SHARK LOTTO
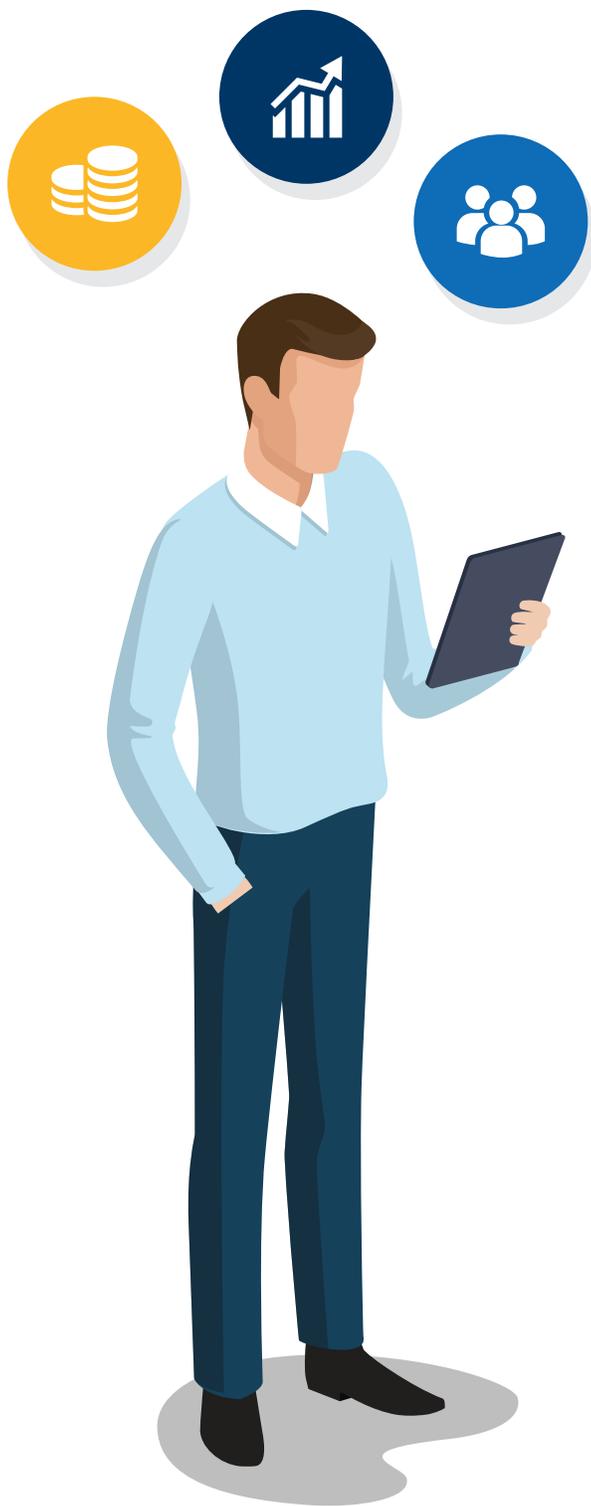
WHITEPAPER

OVERVIEW

This whitepaper will describe the concept of an international blockchain lottery, its principles and the business rules which support its technical implementation, as well the prize fund constitution, the marketing plan including the referral program, and the Token sale. It will address all relevant aspects related to the development, promotion, and operation of the system in the international market.

The Shark Lotto business model is built on fully decentralized and transparent lottery managed by an Ethereum smart contract. All bets and results are public and recorded on the Ethereum blockchain without 3rd party involvement. where the organization and hold of lottery and betting events can be entrusted to an open protocol based on blockchain technologies. Such approach excludes the human factor in the process of determining the winner and paying the winnings, thus increasing confidence in betting and lotteries and, consequently, increasing the number of active users.

Our ICO will seek to raise fund primarily to finance the initial jackpot, technology development, and marketing costs. Our tokens (SHLT) will be issued at a rate of approximately 1$ per Shark Lotto Taken. SHLT token holders will receive a monthly dividend starting after the initial token offering closing date. The Estimated Annual Yield is over 30%. The main focus of the Shark Lotto team is to ensure that this project becomes the largest global lottery in both user base and jackpot size. Current work is prioritized with user acquisition and technological advances. We also strive to provide consistent updates and plan to actively engage the community.

INTRODUCTION

Every day over 100 million people play Lottery in the world, and take part in prizes draw. The lottery industry holds a 29% share of the global gambling revenue [1], the annual turnover of this market today is $284 billion. The online lottery market today is extremely promising due to a sheer number of participants and the entertainment factor. But despite overwhelming popularity, the lotteries currently available are not equipped to ensure the transparency of prize funds accumulation and distribution. But because of innovative technologies such as blockchain and smart contracts, now we can handle these critical issues.

"SHARKLOTT" is a decentralized lottery, the main advantage of which is the absolute transparency of all processes taking place on the platform and the complete and utter impossibility of fraud and operate with a high degree of autonomy, and its data and records would be cryptographically stored in public, decentralized blockchain. Available online and borderless, such a system can resolve several challenges of traditional lotteries. The proposed lottery will employ the random number generation (RNG) method, which is secure and fair and prevents manipulation and fraud. our lottery is completely transparent and is based on proven RNG algorithm.

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MARKET ANALYSIS

Today the lottery sector has become one of the largest industries in the world, and the online lottery industry is still growing. It is considered to have significant growth potential. The online market is complementary to the offline, indicating huge growth potential. The market is huge, standing at $290+ billion, with approximately only 4% of this online. The global lottery industry grew from $187.1 billion in 2004 to $294.3 billion in 2016, representing a compound annual growth rate (CAGR) of 4.3% per year. More than 64% of global lottery sales come from Europe and North America [1]. The total revenue of mobile lotteries in 2016 is estimated to be 43 billion, while 44% of the amount is generated in Europe and North America. The pace of technology adoption can be even faster in the developing markets.

According to the World Lottery Association (WLA), the lottery industry is growing year over year and expected to top 350 billion USD in 2018. [2] Lottery analysts forecast that the analysts forecast the global lottery market to grow at a CAGR of 9.67% during the period 2018-2022. [3]. Their research points to many areas that allow for this expansion, including relaxed regulations, the digitization of current offerings, and by them taking advantage of mobile and social media channels. [1] Up until recently, most lottery operators were B2C. With the advent of online and mobile lotteries, there are now more B2B companies offering online lottery platforms. Global Lottery Industry: The betting and lottery market is a large segment of the modern economy. With a lack of transparency is the main factor slowing down online lotteries growth.

None of the currently operating online lotteries are decentralized and transparent. Their processes depend on third-party involvement which is not subject to any control mechanisms and creates a high risk of lottery operators influencing draw results and prize payouts. These figures give every reason to believe that Shark Lotto is an extremely promising product, especially given its innovation, transparency, and scalability. At the same time, Shark Lotto plans to focus on the online lottery providing an opportunity to create the unique lotteries not currently available on the market.

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[1] Union Gaming Research, "Global Gaming Technology," 2015,
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[2] WLA Magazine Issue 47
https://www.world-lotteries.org/images/publications/wla-magazine/pdf/wla_mag_47.pdf
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MARKET PROBLEMS

Following are the Market problems:

THE TRADITIONAL LOTTERY MARKET

None of the currently operating online lotteries are decentralized and transparent. Their processes depend on third-party involvement which is not subject to any control mechanisms and creates a high risk of lottery operators influencing draw results and prize payouts. These figures give every reason to believe that Shark Lotto is an extremely promising product, especially given its innovation, transparency, and scalability. At the same time, Shark Lotto plans to focus on the online lottery providing an opportunity to create the unique lotteries not currently available on the market.

FAIR & TRANSPARENT ISSUES

Ensuring fairness of the game remains the biggest challenge. Lottery players may question the possibility of manipulation or fraud. Currently, Lotteries are operated by government and states around the world, with certain country granting the 'rights' to the private entity to operate the lottery. Whether it is operated by government, states or private entities, its operation shares the same characteristics: the participants and bet amount for any lottery session are not available for public viewing, on average, no more than 50% of all funds collected from ticket sales are allocated to the prize pool. Methods of selecting the winning number by the lottery operator is unclear and the lottery operations are centralized and controlled by single party. Lottery players and the public are always suspicious and curious to ascertain if the lottery is operated in fair and transparent manner. In addition, lottery winnings are taxed, and in some countries (for example, the U.S.) as much as 60% can be withheld. Given the current circumstances where one single party can influence and control the lottery outcome. Recent scandals in lottery such as, lottery frauds and rigging only deepen the players' beliefs that the lottery is indeed not fair and transparent.

REGULATIONS & AVAILABILITY

In some countries, lotteries are not legal, and in most other countries only governments and affiliated organizations can obtain a license to operate a commercial lottery business. Corruption schemes that can affect the distribution of funds may take place in different regions. Users from other countries cannot easily participate in some of the biggest lotteries in the world. Users are limited to playing smaller, local lotteries due to the smaller size of their domestic market, underdevelopment of the lottery industry at home, or strict regulation.

A few good attempts have been made to organize an honest Internet lottery. However, the traditional approach to organizing a lottery which involves the use of a centralized organizational structure has long been mistrusted because nobody can check the random number. The blockchain technology can help us solve this problem. However, projects that use this technology are not always transparent enough.

Through the innovative technology of blocking and smart contracts, our algorithms and random number generation are open, their codes are available on GitHub. Both the game and the distribution of the winnings occur in an independent environment of the blockchain, and neither side can interfere with this process. Players can check the progress and results of all games in an open independent registry. "SHARK LOTT" provides full transparency, all the funds are contained in a smart contract that automatically pays out winnings without the participation of the game organizer. Anyone can check the availability and the size of the Jackpot.

PROJECT DESCRIPTION

We are introducing new standards of transparency and fairness into the lottery procedure, the standards, which will provide the greatest benefit to all participants of lotteries worldwide and allow to automate the receipt of prizes. Shark Lotto will set a new standard in the global lottery market. Shark Lotto is a fully transparent and decentralized platform where its operations are regulated by smart contract and no single party, including us, can control or influence its operation. All Lottery operations, including player bet, results, jackpot management and sales fund distribution are recorded on the block-chain for public verification.

Our algorithms for generating random numbers, and can be checked by anyone. codes are available on the web. Generation of random numbers and distribution of winnings happens not on our servers, but in an autonomous environment of the blockchain, Therefore, neither side can intervene in this process.

Players can check the progress and results of all games in an open independent registry. "SHARK LOTTO" provides full transparency, all the funds are contained in a smart contract that automatically pays out winnings without the participation of the game organizer. Anyone can check the availability and the size of the Jackpot. They cannot be changed or deleted. Anyone can check and see the progress of all our drawings on an independent platform or on his computer on which the corresponding environment of blockchain is deployed.

SHARK LOTTO KEY FACTS

"THE FOLLOWING ARE THE BENEFITS TO THE PLAYERS"

- Fully decentralized and transparent lottery managed by an Ethereum smart contract.

- The lottery is operated by a fully independent smart contract serving as a self-amending regulatory guarantor.

- Full transparency and security thanks to the smart contract's elimination of any third-party involvement in the lottery process and funds management.

- All operations, including player bet, results, jackpot management and sales fund distribution are recorded on the block-chain.

- No prior deposit requirements and providing full anonymity with instant Ticket purchase capabilities. Immediate, secure and anonymous payouts directly after each lottery drawing.

- There are also other benefits as: advanced privacy, SSL security, instant withdrawals, etc.

OPERATING SCHEME

Shark Lotto is the international Lottery blockchain based on Ethereum smart contract to control and regulate its operation. Shark Lotto operates automatically and independently, ensuring fair and transparent lottery play. Collecting and distributing funds, drawing winning numbers in a random fashion, and paying lottery tickets sales commission to token holders. The prize pool of the Fire Lotto lottery is formed from 80% of the funds collected from ticket sales. The minimum size of a guaranteed jackpot is fixed USD 1,000,000.
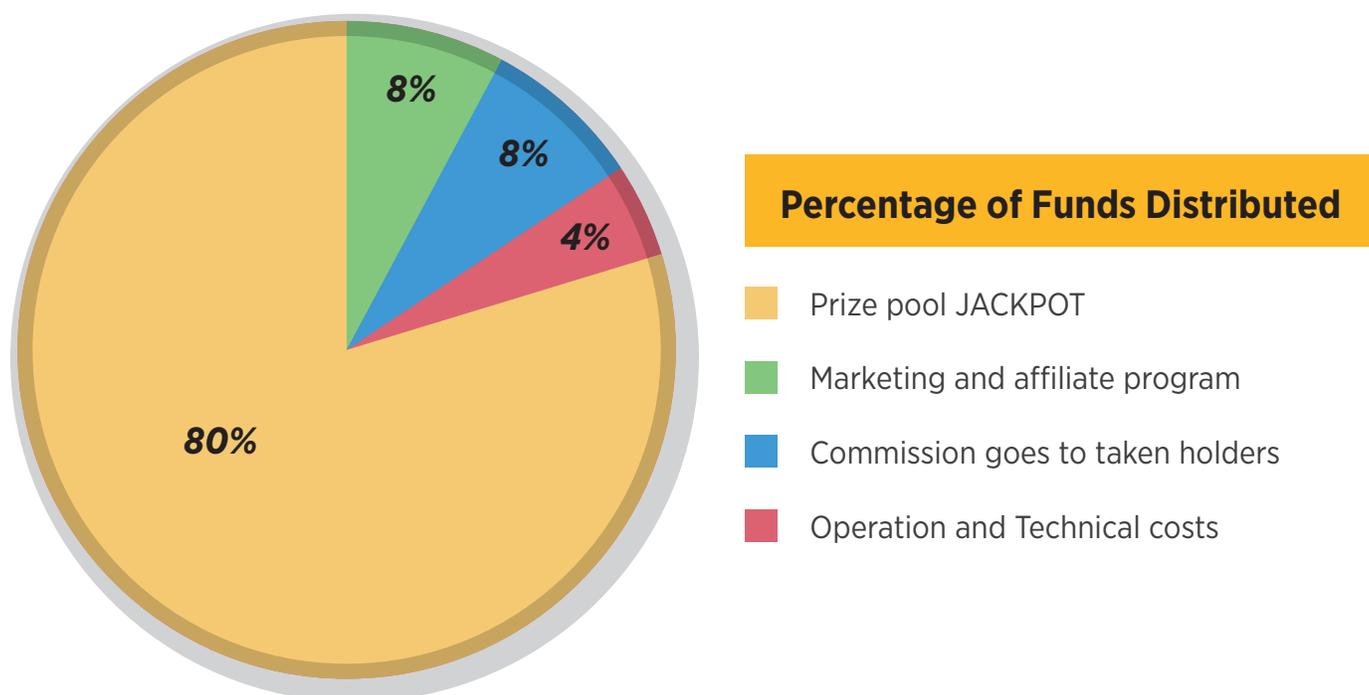
The player needs to have Ethereum-wallet and then the player enters the lottery site with a traditional and user-friendly interface, where he or she can buy almost an unlimited number of lottery tickets and choose numbers for each ticket. Tickets are bought in one click through the user's cryptocurrency wallet. Ticket purchases will be with following payment methods: Ethereum, Bitcoin, and Litecoin, next step Ethereum transaction goes to the smart contract of the chosen lottery, contributing to the prize pool. 80% of all lottery ticket sales are allocated to the prize pool.

BUSINESS MODEL

Shark Lotto offers a transparent business model for token holders. Operational expenses, lottery withdrawals, and tickets sold will be on record for Token holders on the Ethereum blockchain, so it cannot be altered. The main service that generates profits is ticket sales. The ticket price comprises 1 USD or its Ethereum or Bitcoin or any other Altcoin equivalent. The main service that generates Shark Lotto profits is ticket sales.

DISTRIBUTION OF SALES FUND

The main revenue is derived from the lottery ticket sales. For every ticket sales, Shark Lotto automatically allocates the fund to the main area of expenditure. After a player buys a ticket, the structure below shows how cash flow is assigned to main areas of expenditures.

8%

8%

4%

80%

Percentage of Funds Distributed

- Prize pool JACKPOT
- Marketing and affiliate program
- Commission goes to taken holders
- Operation and Technical costs

TOKEN DISTRIBUTION

SHARK tokens will be distributed as an ERC-20 token on the Ethereum blockchain. The purpose of the Initial Coin Offer (ICO) is to raise the capital needed for development and promotion of the Shark Lotto. Also, we strive to move Shark Lotto a fully decentralized platform by implementing a 100% transparent system making it independent of any third party (including the team of developers).

Our goal is to make Shark Lotto truly independent, decentralized, and international lottery. For that reason, once the ICO stage of the project had gone through and the platform is launched, we will add multiple payment methods utilizing various cryptocurrencies, national, and international payment services. Investors will receive 70%, Founders and development team will receive 15 %, Initial Investors 12%, and Bounty 3%.

Tokens Distribution

- Investors — 70%
- Team — 15%
- Initial Investors — 12%
- Bounty — 3%
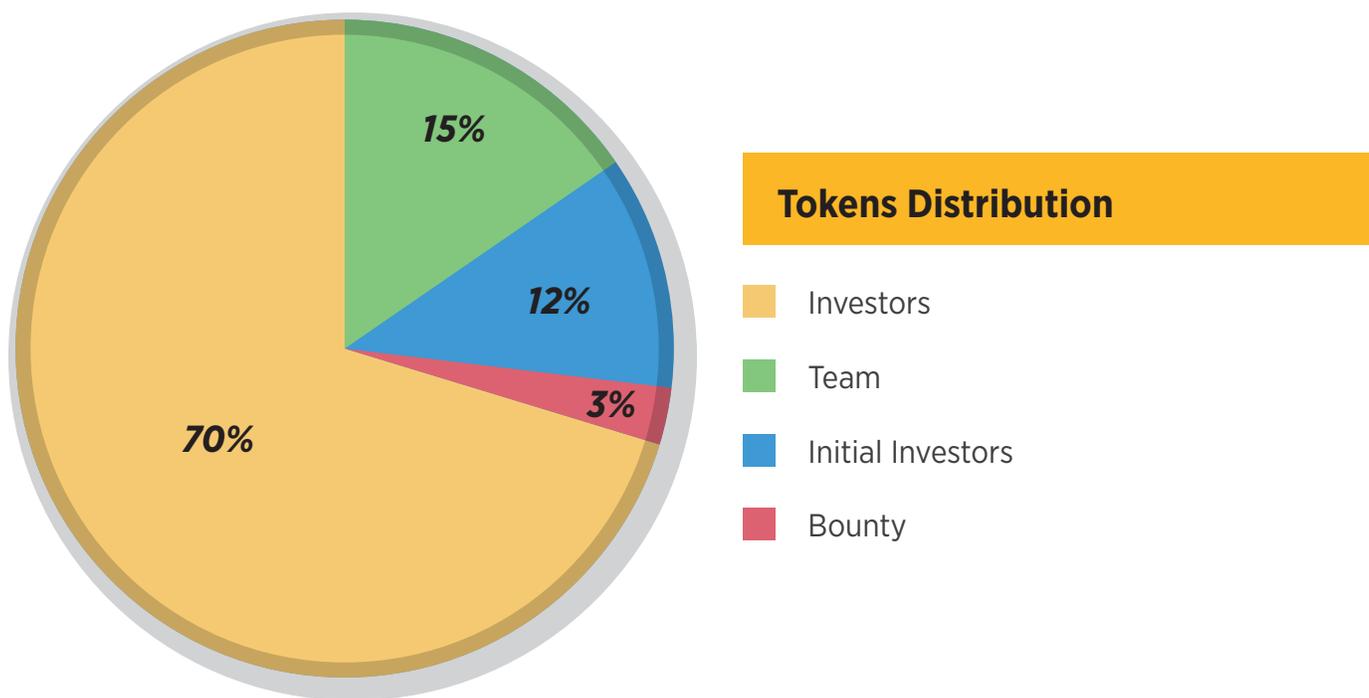
TOKEN SALE (ICO MECHANICS)

- Token name: SHLT
- The number of tokens to be issued: 10,000,000 SHLT
- Total for sale: 70% of the total issue of tokens or 7,000,000 SHLT
- Cryptocurrencies accepted: Ethereum, Bitcoin, Litecoin, Bitcoin Cash

- Soft cap: 1,500,000 USDT
- Hard cap: 7,000,000 USDT
- ICO Token Price: Initial token price target will be $1
- Token sale will be carried out in three stages: Private-sale, Pre-Sale, Main Sale

PRIVATE-SALE

To encourage early adopters, Shark Lotto is distributing 2 million SHARK tokens (20% of circulation supply) in a PRIVATE-SALE. To participate, supporters are required to register on the official site. Participants will be rewarded with a bonus of 20%. Only ETH will be accepted in this private sale round.

Dates:	01.09.2018 — 30.09.2019
Private-Sale price:	1$ = 1 SHLT + (bonus included)

Bonus on Private Sale is up to 20% to a price on Private Sale

Minimum Buying Amount:	1 ETH

PRE-SALE

On PRE-SALE stage Shark Lotto is distributing 2 million SHARK tokens (20% of circulation supply) in a PRE-SALE. To participant in this round will be required to register on the official site as well. The currencies accepted in this round will include: ETH, BTC, LTC, and BCH to tailor to a wider public. Participants will need to provide an ERC-20 compatible wallet address if participating in currencies other than ETH.

Date Pre-Sale:	01.10.2018 — 31.10.2018
PRE-SALE price:	1$ = 1 SHLT + (bonus included)

Bonus on PRE-SALE is up to 10% to a price on Main Sale

Minimum Buying Amount:	0.2 ETH

PUBLIC SALE

A public sale will be conducted shortly following the PRE-SALE in August 2018, with exact dates to be announced. The remaining circulation supply of 3 million SHARK tokens (30% of circulation supply) will be distributed at a rate of $1 per token. Participants in this round will be required to register on the official site as well. The currencies accepted in this round will include: ETH, BTC, LTC, and BCH to tailor to a wider public. Participants will need to provide an ERC-20 compatible wallet address if participating in currencies other than ETH.

| Dates:	01.11.2018 — 30.11.2018
Public SALE price:	1$ = 1 SHLT
Minimum Buying Amount:	0.1 ETH (No bonus for MAIN SALE)

TOKEN DISTRIBUTION

All SHARK tokens from the ICO will be distributed immediately after the public sale concludes, our tokens will be listed within one month of the end of the ICO period than our team will be actively working on subsequent exchange listings.

RAISED FUNDS DISTRIBUTION

We also need to implement a maximum transparency in the system by moving Shark Lotto to a decentralized platform and make it independent from any third parties this task will also be financed from the funds raised during the ICO. Money collected during fundraising will be distributed We aim to allocate at least

- 40% lottery jackpot and the prize fund
- 25% Research and Development
- 25% Marketing and PR budget,
- 5% Operations and token development
- 5% legal cost licenses and permits and tokens listing on different exchanges

Funds Distribution

- Jackpot
- Development
- Marketing
- Operations
- Legal
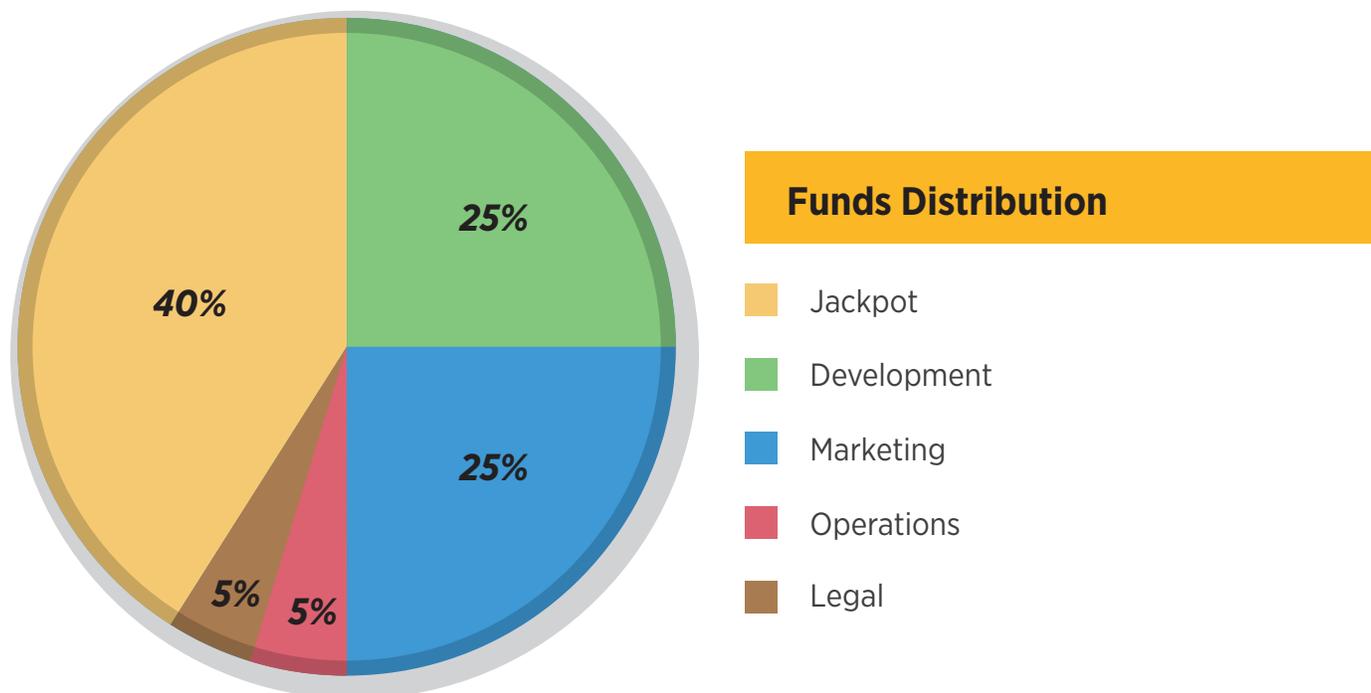
MARKETING STRATEGY

To support our global rollout and position as the leading online lottery platform in the world with strong presence in both the online and offline community. We have developed a comprehensive marketing and promotional strategies. Our marketing and promotional strategies will focus:

1. Affiliate Program

We recognize that it is important to build and sustain active and loyal players. Hence, we have created our incentive programs to offer as much value to our players so they can continue supporting Shark Lotto. All players can spread the word about this innovative platform and invite friends and other players using their personal referral link. Every month, we allocate up to 8% from the ticket sales to reward our affiliates. Our Affiliate program is open to anyone (lottery players or otherwise)

2. Partnership Networks & Media Exposure

We will embark on extensive public relation exercise and join a partnership network, which is a technological platform connecting advertisers and partners, to promote Shark Lotto and highlight key benefits and differentiation factors to lottery players and the wider community. Given that our target user base, we will utilize both mainstream media and specialized publications related to blockchain and lottery (online and offline). We are also developing a widget for quick tickets purchase on the websites of our partners.

3. Influencers & Social Media Marketing

To effectively reach the internet users, we will conduct various online and social media marketing, which includes executing various advertising campaign at a popular search engine and social network, specialized blogs, and sites related to lottery and blockchain, engage influencer to promote Shark Lotto to their followers. Search Engine Optimization (SEO) To make sure we are featured prominently in search results. Establishing a social presence Platform will be socially friendly. We will also use the power of social networks and their tools in our marketing strategy where it is permitted by law.

4. Product as Promotional & Marketing Tool

A well-designed and functional product can be the best promotional and marketing tool, with a mobile-friendly interface so users can visit our platform from any device can easily garner attention from potential players due to its ongoing growth of Jackpot offered, which translate into a higher chance of winning, fair and transparent lottery play and easy-to-understand winning results.

5. Offline partners

In addition, we intend to conduct various media advertising, PR-campaigns, off-line activities in different regions and non-standard advertising through the attraction of offline partners. Concerning the marketing budget, it is expensive but effective. All reports will be fully transparent for the Token holders.

■ Bounty Program & Airdrops

Reserved Tokens: 3% reserved tokens will be used for airdrops and promotional events, bounty programs.

■ Bounty Program

Our team members are strong proponents on building a community behind this project. Planned bounty projects will include whitepaper translations and marketing support, and planning an official meme contest and video for this project to spread awareness and generate hype. And will allocate a total of 3% of overall SHARK LOTTO tokens to participants of the bounty program. Further details will be posted on the official site and on Bitcoin talk.

■ Airdrop

As periodic promotional events to the lottery, airdrops will be conducted address who has participated in the lottery in the past. Users who receive the airdrops are encouraged to participate in the weekly lottery drawing and try their luck! Total of 3% of overall Shark Lotto tokens will be reserved for airdrops. Further details about the airdrops will be posted later.

FREQUENTLY ASKED QUESTIONS

What is the ICO sale stages?

Private sale, pre-sale, and public sale, to encourage early adopters and gather funds for Shark Lotto platform, the number of takes with exact dates to be announced (as below table) For more details, sign up for the whitelist to get notified via email. Participants in this round will be required to register on the official site as well. The currencies accepted in this round will include: ETH, BTC, LTC and BCH to tailor to a wider public. Participants will need to provide an ERC-20 compatible wallet address if participating in currencies other than ETH.

What is the total supply and distribution for SHARK tokens?

Total Supply: 10,000,000 SHLT tokens
Initial token price target: $1 == 1 SHLT taken
Investors will receive 70%, Founders and development team will receive 15 %,
Initial Investors 12%, and Bounty 3%.

How will the fund be Distributed?

Token Distribution
40% lottery jackpot and the prize fund
25% Research and Development
25% Marketing and PR budget,
5% Operations and token development
5% legal cost licenses and permits and tokens listing on different exchanges

What is going to happen in case you are not able to raise the estimated funds?

We're confident that we will be able to raise our minimum goal. In case ICO does not collect soft cap, all the transfers are returned.

Can I pay with Altcoin?

Absolutely. We accept Bitcoin, Litecoin, and Bitcoin Cash.

How much money can I invest during the private and open round?

The amount of money is not limited. Tokens will be sold at a price of 1 USD per token

What are the discounts on the stages of fees?

Discounts depend on the stage and the date. Base tokens price.
Bonus on Private Sale is up to 20%. Bonus on PRE-SALE is up to 10%. No bonus for MAIN SALE

How do I get Shark Lotto tokens?

Shark Lotto tokens will be transferred to the investor's account linked to his or her personal profile after the transaction has been confirmed. After the ICO is finished, the investor will be able to transfer the tokens from his or her personal profile to any ERC20 compatible Ethereum wallet.

What exchanges are going to list SHARK tokens?

Now, we are negotiating placements with several big exchanges. We expect SHARK to be traded on some of the bigger exchanges after the Token Sales have concluded.

When will SHARK tokens be listed on cryptocurrency exchanges?

Our tokens will be listed within one month of the end of the ICO period.

Can I use any ETH wallet to send money directly to smart contract address?

We recommend the following wallets: MyEtherWallet, Metamask, Mist, or Parity.

How do I receive SHARK Token, if I purchased them via BTC, LTC, or Altcoin?

If you invested in the Pre ICO and paid with BTC, LTD, or Altcoin, you will receive an email with instructions on how to receive SHARK Tokens within 1-2 days.

The transaction was confirmed by the network but I still have not received any tokens?

If your account has not been refilled within a 24-hour period, please contact support.

What is the Shark Lotto platform?

Shark Lotto is international and transparent Decentralized Lottery based on Ethereum blockchain. which gives to users the most transparent and honest chances of winning.

Where will the jackpot be stored and how will funds be transferred there?

The jackpot for each lottery will be stored in a corresponding smart contract. Funds have already been transferred to the smart contracts.

Is there a Bounty Program?

Yes! Please check here with our current marketing objectives. We are looking for influencers and translators to help our project. Planned bounty projects will include whitepaper translations, marketing support, and official meme contest and video for this project to spread awareness and generate hype. 3% of overall SHARK tokens will be allocated to participants of the bounty program. Further details will be posted on the official site and post on Bitcoin talk.

How is this lottery technically better than existing projects?

Shark Lotto team has studied the existing lottery projects and is confident that our product is technically superior and our implementation better, and using advanced random generation methods (Random number generation).

How can I help?

You can make a difference with this project! Spread the word and help market this project both online and offline. The more discussion held about the Shark Lotto platform, the more successful it will become.

Who is on the Team?

We are a team of top industry professionals aim to be the best in our field, with experienced marketing team. Our main objectives post-ICO will be to get as many users as possible to build up the network effects. Our main effort will be to develop a team of strong affiliates to bring in large levels of prospective players. And focusing on the best customer experience.

How do I contact the team?

Feel free to email us at info@sharklotto.net
(Please allow up to 24 hours for our support team to handle your request).

ADVANTAGES FOR TAKEN BUYERS

Our decentralized platform that offers transparent, fair and engaging lottery play, Shark Lotto offers the following benefit s to our token investors:

BUYING OF TOKENS WITH NO RISK

In case ICO does not collect soft cap, all the transfers are returned.

MONTHLY REWARD

SHARK Token investors will receive 15% of the monthly gross profit. All the Lottery sales and payout are public and recorded on Ethereum blockchain. By deducting the payout from sales, Shark Lotto smart contract automatically calculates the gross profit without any third-party involvement and credit the reward to the token holder. The reward will be distributed proportionally to the percentage of token held by the holders.

INCREASE IN SHARK TOKEN PRICE

With attractive reward and strong demand for fair and transparent lottery play, it is only natural for SHARK Token to enjoy strong demand.

LONG-TERM INVESTMENTS

Our tokens can be profitable for long-term investments, as in addition to the natural growth of token price as the project develops, we also give a commission from the sales of game tickets to all the holders of the tokens;

TRADABLE TOKENS

All issued tokens will be tradable on big name exchanges worldwide. We're working on an extensive list of exchanges to allow ETHD trades.

FINANCIAL TRANSPARENCY

Every lottery and company finances will be available on the open blockchain for anyone to query at any time.

Become part of something BIG. Be the contributor to that advancement. It's a better story.

ROADMAP

Our goal is to build one of the first transparent, fair and decentralized lottery platform based on Ethereum Blockchain. Shark Lotto platform's launch will be phased as follows: (The project will have the following stages:)

1.		LOTTERY SMART CONTRACT	Development concept, Contract development and tests
2.		SEP 18	Private Sale
3.		OCT 18	Pre-ICO
4.		NOV 18	Token Public Sale
5.		DEC 18	Token listing on exchanges
6.		JAN 19	Development and Marketing
7.		FEB 19 (LOTTERY LAUNCHED)	Fully decentralized platform
8.		MAR 19	First dividend payouts

DISCLAIMER

Shark Lotto whitepaper is released with the purpose to describe the concept of an international blockchain* lottery, its principles and the business rules which support its technical implementation, as well the prize fund constitution, the marketing plan including the referral program, and the Token sale. It will address all relevant aspects related to the development, promotion, and operation of the system in the international market. Shark Lotto are not intended to be construed, interpreted, classified or treated as: any kind of currency other than cryptocurrency; debentures, stocks or shares issued by any person or entity. Tokens could be impacted by regulatory actions, including restrictions on ownership, use, or possession. Regulations or other circumstances may demand that the Shark Lotto mechanics be altered in all or part. Therefore, Shark Lotto may revise mechanics to comply with regulatory requirements or other governmental or business obligations. Nevertheless, we believe our planned mechanics to be proper and likely in the final version. Contributors assume risk when participating in the ICO. Shark Lotto could be subject to attack, bugs, or operational errors, and other unforeseen problems could result in the loss of stored value. This whitepaper has been prepared by Shark Lotto team for the sole purpose of introducing the technical aspects of the Shark Lotto and its associated platform and underlying blockchain protocol. This document does not constitute an offer, solicitation, recommendation or invitation for, or in relation to, the securities of any company described herein. The white paper is not an offering document or prospectus and is not intended to provide the basis for any investment decision or contract. The information presented in this whitepaper is of a technical engineering nature only and has not been subject to independent audit, verification or analysis by any professional legal, accounting, engineering or financial advisers. Furthermore, should you choose to participate in the ICO or Pre-ICO sale of Shark Lotto, Shark Lotto team does not assume any liability or responsibility whatsoever for any loss of market value or makes neither promise nor guarantee on the increase of the value of Shark Lotto taken. The information in this document is subject to change or update without notice and should not be construed as a commitment by Shark Lotto.