

# Blind Boxes Litepaper

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## 1. Executive Summary

Blind Boxes is the first gamified curation platform and accelerator for NFTs (non-fungible tokens). The mission is clear: boost sales, circulation, and exposure for creators and brands, while allowing collectors to unbox and discover rare digital assets. Via the *Blind Boxes Marketplace*, collectors unlock sealed packages of NFTs, curated from diverse pools (Collections) of NFT assets. Curation is at the core of our value proposition. As such, the platform's commission structure incentivizes curators (independent contributors) to develop balanced, high quality Blind Box Collections.

Through the *Blind Boxes Launchpad*, creators can host decentralized crowdfunding campaigns. The launchpad framework enables creators to sell customized ERC-20 tokens to raise funds to support the creation of future NFT projects. For collectors, this feature allows them to be early investors and direct supporters of creators. It also enables them to earn passive income from the sales of the creator's future work.

The underlying tech is a powerfully scalable dApp (decentralized app) launching on BSC in Q1 2021. We will migrate to Polkadot in Q3 2021. Concerning governance, Blind Boxes is a fully functional DAO (decentralized autonomous organization), where token holders vote on decisions that impact the future operation of the platform. Users also vote on the roster of creators that get to launch tokenized crowdfunding campaigns. Blind Boxes merges the ingenuity of artists, with the transparency of blockchain, and the excitement of mystery boxes.

**For creators, Blind Boxes increases direct sales and ongoing royalties for their portfolio. For collectors, opening boxes provides opportunities to discover new artists and scout valuable assets for their NFT portfolios. For curators, crafting high quality collections is directly incentivized via commission.**

### 1.1 Value Proposition for Creators

For creators, the platform greatly expands the exposure, reach, and circulation of their work. Creators receive proceeds each time their work is sold within a Blind Box. Smart contracts ensure they also benefit from subsequent resales of their work. Through Blind Boxes Launchpad, creators can host tokenized crowdfunding campaigns to support the development of future NFT projects. To further cultivate a vibrant community, we have also established the Blind Box Fund. From this pool, creators can apply for grants to support the creation of innovative pieces of work.

**We understand the time, effort, and creativity that goes into creating unique work. As such, we prioritize direct monetization pathways for creators.**

### 1.2 Value Proposition for Collectors

For collectors, the platform is a fun, beginner-friendly sandbox to build and curate their NFT collections. Each Blind Box gives them access to unique limited-edition assets with approachable price tags. One value of curation is that it eliminates the "paradox of choice" hurdle which can be frustrating for mainstream shoppers. Moreover, the auction framework does not appeal everyone. Blind Boxes simplified, fixed price framework will attract buyers who do not like the stress or strategy required to participate in auctions.

Through Blind Boxes Launchpad, collectors gain early access to invest in the careers of emerging and well-established creators. By participating in a creator's coin offering, they unlock the ability to earn

passive income from future sales of a creator's work. They are also directly supporting creators in a streamlined, transparent, and decentralized way.

We recognize that not every art collector is highly tuned into blockchain. Therefore, we have set a low barrier to entry to the platform. Delving into the world of NFT collecting no longer requires a high degree of tech-savviness or an engineering degree. Our streamlined onboarding and purchasing framework will appeal to collectors across age and economic demographics.

**Blind Boxes offers collectors a fun, curated, beginner-friendly platform to collect NFTs and invest in emerging artists.**

## 2. Current Market Frictions

### 2.1 Valuation

The scarcity of NFT assets makes the valuation of individual pieces difficult. Currently, investors see NFT sales history as the best metric for determining the value of an asset. Yet the transaction history of an asset may be skewed due to a market manipulating practice called wash trading. Wash trading occurs when an investor places a sell order, then places a buy order to fulfill his or her own sell order. This chain of transactions is completed with the sole purpose of feeding misleading information to the market. Given the relatively small number of NFT assets being traded today, the impact of this practice can have a particularly distorting effect. Blind Boxes will work with external auditors to highlight potential wash-trading activity.

Blind Boxes pools NFTs and their associated trading histories from a wide variety of sources. These values are displayed to buyers and seller to encourage balanced pricing practices. By unifying these values on one platform, Blind Boxes offers transparency that facilitates value discovery for cultivators and traders.

**Blind Boxes eliminates the possibility for wash trading through its unique mystery box framework.**

### 2.2 Circulation

The one-of-a-kind, indivisible nature of NFTs makes them inherently illiquid. Fungible assets can be broken up into smaller pieces and freely traded on exchanges. Non-fungible assets must be purchased in whole, directly from the sellers. Buyers must use multiple, unconnected platforms to search for NFT pieces, and then bid individually on them. This 1:1 transaction mechanism presents friction that hinders circulation and scalability.

Blind Boxes increases the supply of NFTs by:

1. strategic outreach to traditional artists and creators across categories
2. facilitating the tokenization of their existing body of work
3. offering attractive grants to support the creation of exclusive content

Blind Boxes increases the demand for NFTs by:

1. lowering the barrier of entry for new collectors, enthusiasts, and speculators
2. gamifying the purchasing experience using the mystery box mechanism
3. consolidating high quality NFTs, aggregated from many sources, into one place

**Blind Boxes increases circulation and liquidity within the NFT market by boosting both the supply and demand of tokenized collectibles. Inclusion in a Blind Box Collection increases the probability that a creator's assets are sold, instead of remaining stale on a marketplace.**

### 2.3 Incentives

Since the sector is still in the early stages, there are no well-established incentive mechanisms to encourage creators to tokenize their art. Unlike in the physical art world, where the routes to monetization, brand recognition, and fame are well established, the options for digital artists are opaque. We see the emergence of NFTs as a prime opportunity to work with creators to create value and grow their careers in this new frontier.

**Blind Boxes boosts the volume and exposure of tokenized works by independent creators.**

Current platforms can be intimidating to new collectors. Each platform exists in its own silo. This causes users to jump between sites if they want to build a diverse portfolio of assets. Sticker shock is also an issue, since the reserve prices for individual pieces can make the barrier of entry too high mainstream collectors.

Blind Boxes simplifies the discovery process. Instead of searching for individual NFT works via many different platforms, users can purchase Blind Boxes filled with a variety of limited-edition, and potentially highly valuable collectibles, aggregated from across the NFT ecosystem.

**Blind Boxes seamlessly bridges multiple platforms and lowers the barriers of entry for new NFT collectors by being easy to use and not requiring high initial investments.**

### 2.4 Transparency

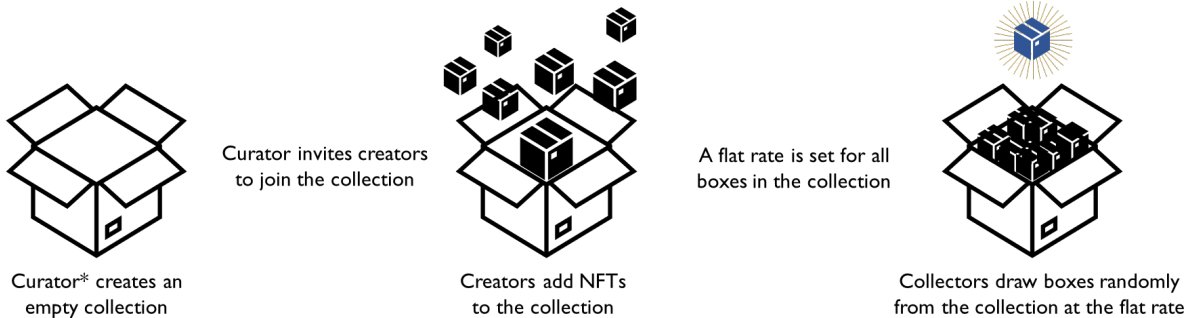
Traditional collectible markets are often opaque. From creation to the initial sale, to secondary market sales - every transaction around an NFT associated asset is public and traceable. Given the decentralized structure of blockchain, these underlying properties cannot be altered or tampered with. This property of immutability is absent in the traditional collectibles market, where trusted clearinghouses are needed to verify that a piece is not forged or stolen.

### 3. Game Mechanics

#### 3.1 Overview

## Decentralized Autonomous Marketplace

Curated Collections Meets Blind Boxes



- Curator chooses the size, theme, and collaborators for the collection
- Curator whitelists creators that can join the pool
- Creators freely price their own NFTs
- Curators can remove mispriced or undesired NFTs from the pool
- Buyers can see the overall contents of a collection
- Boxes are randomly assigned, and the contents are only revealed once the draw is opened
- Curator and the platform split the commission from the collection's total sales

Commission

5%	5%
Curator	Platform

\*anyone can be a curator

First collectibles are aggregated from platforms, brands, and individual creators. The works are then pooled by curators into collections and offered for sale. Each box in a collection has the same price (equal to the average value of all assets in the collection). Boxes are released from the collection at random until the collection is empty. The individual creators receive 90% of the proceeds from the sale of their own NFTs. The remaining 10% is split equally between the curator and the Blind Boxes platform

Market dynamics will reward curators that create balanced collections. For example, blending a select number of pieces of high monetary value, with more moderately priced assets will make the collection more appealing to buyers. For buyers, anticipation, the element of surprise, and the desire to collect NFTs drive the appeal for purchasers. Opening Blind Boxes also rewards players with BLES tokens. BLES tokens offer users with voting rights and the ability to create their own Blind Boxes.

**Blind Boxes incentivizes curators to scout talented creators, bring them to the platform, and generate income.**

#### 3.2 Traditional Retail Analogy: Pop Mart

One useful analog from the physical world is Pop Mart. The Hong Kong based lifestyle retailing company sells physical mystery boxes that are all the same on the outside but have unique figurines inside. Each figurine is designed by different designers or artists. Each figurine has its own appeal. Some of the items are super rare and highly coveted. The appeal to collectors is the surprise and anticipation that come from not knowing what is inside the box until they open it. In 2020, the company saw its revenues triple to 1.68bn yuan (\$256.8m). In late 2020 the company raised \$676 million in an initial public offering.

## 4.Tech

### 4.1 NFT Overview

Non-fungible tokens (NFTs) are unique, non-interchangeable assets, minted on-chain. These tokens can be linked to anything from digital art to physical assets. The core attributes of NFTs give them unique value and categorically separate them from other types of assets. These properties include being verifiably unique and indivisible. The transparent nature of the underlying code means that the scarcity and ownership of any given token are evident without the need of a trusted intermediary. We view the emergence of NFTs as a continuation of a paradigm shift from centralized to decentralized systems. This framework is now unlocking fresh business models for the creators of digital and physical collectibles.

Cryptokitties was one of the first widely known NFT projects when it launched in 2017. This dApp was originally built on the Ethereum blockchain. It has since migrated to its own smart contract protocol, Flow. Through this dApp, players collect, breed, and trade digital Kitties. Each Kitty represents a unique NFT that lives on a blockchain. The underlying token for each Kitty encodes a unique genome that defines its appearance, traits, and hereditary lineage. Cryptokitties cannot be replicated and cannot be transferred without the user's permission. The company behind Cryptokitties, Dapper Labs, has generated nearly \$100 million in NFT sales so far. In February 2021, Dapper Labs announced that it was raising \$250 million at \$2 billion valuation.

**Most NFTs currently in existence are tied to one-of-a-kind digital collectibles, however the potential scope for this technology is expansive.**

### 4.2 Blind Boxes DApp

The Blind Boxes DApp is being built with scalability, interoperability, future integrations in mind. Non-fungible tokens (NFTs) are unique, non-interchangeable assets, minted on-chain. While NFTs can be minted in various standards, Ethereum's ERC-721 is the most ubiquitous. Today Blind Boxes is being built to accommodate Ethereum standards. Notably, our long-term roadmap includes support for alternative standards including ERC-1155.

It is evident that the Ethereum Mainnet has several limitations which prevent it from being fully viable for DApps aiming to operate at scale. In the setting of NFTs, one key hurdle curbing mainstream adoption is high Ethereum gas fees. Depending on the network traffic, it can cost between \$25 and \$100 to mint a single ERC-721 token. These rates can make it cost-prohibitive for some users to mint and trade NFTs on the Ethereum Mainnet. Layer 2 solutions are designed to address this and other key limitations for dApps on Ethereum.

### 4.2 Ethereum + xDai Stable Chain

The Blind Boxes DApp uses Ethereum to deposit NFTs and to withdraw NFTs. We use xDai to allow Creators to generate/populate/purchase collections and allow buyers to draw Blind Boxes. Governance actions for the DAO are also carried out via xDai.

To minimize gas fees for our users to migrate, trade, and store NFTs, we utilize the xDai Stable Chain. Compared to other Ethereum layer 2 solutions, xDai has robust features and functionality that make it a clear choice for the Blind Boxes DApp.

- Cross-chain interoperability
- On-chain random number support

- Reduced fees and energy consumption
- Meta transactions to streamline new user onboarding
- High transactions per second
- Security

### 4.3 Bridging

Compared to other layer 2 solutions, xDai has the most robust solutions for protocol interoperability. The TokenBridge architecture is used to seamlessly move and convert assets between chains. With the xDai chain, the bridge converts Dai into xDai. Once converted, xDai is used as a native token for transactions on a chain, where block times are fast and transactions are stable and inexpensive. When a user is finished using xDai, they can convert it back to Dai using the same bridge.

Instead of setting up a proprietary bridge infrastructure, we utilize the Arbitrary Message Bridge (AMB), with the associated set of validators, to relay contract method calls from one chain to another. This allows users to stake ERC-721 tokens to the platform and withdraw ERC-721 tokens from the platform. As such, NFTs, along with all associated metadata, are seamlessly transferred across chains with minimal fees and energy expenditure. This system provides a fast and inexpensive way to create and manage NFTs across the ecosystem.

DAI, a decentralized stablecoin soft-pegged to the US Dollar, is the unit of account in the Blind Boxes dApp. We utilize OmniBridge to form a bridge between the Ethereum Mainnet and xDai. This allows users to seamlessly stake and withdraw DAI (ERC20). There are no fees to transfer assets from Ethereum to the xDai chain. The fee to transfer assets from the xDai chain to Ethereum is 0.05%.

### 4.4 Blind Boxing Process

Creators add individual NFTs to the platform using a clean user-friendly interface.

- Creator generates empty collection in xDai through the Main Smart Contract
- Creator deposits the NFT to *NFT Holder*, a smart contract in Ethereum deployed by the dApp
- NFT Holder syncs its states to the Main Smart Contract in xDai through AMB
- Creator adds the NFT into a collection through the Main Smart Contract
- Creators have the option to add one or more items to a collection before selecting "publish"

Success! After publishing the collection, the NFTs are ready to be randomized and then offered to collectors to purchase as Blind Boxes.

### 4.5 Randomization

The xDai stable chain features RandomAura, an on-chain random number generator based on RANDAO. We leverage the RandomAuro API to introduce random numbers into the functionality of the app and ensure that the buyer is not able to determine which NFT is in the next box to be drawn/purchased. This prevents cheating or hacking to get a specific piece in a collection.

It is necessary to generate enough random numbers to guarantee that a given number numbers of NFTs (N) are distributed randomly and independently to buyers.

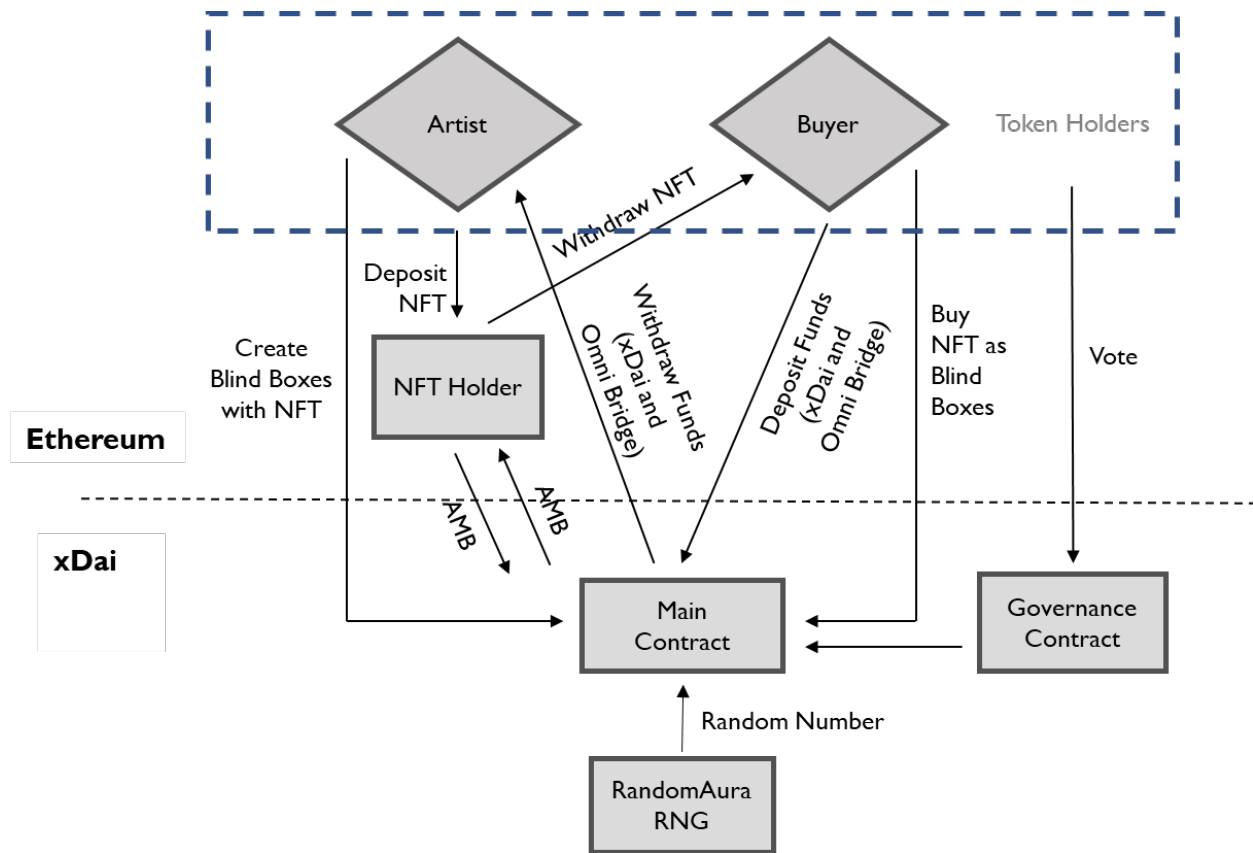
Process:

- A series of collection rounds are used for random number generation



- Random values are only created during the reveals phase, which occurs on xDai every 38 blocks and continues for a period of 38 blocks
- During each collection round, the RandomAura contract collects the random numbers generated during that round
- The random number is a 256-bit random number (between 0 and  $2^{256}$ )
- Next our code splits it into  $\log(2^{256}) / \log N$  smaller random numbers between 0 and N
- The above process is repeated until N random numbers are generated between 0 and N

#### 4.6 Schematic



#### 4.7 Integrations

Blind Boxes uses APIs to aggregate historical pricing and trading data existing NFT platforms and ecosystem partners such as Open Sea and Rarible. This data assists in valuation and is provided for reference to Creators and Collectors. We will also provide an integration to MetaMask for users to store their NFT assets.

#### 4.8 Polkadot Migration

Polkadot is a next-gen blockchain protocol whose value lies in its unique ability to seamlessly connect multiple blockchains into one network. It enables networks to scale quickly, interoperate autonomously, self-govern, and upgrade without the need for hard forks. Polkadot's value lies in its ability to maintain communication, facilitate value transfer, and securely pool the activity of blockchains.

Polkadot was launched in 2016 by the Web3 Foundation in collaboration with Parity Technologies and multiple independent teams. Its Founders are Gavin Wood (Ethereum co-founder) Peter Cžaban, and Robert Habermeier. Combined, the teams have deep experience building distributed ledger systems, blockchain protocols cryptography, and wallet technology.

**Blind Boxes will migrate from BSC to Polkadot in 2021 Q3. Polkadot allows blockchains to seamlessly interoperate in a parallel and agile manner.**

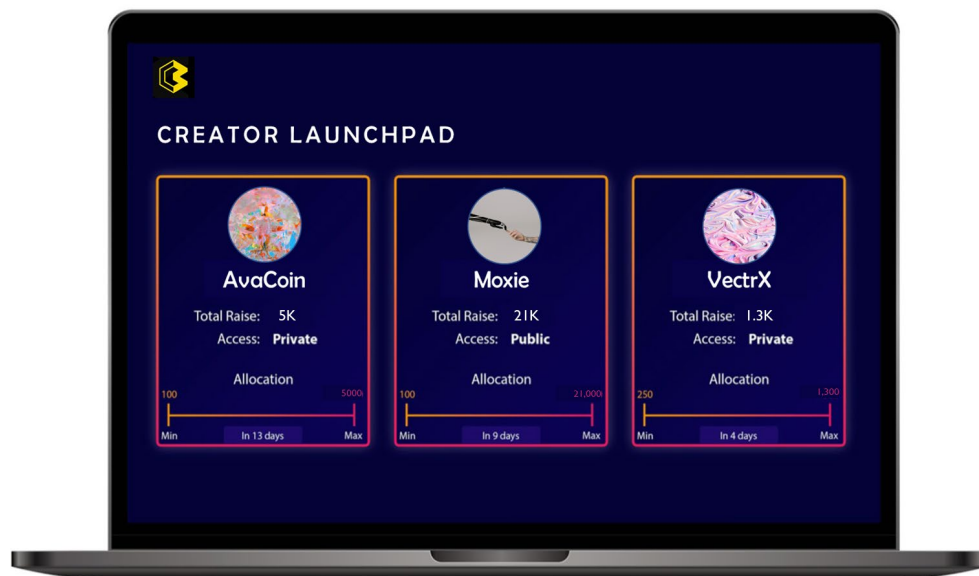
## 5. Creator Launchpad – “IDO for NFT Creators”

To further the mission of supporting creators, Blind Boxes features a decentralized crowdfunding portal for NFT creators. This feature enables artists to sell customized ERC-20 tokens to raise funds in support of the creation of future works. For Collectors, this framework allows them to be early investors in the careers of artists. It also enables them to collect royalties and earn passive income from the sales of the Creator’s future work (for a specified timeframe).

Projects that will be permitted to fundraise via the Launchpad, will be chosen through a community voting framework. This transparent and distributed voting mechanism ensures that the selection process is democratic, transparent, and aligned with the decentralized ethos of the Blind Boxes platform.

Example:

Beth, a talented artist and NFT creator with a loyal fanbase, wants to do Blind Box Launchpad fundraise. She wants to sell 10,000,000 \$BethCoin to a pool of interested investors. Investors that participate in the raise purchase \$BethCoin during the specified sale period. Following the sale, token holders receive 20% of the proceeds from all of Beth’s future NFT portfolio for a period of 10 years. Smart contracts ensure that the process is seamless and transparent.



Steps:

- Beth mints her branded ERC-20 token on an *external platform*
- Beth proceeds to the Blind Boxes Launchpad to enter the specifications of her raise
  - Token price
  - Whitelisted buyer addresses
  - Maximum amount per user
  - Smart contract details (i.e. royalties and contract duration)
- Beth transfers to Blind Boxes Launchpad the quantity of \$BethCoin that she wants to distribute
- Beth promotes her fundraiser to her fanbase through her social networks
- Investors specify buy orders that are executed via smart contracts
- The corresponding value of xDai are transferred from the buyer to the smart contract
- The corresponding amount of \$BethCoin tokens are transferred to the buyers

**Blind Boxes Launchpad is a decentralized crowdfunding portal for Creators. By participating in the coin sale, collectors unlock the ability to earn passive income from future NFT sales, while directly supporting promising creators.**

## 6. Project Timeline

Artists have already started to be onboarded to the platform. Ecosystem partnerships are developing organically and on a steady trajectory. The user interface demo will be ready by March 5, 2021. The smart contracts will be completed by March 7, 2021. Looking ahead, we will have the product running on test-net by March 15, 2021. The public launch is targeted for April 2021.

## 7. Considerations

The security of our platform is an important consideration. One potential vulnerability would be safety issues within the xDai side chain. Currently, we are not aware of any concerns or breaches. The protocol has a strong track record, as demonstrated by other platforms building on it (Perpetual Proto, Honeyswap, 1Hive, Circles).

Of particular importance is the possibility of smart contract vulnerabilities. As such, we are committed to a rigorous 3rd party auditing process. Other considerations include complex hacks, token wallet malfunctions, and other operational mishaps. To further safeguard our stakeholders, we will onboard a decentralized insurance provider such as NexusMutal.

## 8. Partnerships

### 8.1 Creators

From the onset, we are targeting creators across broad categories of art and collectibles. Independent creators and established NFT platforms will be key partners for the Blind Boxes platform. We have already started direct outreach to creators. The platform is currently invite-only and we are accepting applications [here](#).

Until recently, digital creators have had limited avenues towards monetizing their work. One means has been to leverage advertising-fueled platforms such as Instagram, YouTube, Facebook. Here, the road to monetization is opaque, especially for less established artists. While a small group of artists can profit

through these channels, most artists struggle to gain recognition and income in these crowded, algorithm-driven spaces. Another pathway to revenue has been the licensing of access to content via centralized platforms such as Shutterstock, or Spotify. Although these deals can be somewhat lucrative for individual creators, the ability to earn through this route is typically limited to only the most famous creators.

Tokenizing an artwork transforms it into a verifiably unique asset. This paradigm enables digital creators to sell their work the same way that creators of physical art can. Owing to the transparency of blockchain and smart contract, NFTs mean assets can be traded at their fair market values, without the need for trusted intermediaries.

**NFTs open entirely new pathways for digital creators to earn near term and recurring income for their work.**

## 8.2 Ecosystem Partners

We see existing platforms such as Open Sea, Rarible, and Dapper Labs as potential partners for this project. We are also in conversations with established gaming platforms and other sources for high quality NFT assets. Through the extensive networks of our founders, advisors, and project investors, we are actively engaging KOLs, celebrities, influencers, and communities within the art, gaming, and crypto spaces. We see Blind Boxes as an enabling hub within the broader ecosystem.

**The nascent NFT market is in an exciting building phase. Blind Boxes is primed to be a trusted partner to established and emerging stakeholders across the industry.**

## 9. Tokenomics

### 9.1 Supply

BLES is the governance token of the Blind Boxes platform. In total, only 100,000,000 \$BLES will ever be minted. Out of the total supply, a minimum of 50,000,000 \$BLES will be reserved for community issuance.

The primary way to acquire \$BLES is by participating in the Blind Boxes ecosystem. For example, players mine tokens each time they open a Blind Box. Other ways to acquire \$BLES include:

- selling NFTs for \$BLES
- acquiring \$BLES through centralized and decentralized exchanges
- receiving a Foundation Grant as a creator
- participating in Blind Boxes community events
- receiving tokens from airdrops
- collaborating with the Blind Boxes team on special projects

### 9.2 Blind Boxes DAO

The Blind Boxes DAO allows BLES token holders to propose features and vote on the development of the platform. Through this mechanism, governance issues and key developmental decisions are decided in a distributed, transparent, and equitable manner.

**BLES token holders gain voting power and join a distributed community of stakeholders.**

## 10. Contact

- [Website](#)
- [Telegram](#)
- [Twitter](#)
- [Medium](#)
- [Github](#)
- [LinkedIn](#)

## 11. Glossary

### **Blockchain**

A digital ledger in which transactions are recorded chronologically and publicly, and where past transactions cannot be edited or deleted.

### **DAI**

A decentralized cryptocurrency stabilized against the value of the US dollar.

### **Ethereum**

A blockchain which uses the Ether cryptocurrency (ETH) and that can run software within it called smart contracts.

### **Non-Fungible**

Describes an asset that cannot be interchanged with other individual goods or assets of the same type.

### **Non-fungible token**

A token which is unique and not mutually interchangeable by its individual specification. An NFT often represents the digital proof of ownership of a unique asset.

### **Smart contract**

A unique piece of software that runs within a blockchain.

### **Token**

A digital proof of ownership whose behavior is regulated by a smart contract in the blockchain.

### **Wash trading**

Wash trading negatively impacts the community as a whole. For Collectors, Investors, and Traders misleading historical information hinders their ability to evaluate a piece and make informed decisions about its value.

Examples that we see in the NFT arena include:

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- Illegitimate trades to create hype and artificial demand for a specific asset or artist
- Illegitimate trades to inflate metrics about a platform

## 12. Disclaimers

### 12.1 Important Notice

This Litepaper does not constitute a prospectus or offer document of any sort, and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. \$BLES tokens are not intended to constitute securities in any jurisdiction.

This Litepaper does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer by the distributor/vendor of the \$BLES tokens (the "Distributor") to purchase any \$BLES tokens nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or investment decision.

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Any agreement as between the Distributor and you as a purchaser, and in relation to any sale and purchase, of \$BLES tokens (as referred to in this Litepaper) is to be governed by only a separate document setting out the terms and conditions (the "Terms") of such sale and purchase. In the event of any inconsistencies between the Terms and this Litepaper, the former shall prevail.

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### 12.4. Representations and Warranties by You

By accessing and/or accepting possession of any information in this Litepaper or such part thereof (as the case may be), you represent and warrant to Blind Boxes and/or the Distributor as follows:

(a) you agree and acknowledge that \$BLES tokens do not constitute securities in any form in any jurisdiction;

(b) you agree and acknowledge that this Litepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in any jurisdiction or a solicitation for investment in securities and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Litepaper;

(c) you agree and acknowledge that no regulatory authority has examined or approved of the information set out in this Litepaper, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of this Litepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;

(d) you agree and acknowledge that this Litepaper, the undertaking and/or the completion of the Token Sale, or future trading of the \$BLES tokens on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of the merits of the Blind Boxes and/or the Distributor, the \$BLES tokens, the Token Sale (each as referred to in this Litepaper);

(e) the distribution or dissemination of this Litepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to Blind Boxes and/or the Distributor;

(f) you agree and acknowledge that in the case where you wish to purchase any \$BLES tokens, the \$BLES tokens are not to be construed, interpreted, classified or treated as:

(i) any kind of currency other than cryptocurrency;

(ii) debentures, stocks or shares issued by any person or entity (whether Blind Boxes and/or the Distributor)

(iii) rights, options or derivatives in respect of such debentures, stocks or shares;

(iv) rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;

(v) units in a collective investment scheme;

(vi) units in a business trust; (vii) derivatives of units in a business trust; or

(viii) any other security or class of securities.

(h) you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, and smart contract technology;

(i) you are fully aware and understand that in the case where you wish to purchase any \$BLES tokens, there are risks associated with Blind Boxes and the Distributor and their respective business and operations, the \$BLES tokens, the Token Sale (each as referred to in the Litepaper);

(j) you agree and acknowledge that neither Blind Boxes nor the Distributor is liable for any indirect, special, incidental, consequential or other losses of any kind, 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 Litepaper or any part thereof by you; and

(k) all of the above representations and warranties are true, complete, accurate and nonmisleading from the time of your access to and/or acceptance of possession this Litepaper or such part thereof (as the case may be).

### 12.5. Market Information

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