrict you from getting the Prize due to their suspicion of your identity, age and etc. SMART BILLIONS have chance not to pay out Prize due to many reasons as insufficient amount of funds on their account. FIRE LOTTO have an unclear RNG and also they are obligated to pay out minimum prize that they displayed.
Easy to use	YES	NO	YES	NO	YES	LOTTOLAND requires your presence to receive your Jackpot (in Gibraltar). Smart Contract automatically transfer funds to the Winners ETH wallet. TRUE FLIP transfer winnings to your account. SMART BILLIONS does not have any exchange on their platform, so people without ETH can not participate. FIRE LOTTO is easy to use, but does not have an exchange from fiat to crypto.



# How do games on our platform work?

With the advent of the blockchain era, it became possible to realize the dream of all lovers to try their luck and we are ready to present you a transparent lottery. Proven fair lottery.

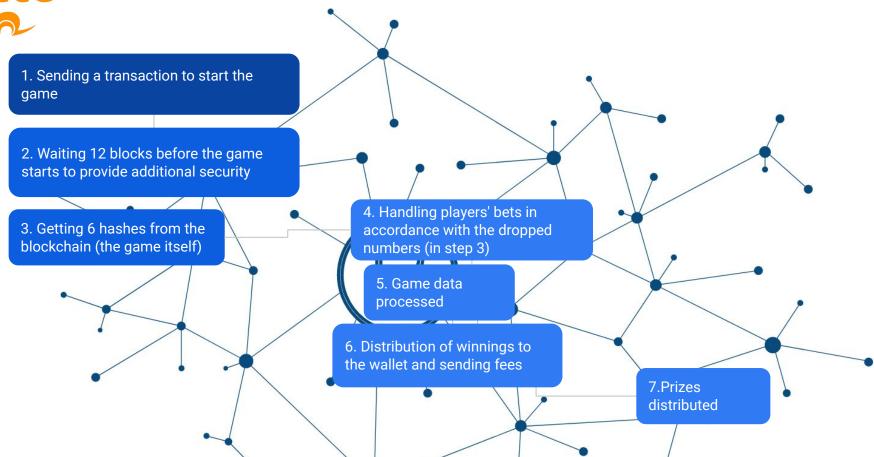
Consider the example of the main game of our platform - King's Loto.

In fact, this is the most transparent and fair lottery in the world!

The user buys a ticket (pays with cryptocurrency, we have a convenient exchange on the website) and chooses his 6 lucky numbers. Twice a week (Tuesday and Friday), the lottery will begin at 12:00 GMT with the hash of the block, the number of which was listed in the draw. From each hash we take the last symbol - this is the "ball that falls out of the drum". Six hashes - six lucky digits at the end. Then the smart contract handles the information about the draw and sends all the prizes to the winners automatically!



#### Description of the technology





#### Lotto algorithm

Step 1. We send the command to start the game, in the smart contract the block from which the rally begins is fixed. This block is defined as follows:

- the current block is taken
- stops accepting bets on this game
- 12 blocks are added to the current block and get the number of the start block of the game (12 blocks are added to the start block in order to protect the stakes so that no one can change the result in the blockchain)

Example: Initiation of a lotto launch was on the block number 100, the start block of the game  $100 + 12 = N^{\circ}112$ ;

- The game begins with block number 112
- For the game, block hashes are used (# 112-117), which no one can predict / change

Theoretically, a powerful mining pool can peremain a certain number of blocks, respectively, change the result. After the transaction has 12 confirmations (our + 12 blocks), no one can change it, respectively, the rates that were before it, too.

Safety of the game in this case - in the first place.



#### Lotto algorithm

#### Stage 2. The game itself

As soon as the block comes out with block number 112, the game begins. In fact, the first winning lottery number appears in the hash of block number 112.

Since we have six numbers, the blocks are involved in the game: № 112, 113, 114, 115, 116, 117.

Each block has its own unique hash which is represented in the hexadecimal system of calculation. Accordingly, in the lotto the bet can be made from six numbers in the range from 0 to 15.

#### Step 3. End of the game, distribution of winnings

After the block number 117 has become lukewarm, the game is considered complete. From this moment, the results are calculated and the distribution of the winnings. The more players, the more time for the distribution of winnings may be needed. This point depends on the network load.



#### Technical Game Example

Example game: player's bet 14 - 8 - 15 - 0 - 2 - 2. Running the game on the block number 100. Results:

Block #	Link	Hash
Nº 112	https://etherscan.io/block/112	0x33f2eca832ccb6bbc015deb85f2d0251569a3b0753c82afda1e248c4bd4fe07 <b>e</b>
№ 113	https://etherscan.io/block/113	0x08629cbe309ca5bda66a31b80dc69996418f70447b7c3d37af44281a859af45 <b>f</b>
Nº 114	https://etherscan.io/block/114	0x48e387aeeae5c5581ca2acb2fc7ce81e7127e44dba0825803e392f25364f77b <b>9</b>
№ 115	https://etherscan.io/block/115	0x1e16f8fcf253043b97e14672e1e092d2e25ee6c801b485cd2796dd04cdff6a8 <b>6</b>
№ 116	https://etherscan.io/block/116	0xfd28ab955f2f0938e99124779e1366cfab939540bc45345812f93981507129e <b>7</b>
№ 117	https://etherscan.io/block/117	0xbf441b7cf961141b9df43a2abb4519a7a48ffad71bb88be275e9f8370dc2725 <b>0</b>



#### Technical Game Example

We take the last characters from the blocks (obtained in hexadecimal system of calculation).

For convenience, the player makes bets and receives / checks the result in the decimal system of calculation.

Winning is only counted if the user has guessed 2 or more digits in a sequential order (that is, in the order in which they appeared in the blockchain hash).

The result of the game (hexadecimal) e - f - 9 - 6 - 7 - 0

The result of the game (by standard, decimal system) 14 - 15 - 9 - 6 - 7 - 0

According to the results of the draw, after betting 14 - 8 - 15 - 0 - 2 - 2, the player guessed one number, a smart contract will accrue to him a win of 5% of the amount of the jackpot of this game.



#### Our Innovation

We offer algorithms and calculations that were not previously used in the gaming industry.

The lottery takes the last character from 6 consecutive hashes and uses this data as a result of the draw (such algorithm does not use any of the existing lotteries). The symbols in the hash are displayed in a hexadecimal system (from 0 to 9 and from A to F), for the convenience of users, we display the results of the drawing in the decimal system (from 0 to 15).

At the end of the year, the Grand Jackpot is played out as follows: each purchased ticket receives its serial number. At the moment of the beginning of the game, all participants are divided into two equal parts and the first hash from the moment of the beginning of the game will determine which of the parts represents an alphabetic symbol and which one is a digit. The following hash determines which of the two parts is divided again into two equal parts, and which one is eliminated from the game. Thus, the division takes place until the winner is determined. It is to him that a smart contract will transfer all the money of the Grand Jackpot.

The uniqueness of our decision is that it excludes any machinations with the results of the game and makes it as honest as possible for each participant. Increase your chances by buying more tickets and catching luck with the tail.



#### Our advantages

As you have already noticed, there is no human factor! No one can foresee, fix or change the results of the drawing. Fraud is impossible with smart contract. All bets are on the blockchain and no one has access to the money. Yes, even to the Jackpot! We charge a small commission for maintaining the platform, administrative services, charity, for advertising purposes and for current technical costs (gas price \*) - 21% of the amount of any winnings. There are no restrictions - you can play at any time, buy any amount of tickets and do it from anywhere in the world online! And no one will get the information how much you won :)

Grand Jackpot (if no one has won a jackpot in the course of a calendar year), are played every year on December 21. Smart contract will send all the money to one person, who will determine among those who bought tickets during the year. The more tickets you buy, the more likely you are to get the Grand Jackpot yourself!

<sup>\*</sup>gas price - blockchain transaction price



## Even more differences and advantages!

If the site or domain "falls", the smart contract will remain on the blockchain together with the Jackpot. In addition, the backup with the interface will remain on <u>ottolotto.firebase.io</u> and will be available to all users!

Our robot will run the game and calculate the results itself, but we will make this possibility available to any user of the blockchain. Of course, security will remain at the same high level and no one will be able to make changes to the rules of the smart contract.

This is the first fair and fair gaming platform, absolutely transparent and without any possibility of fraud. We maintain the anonymity of each user and no one has access to information about who won the Jackpot. Everyone sees only the wallet number of the winner.

We work without intermediaries and third parties. In fact, users play each other with a smart contract. We just make sure that it works and make a convenient ticket purchase.



### Even more differences and advantages!

- Every ticket plays twice! (in its circulation and at the end of the year in the Grand Jackpot draw)
- We have several servers, between which the load balancing is performed, thereby ensuring the uninterrupted operation of the resource
- We take the commission only from the prize (the user does not pay for anything extra and a large amount of the sum goes to the Jackpot)
- The user's wallet is in the browser, we do not have access to it
- Affiliate program allows you to get a percentage of winning friends that you brought
- The Commission falls into the DAO (decentralized autonomous organization) administration and is distributed in accordance with the rules for which shareholders vote
- The exchange is built into the site, a person can easily change any of their cryptocurrencies to ETH



## Unique referral program

In order to attract as many users as possible to the platform, we have developed a unique referral program. We pay for attracting each user twice and this rule is fixed forever!

The partner receives the commission both at the time of buying the ticket by the player, and 1% of the win of the one whom he brought. Even if this person wins in 2 years, the partner will still receive his deductions.

The system will be connected to all the games that will appear on the platform. In order to avoid cheating referrals and no outsiders could add to the referral system of bots, we have an address accounting system, which has the ability to create referrals.

For example, now the address of the game "King's Loto" is added and only requests for creating referrals are accepted from this address. Applications from other addresses will be rejected.

The referral system is managed by OttoLotto DAO.



### **Ptte** Charity deductions

One of our great advantages is charity deduction. The percentage of each prize is transferred to charity foundations all around the world, as well as helping children in Africa and protecting endangered species.

We want to attract more and more attention to the problems of our planet and encourage our users to good will. Deductions on our platform are carried out only on the amount of the winnings and there are no more commissions.

List of organizations to which we will deduct funds in the first year (2018):

WWF (deforestation of the Amazon, clearing of the oceans of debris)

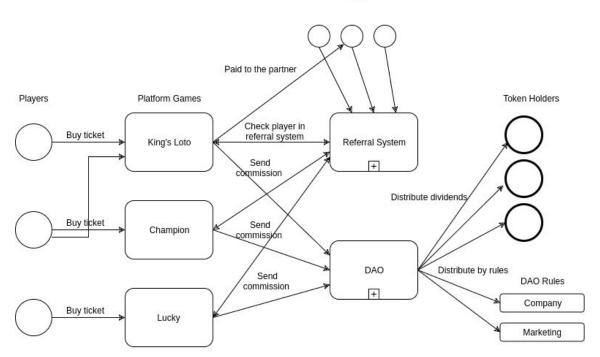
UNICEF (fight against hunger in third world countries)

OneGirl / CAMFED (education for girls in Africa)



# Scheme of the platform (full functionality)

Partners





Our main goal is to create a large-scale gaming platform integrated with a mobile application. We want to make the use of blockchain technology more understandable and simple for all users in the world and to become a market leader, taking advantage of these technologies.

The price of the bet in our games is \$1 - \$3.5 only. Regardless of the amount of winnings, the smart contract pays it right after the draw and processing of the information by the blockchain (and not as in regular lotteries - for several years).

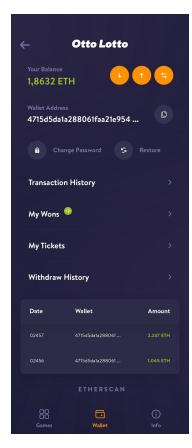
All these advantages are guaranteed to attract hundreds of millions of users who already play lotteries more often than go to the movies.

We are ready to give millions of people access to an online service that will allow you to play the lottery and bet honestly, to enjoy the game and from innovative technologies!



#### Mobile App Visuals









# How do we plan to develop the platform?

Task	Terms	Description/Notes/Value	
Starting web page ottolotto.io	Until 15.05.2018	Fully operable platform with King's Loto and Champion	
Placement of articles, comments, press releases, publications	from 15.01.2018	Twitter, Medium, Habrahabr, GitHub, BitcoinTalk, Telegram, gaming forums, Facebook	
Development of the marketing strategy	from 29.12.2017 till 30.06.2018	Testing of the targeting on Facebook in 25 countries \$30-35k	
Open our own exchange	from 01.08.2018	Preparation of documents, registration of an application for a license, negotiations with banks for obtaining a gateway and opening accounts. Creating a website design (prototype) \$ 12-15k	
Preparation of documents for the patent	from 10.07.2018	Preparation of documents, registration of an application for a license, negotiations with banks for obtaining a gateway and opening accounts. Creating a website design (prototype) \$ 12-15k	
Preparation of documentation for launching ICO (if necessary)	from 08.06.2018	White Paper, support for discussion threads, creating a prototype site	
Developing a mobile gaming platform application ottolotto.io	from 08.01.2018	Start of the application iOS and Android \$10k	



## How do we plan to develop the platform?

Task	Terms	Description/Notes/Value	
Development of the Lucky game	from 01.06.2018	Technical development of the smart contract and launch of the game on the site	
Start a pop up advertisement in tv shows (like azino 777)	from 15.07.2018	Estimated budget \$20k	
Conducting the poal of the gaming portal on the group of crypto-specialists	26.02-28.02.2018	User-friendly (Convenience and transparency of use)	
Promotion of the Telegram chanel	from 26.07.2018	Set of subscribers, creation of interesting content (photo / video) Estimated budget \$ 5k	
Bloggers, Instagram, YouTube	from 26.06.2018	Running video blogs, testing, descriptions and contests from bloggers Estimated Budget \$ 30k	
Preparation and placement of a press release about the lottery with the first results	from 01,07,2018	Placing text on TOP sites Budget \$ 15k	



### How do we plan to advertise the platform?

After conducting market research and obtaining information about the audience for targeting and scaling, we will connect advertising agencies from around the world. Below are the services and prices received as a result of preliminary negotiations.

Agency	Services	Pricing
Texterra	Development of marketing strategy, detachment from competitors, content-plan, development of all "their" media (blog, forums, pages in social networks)	\$3-10k
Fedoriv	Development of creative solutions, work on brand positioning, creation of viral rollers, increase in recognizability	\$20-200k
Rocket10	Promotion of mobile the application	\$20-45k
Borshch	Creating a marketing strategy, launching an advertising campaign, promoting a mobile application	\$50-70k
LeoBurnett	Development of a promotion strategy, creative solution, launch of an advertising campaign, mobility of a mobile application	\$70-150k



## Sales plan

#### There are 500 million regular lottery players in the world

Plan for bet amount (monthly)				
	Lottery	Other games		
June 2018	50k	10k		
December 2018	100k	20k		
March 2019	200k	50k		
The whole 2019	500k			



#### Development Plan

- Our own exchange (from the bank card to the crypto, crypto to crypto). This is an additional source of income. In addition, this is an additional source of active users (free advertising of our product).

Ideally: an exchange-site and a mobile application, a rolling-reserve of \$100k, 10 currencies in several directions, a map of any bank in the world.

- Giving out prizes in dollars to the user's card (withdrawal of money from the platform).
- Create additional games, sport bets.
- Launch a community of users / gamers (then we can earn on advertising games of other teams)



ottolotto.io

Lottery without intermediaries