BitFly

White Paper

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1. Summary

Overview: BITFLY will be e-sports & crypto betting platform. Fully secured by smart contracts and powered by the "BITFLYCOIN".

BITFLY will offer traditional bookmaker services along with Peer to Peer betting, resulting in better odds and bigger wins.

BITFLY aims to become a leader in the global sports betting market upward of $450 Billion USD. With the goal of taking significant market share from global bookmakers.

Betting Platform: The BITFLY Platform will enable people to become their own bookmaker and bet against their peers. In the wagering industry the BITFLY platform will be a kin to a combination of Bet365 & Betfair.

Bet Makers can list bets with odds of their choice and Bet Takers can accept the best bets available in the marketplace. Individual bet details will be uploaded via smart contracts to blockchain and funds will be locked until a winner is determined.

To ensure liquidity in all betting markets, BITFLY will provide bookmaking services with odds and results feeds from relevant providers. **A percentage of profits will be returned to token holders in the form of token burning.**

The BITFLY platform will be available on web, tablet and mobile.

BITFLY Token: The BITFLYCOIN will be one of the major form of crypto currency to be used within the platform. Like casino chips must be used to play the tables at a casino, fiat and other crypto currency will need to be converted to BITFLYCOIN in order to place bets on the platform. BITFLYCOIN will be used for betting, winnings, betting rewards and incentives, staking, burning, honesty reserves, whale holder benefits and governance of the platform.

BITFLY Fantasy: BITFLY Fantasy where people can win real crypto prizes for making fantasy bets on sport and e-sport events. There is no risk, only real rewards.

Team: BITFLY has recruited an experienced team with a proven record of building successful businesses from the ground up. With complementary experience in leading betting companies, online marketplaces, finance, marketing, technology development and blockchain. The team is well positioned to build a market leading product, fast. Initial gaming release of Version 1 of the BITFLY platform is planned by January 31st, with first bets taking place on the English Premier League game between **Manchester United v Liverpool.** BITFLY will adhere to all required KYC, AML and gaming license requirements internationally as and when required.

Industry Statistics:

• $4,300,000,000 USD wagered on Super Bowl LV
• $23,500,000.000 USD wagered on e-sports in 2020 • $169,800,000,000 USD wagered on sports online in 2020 • $391,000,000,000 USD wagered on sports in 2020 • $711,400,000,000 USD global gambling market in 2020 • Europe accounts for 45.9% of the total online sports betting market, North America 25.5% and Asia 20.5%
• 26% of the planet's population (1.6 billion people) gamble each year

BITFLY encourages responsible gambling: A BITFLY Charity will be established to support vulnerable people, especially children, who have been impacted by gambling addiction.

2. BITFLY Marketplace - How It Works

Marketplace: BITFLY will be a marketplace of bets. Where it will link Bet Makers and Bet Takers. Users will be able to search for specific bets via sport, league, player, bet type, odds etc.

Betting Parties: There will always be two parties to any bet. A Bet Maker and a Bet Taker. Pool betting is also possible.

Bet Maker: The Bet Maker (The person offering the bet) acts as a bookmaker and determines the criteria of the bet, including: the bet type, amount available to be bet and the specific odds. Example: Event: English Premier League - Manchester United v Liverpool - Saturday October 23, 2021 Type of Bet: Money Line Bet: Manchester United to Win. Odds: 1.5 (Equal to -200 or ½) Total Bet Amount: 100 BITFLY Coin When a Bet Maker places a bet, the total potential payout of BITFLY Coin are

locked. A Bet Maker can cancel a bet at any time prior to a Bet Taker accepting a bet. When a bet is cancelled the BITFLY Coin are unlocked.

Bet Taker: A Bet Taker (The person accepting the bet) can choose to accept a specific bet made by a Bet Maker. A Bet Taker can accept the entire bet amount or only a part of the bet to suit their preference.

If a Bet Taker only accepts part of the amount, the Bet Maker can leave the balance on the marketplace for other Bet Takers to accept or they can cancel the remaining amount.

Confirmed Bet: When a Bet Taker accepts, it becomes a confirmed bet. A confirmed bet cannot be withdrawn or cancelled by either party until a winner, or a tie, is determined. The bet details are uploaded to **Binance Smart Chain or other blockchain and will be forever immutable.**

Betting Events: Version 1 of the BITFLY platform will offer bets to specific major leagues and events. Just as an example: EPL, NBA, Tennis and Golf Open Championships and the Fortnight World Cup. Future versions will open up betting to any sport, e-sport or crypto bet, as long as the result is publicly available.

Types of Bets: Version 1 of the BITFLY platform will offer specific bet types for each event: Example: For an EPL game, it may be a Money Line & Spread Bet.

Future versions of the BITFLY platform will allow bets on anything, as long as the results are publicly available.

Odds: It is up to the Bet Maker to list odds that would attract a Bet Taker to accept the bets. In the dashboard settings the users can select if they want the odds displayed as Decimal, Fraction or American odd formats.

Bet Amounts The Bet Maker will set the Total Amount that can be waged for that particular bet. Bet Amounts will be displayed as: Amount Available out of the Total Amount. Users will be able to see if others have already taken up parts of the bet. Example: If the total bet amount is 100 BITFLY Coin the bet will be initially displayed as: Bet Amount: 100 out of 100 BITFLY Coin available. If one bet taker accepts 20 of the 100 BITFLY Coin. The bet will then be displayed as Bet Amount: 80 out of 100 BITFLY Coin available.

Determining A Result In Version 1 of the BITFLY platform results will be determined by feeds from BetMASTER. In future versions when a Bet Maker can create any type of bet, on any type of event, automatic feeds and oracles may not be able to determine the result. The winner will be determined by the BITFLY proprietary Honest Bet System.

Payout Distribution: The winning bettor will receive the payout from the bet. Full transparency will be maitained.

Winning Fee: A 1% winning fee will be deducted from the coin won.

The winning fee will be distributed as follows: 50% will be paid to the BITFLY Foundation for the maintenance & administration of the platform. 25% will be donated to the BITFLY Charity and 25% will be burnt and permanently removed from circulation. The winning fee will not apply if the winner is a whale holder (holds more than 1,000,000 BITFLY Coin). The winning fee only applies to the amount won / profit, not the amount of the initial bet.

Example: If a user placed a bet of 80 BITFLY coin and was paid out 180. The amount won / profit is 100. 1% token winning fee would be taken from the 100 coin won. In the event of a tie, all coin will be returned to the Bet Maker and Bet Taker without any fees.

Bookmaking / Sportsbook Service: To ensure liquidity in all betting markets, BITFLY will provide bookmaking services with odds and results feeds from BetMASTER.

To mitigate risk there will be a small variable margin built into all odds.

At the end of each quarter: 50% will be paid to the BITFLY Foundation for the maintenance & administration of the platform. 25% of any profit from BITFLY bookmaking service will be returned to token holders in the form of token burning. 25% will be used to fund rewards in BITFLY Fantasy.

3. Honest Bet System

An issue with opening up betting to any event or any betting type means there could be an infinite amount of bets on an infinite amount of events. Bets could be completely random in nature. While this is great for the usage of the BITFLY token, it will become difficult to determine the winner of every betting event in a timely manner. Feeds and oracles will not provide all the information required to determine a result. Hence, where there is not a guaranteed result feed inplace, BITFLY will incorporate the **Honest Bet System**.

Note: The Honest Bet System only applies where BITFLY does not have a guaranteed and automatic feed to the result of a specific bet.

How it Works: When an event is concluded, the Bet Maker and the BetTaker have the responsibility to acknowledge the winner of the bet based on the real outcome. In an ideal world, honesty would be enough to determine every winner and loser. However, that is not practical as some bettors will attempt to cheat, by declaring themselves the winner when in fact they lost.

Honesty Reserve: When a Bet Maker offers a bet, and a Bet Taker accepts a bet an additional 30% of the parties total bet will be locked in an Honesty Reserve.

Example: In case of a bet where each party had a head to head bet worth 10 BITFLY Coin on the outcome of an event. An additional 3 BITFLY Coin (10*30% = 3) from each party would be locked in an honesty reserve.

This creates a significant incentive to be honest in regards to the bet result, and penalizes dishonest bettors. A user who attempts to cheat the system will forfeit their 30% honesty reserve.

The 30% honesty reserve will be returned to both parties where an honest result is recorded.

Entering Result Following the conclusion of an event, The Bet Maker and Bet Taker decide the outcome of the event within a set time frame. When the first party enters a result, it triggers a notification to the other party instructing them to also enter a result.
Both parties decide on the results by selecting:
a) I WON
b) I LOST
c) TIE / NO RESULT

An honest result is obtained, when there is

1. 1.
One loser and one winner

or

1. 1.
A tie / no result is selected by both parties.

Honest Result:
Clear Winner and loser: In the event there was a clear winner, The total winnings will be released to the determined winner and the Honesty Reserve will be returned to both parties.
Clear Tie / No Result: In the event there was a clear tie, all coin bet plus the honesty reserve will be unlocked and returned to each party.
In the unlikely event that both parties selected I LOST, the result will be equivalent to a Clear Tie.
Cheat Attempt: Where both parties selected I WON, it is obvious that one party is being dishonest and has attempted to cheat the system.

In the event of a cheat attempt, the result goes to community referees.

Community referees: Members of the community can elect to become referees and will receive BITFLY Coin for their time and effort in identifying the winner and their honesty.

Referees must hold a minimum balance of 10,00,000 BITFLY coin. Referee's will be chosen based on an algorithm combining availability, BITFLY coin held, previous referee success and randomness.

For each cheat attempt, there will be 2 community referees and 1 foundation referee, who will all vote on the outcome of the event and determine the winner. Referees will be anonymous and not announced in advance.

Referees will be rewarded for providing correct results, and demoted in the event of an incorrect result.

To determine a winner, the referee vote must be unanimous. All 3 referees must vote for the same winner for a result to be finalized.

If a winner is determined, the winning bettor will receive their betting payout and their 30% honesty reserve.

The Dishonest Bettor, loser of the bet, will forfeit their 30% honesty reserve.
The forfeited honesty reserve will be distributed as follows:

• 50% to the BITFLY foundation to fund ongoing operations
• 10% to community referee #1 • 10% to community referee #2 • 10% to foundation referee #3 • 10% to BITFLY Charity
• 10% will be burnt and permanently removed from circulating supply

In the event that the referee vote is not unanimous, it will then go to a Foundation Official Referee who will determine the winner.

A community referee that provided an incorrect result will not receive their reward.

4. BITFLY F.......

BITFLY F....... is a game where people can win real crypto prizes for making fantasy bets on sport and esport events. There is no risk, only real rewards.

BITFLY F.......... will be operated as a completely separate platform at: BITFLYf......com

It is a game, there is no cost to play and no real gambling. There will be no promotion of real gambling.

Each player must hold 1000 BITFLY token to join a league. There will be different leagues for different sports & esports. Eg: English Premier League & Counter Strike League.

Every week during the season, each player gets 1000 fantasy coin to play with. Players make fantasy bets on the real games played in that league. At the end of the week the players who accumulate the most fantasy coin win real crypto rewards.

BITFLY Fantasy will target the 2.69 billion people who play video games and the crypto 'airdrop' community who are seeking to win crypto. This will help build an army of followers for BITFLY coin.

BITFLY F.... will be launched in November.

5. Technology Stack

The team will use agile / scrum methodology to develop the platform with daily and weekly scrum meetings between the relevant team members. BITFLY will provide weekly development reports while the platform is being built.

Front End / Client Side. The front end (the website that the user sees and interacts with) will be built in HTML / CSS / JS / React.

Back End / Server Side The back end which includes the servers and databases will be built with Node.js and MongoDB.

Node.js will communicate from the front end to the backend, by communicating between Javascript and the database.

Mongo.db will be the database used in the backend to store all required information. Data will be stored on Amazon Web Servers.

Smart Contracts / Blockchain When a bet is confirmed, the details of the bet will be uploaded into the blockchains immutable ledger until the event outcome is determined.

Solidity is the language used to write the smart contracts and communicate with the blockchain.

BITFLY will initially run on Binance Smart Chain and will incorporate other blockchains in the future.

6. Team

7. Advisors

Gaming Licensing & Legal Advisor - TBC Betting Markets Advisor - TBC Content & Communications Advisor - TBC Cryptocurrency Advisor - TBC

8. Tokenomics

The BITFLY utility token is to be the sole token and form of currency to be used within the platform. Like casino chips must be used to play the tables at a casino, fiat and cryptocurrency must be converted to BITFLY coin in order to bet on the platform. This will be done via centralized and decentralized exchanges.
The BITFLY platform dashboard will connect to exchanges to enable the purchase of BITFLY coin. The BITFLY token is borderless and enables people from different parts of the world to bet against each other with one universal betting currency. The BITFLY token is the future of online betting.

Token Utility
Betting All bets must be placed with BITFLY coin.

Honesty Reserve, (if applicable), is also required in BITFLY coin.

As more bets are placed the demand for BITFLY coin increases and the circulating supply decreases, as coin are locked until a winner is determined.

Token Burning: Coin that are burnt are permanently removed from circulation, reducing the circulating and total supply. 25% of quarterly profit margin from bookmaking services will be burnt 25% of all winning fees will be burnt 10% of cheat attempt fees will be burnt.

Whale Holders / Zero Fees: The 1% winning fee will be waived for whale holders. To become a whale holder, the user must hold 10,000,000 BITFLY Coin.

First Year Staking Rewards: ...% of the BITFLY Token supply .... will be distributed via staking pools over the first 12 months. This will be done by a combination of:

1. 1.
A decentralized staking pool on the BITFLY platform

2. 2.
PancakeSwap Syrup Pools

3. 3.
Centralized exchange staking program

Staking BITFLY coin in the initial 12 months will reduce circulating supply and enable BITFLY coin holders to earn annual yield while the platform is being built and the user base is being grown. The staking will incentivize both existing and new BITFLY holders. The more coin staked, the bigger the rewards.

Community Betting Rewards: Frequent and large bettors will be incentivized with BITFLY Coin. To encourage new users to join the platform and grow the user base, bonus coin/bets will be given to users to place their first bets on the platform.

Honesty Reserve: For applicable bets, where BITFLY does not have a guaranteed and automatic feed to the result of a specific bet a 30% honesty reserve is held in BITFLY Coin.

Referees: Referees must hold a minimum of 100,000 BITFLY Coin and are rewarded for their time and effort in determining winning results.

Governance: BITFLY token holders will be able to vote on platform changes and improvements.
Items that token holders will be able to vote on include, winning bet fee %, honesty reserve requirements, betting rewards, dishonest bet payout % and distribution, new platform features and which organizations the BITFLY charity will support.

BITFLY Fantasy All players of BITFLY Fantasy must hold a BITFLY token to join a league. 100 token per minor league & 10,000 coin per major league joined.

Token Supply

Total Supply of Coin: 10,000,000,000

Token Type: BEP20 (Binance Smart Chain)

Token Distribution:
Private Sale: 5%
Public Sale: 45%
Marketing / Partnerships: 5%
User Incentives/Bonuses: 5%
Charity & Foundation: 10%
Exchanges / Liquidity: 10%
First Year Staking Rewards: 7.5%
Advisors: 2.5%
Team: 5%
4 year vesting Institutional Investors: 5%

4 Year Vesting Schedule: TO BE ANNOUNCED

9. Legals & Licensing
Some key points to note in regards to adhering to license requirements:

• KYC must be completed to place a bet.
• One BITFLY account per person • No direct user to user transfers from within the BITFLY platform

10. BITFLY Revenue
BITFLY Foundation will make revenue from bookmaking services, winning fees and cheat fees to fund its ongoing operation.

Bookmaking Profits: To mitigate risk there will be a small variable margin built into all odds. Any profit collected will be distributed each quarter as follows:

• 50% will be retained by the BITFLY Foundation
• 25% will be burnt and permanently removed from circulation
• 25% will be used to fund rewards on BITFLY Fantasy

Winning Fee: The winning fee will be 1% of the total winning payout.

• 50% will be kept by the BITFLY Foundation
• 25% will go to the BITFLY Charity
• 25% will be burnt and permanently removed from circulation

The winning fee only applies to peer to peer bets and will be eliminated if the bettor is a whale holder.

Cheat Fees: BITFLY Foundation will receive 50% of the cheat fee. Any changes to fees will be voted on by the community.

11. Industry Size

2020 Total global gambling market - US $711.4 Billion USD Total wagered on sports - $391 Billion USD Total wagered on sports online - $169.8 Billion USD Total wagered on esports - $23.5 Billion USD

Around 26% of the planet's population (1.6 billion people) gamble throughout the year.

Sports Betting

Sports betting involves the activity of placing bets on the outcome of sporting results. The most popular sports by betting volume are European football / soccer, tennis, American football, horse racing, basketball, golf and boxing/MMA.

Sports betting is the most popular online gambling activity in Europe accounting for 41% of gaming revenue, casino accounts for 34% and Lottery 15%.

In 2020, Europe accounted for 45.9% of the total online sports betting market, North America 25.5% and Asia 20.5%. 45% of sports betting was done pre-match and 55% in-play. The sports betting figures could dramatically increase as more and more American states are moving to legalize sports betting. NBA commissioner, Adam Silver stated in 2014: "There is no solid data on the volume of illegal sports betting activity in the United States, but some estimate that nearly $400 billion is illegally wagered on sports each year."

Top 10 Most Watched Sports

- Soccer - 3.5 billion people
- Cricket - 2.5 billion people
- Basketball - 2.4 billion people
- Hockey - 2.2 billion people
- Tennis - 1 billion people
- Volleyball - 900 million people
- Table Tennis - 850 million people
- Baseball - 500 million people
- Football - 410 million people
- Rugby - 400 million people

Esports Betting

The esports betting industry is growing rapidly with $23.5 Billion USD wagered in 2020, up 7,400% from $315 million USD in 2015.

The most popular esports in terms of betting volume are: League of Legends - 38%, GS:GO 29% & Dota 2 - 18%.

A target on esports is not just about the significant betting market opportunity but also to tap into their massive community. The total viewership of esports topped 495 million in 2020 and will be an avenue to create exponential growth for BITFLY and the BITFLY token.

BITFLY plans to be involved in and sponsor large esports competitions and tournaments.

Crypto Betting / Price Predictions

It is estimated there are over 400 million global crypto users with many of them constantly speculating and debating with their peers on social media about the future prices of a particular coin, token or NFT.

BitFly will enable crypto traders to bet against other community members to determine who had the correct forecast.

Market Drivers:

• High Internet Penetration
• Increase use of mobile phones • Easy access to online gambling • Legalization • Cultural approval • Corporate Sponsorship
• Celebrity Endorsements

The COVID-19 Pandemic has increased the demand for online gambling. The increasing adoption of work and study from home are likely to further drive market growth.

Device Insights:
Desktop is the most popular device for online gambling. The large screen size of desktops compared to mobile phones and other devices enable gamblers to enjoy the graphics and intricate details.
Device by usage for online gambling: Desktop: 44.8%, Mobile: 34.6%, Tablet 19.6%

Online Gambling Market Leaders by Revenue

• Flutter Stars Group - Revenue $5.39 Billion USD **-** Includes Paddy Power, Betfair and Sky Bet. (Owogram)
• GBC Holdings - Revenue $5.25 Billion USD - Includes Ladbrokes, Coral & SportingBet • Bet365 - $4.26 Billion USD
• William Hill - $2.27 Billion USD

12. BITFLY Charity
The BITFLY charity will focus on helping vulnerable people, especially children, whose lives have been severely impacted by gambling addiction, drug and alcohol addiction as well as domestic violence.

Revenue Source: 25% of the winning fee and 10% of the cheat fees will be donated by the BITFLY charity. All proceeds will be transparently stored in and distributed from a pre disclosed public address. The BITFLY community will vote on which organisations the charity will support.

13. Roadmap
The roadmap represents the current goals of BITFLY and is subject to change.
Roadmap

14. References

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15. Disclaimer
www.BITFLYCOIN.com/whitepaper-disclaimer

16. Communication Channels
BITFLY Website: BITFLYCOIN.com
BITFLY Fantasy Website: BITFLY.......com
Whitepaper: BITFLYCOIN.com/whitepaper
Blog: BITFLYCOIN.com/blog

Social media
Twitter: twitter.com/BITFLY....... YouTube: youtube.com/channel/...........
Telegram Community Channel: t.me/BITFLY....... Telegram Reports & Announcements Channel: t.me/BITFLY...........Instagram: instagram.com/BITFLY....... Reddit: reddit.com/r/BITFLY...... Facebook: facebook.com/BITFLY.....

Exchanges
PancakeSwap:
CoinMarketCap: coinmarketcap.com/currencies/BITFLY.....
CoinGecko: coingecko.com/en/coin/BITFLY........
BitMart:https://www.bitmart.com/trade/en?layout=basic&symbol=BITFLY_USDT
Kucoin , Hotbit, Coinbase, Kraken, PHQDEx........

Players can earn through:
• Referral Program
• Staking
• Dividend System

Dividend Pool
Our dividend pool is our way of getting profits back to players. The pool includes a share of the profits the casino has made but has not yet distributed to the community. When players lose, this pool increases. Due to the house edge of the casino games, the value of
the pool will always increase in the long run. Dividends are distributed proportionally to the amount a user has deposited, so if a player
has 1% of all BitFly deposited on the platform they would earn 1% of that day's distributed dividend.

BitFly Coin Burn
To further boost the BitFly ecosystem, the platform conducts a monthly token burning process, where a portion of the BitFly token is destroyed. The continuous destruction of these coin will increase their value. The burning of the BitFly coin will also maintain the balance between token holders and developers, support the distribution of the token model, and the payout of the dividends.
Coin are burned once a month and the amount of token destroyed can be traced on the Burn tab on the BitFly website.