



Fantasy Sports
Dream Teams
Contests
Predictions

Bringing **Decentralisation** to Fantasy Sports

White Paper



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D11 token: In particular, it is highlighted that D11:

- (a) does not have any tangible or physical manifestation, and does not have any intrinsic value (nor does any person make any representation or give any commitment as to its value);
- (b) is non-refundable and cannot be exchanged for cash (or its equivalent value in any other digital asset) or any payment obligation by the Company, the Distributor or any of their respective affiliates;
- (c) does not represent or confer on the token holder any right of any form with respect to the Company, the Distributor (or any of their respective affiliates), or its revenues or assets, including without limitation any right to receive future dividends, revenue, shares, ownership right or stake, share or security, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property or licence rights), right to receive accounts, financial statements or other financial data, the right to requisition or participate in shareholder meetings, the right to nominate a director, or other financial or legal rights or equivalent rights, or intellectual property rights or any other form of participation in or relating to the DeFi11 ecosystem, the Company, the Distributor and/or their service providers;
- (d) is not intended to represent any 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;
- (e) is not intended to be a representation of money (including electronic money), security, commodity, bond, debt instrument, unit in a collective investment scheme or any other kind of financial instrument or investment;
- (f) is not a loan to the Company, the Distributor or any of their respective affiliates, is not intended to represent a debt owed by the Company, the Distributor or any of their respective affiliates, and there is no expectation of profit; and
- (g) does not provide the token holder with any ownership or other interest in the Company, the Distributor or any of their respective affiliates.

Notwithstanding the D11 distribution, users have no economic or legal right over or beneficial interest in the assets of the Company, the Distributor, or any of their affiliates after the token distribution.

To the extent a secondary market or exchange for trading D11 does develop, it would be run and operated wholly independently of the Company, the Distributor, the distribution of D11 and the DeFi11 ecosystem. Neither the Company nor the Distributor will create such secondary markets nor will either entity act as an exchange for D11.

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- (b) you will and shall at your own expense ensure compliance with all laws, regulatory requirements and restrictions applicable to you (as the case may be);
- (c) you acknowledge, understand and agree that D11 may have no value, there is no guarantee or representation of value or liquidity for D11, and D11 is not an investment product nor is it intended for any speculative investment whatsoever;
- (d) none of the Company, the Distributor, their respective affiliates, and/or the DeFi11 team members shall be responsible for or liable for the value of D11, the transferability and/or liquidity of D11 and/or the availability of any market for D11 through third parties or otherwise; and
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Informational purposes only: The information set out herein is only conceptual, and describes the future development goals for the DeFi11 ecosystem to be developed. In particular, the project roadmap in the Whitepaper is being shared in order to outline some of the plans of the DeFi11 team, and is provided solely for INFORMATIONAL PURPOSES and does not constitute any binding commitment. Please do not rely on this information in deciding whether to participate in the token distribution because ultimately, the development, release, and timing of any products, features or functionality remains at the sole discretion of the Company, the Distributor or their respective affiliates, and is subject to change. Further, the Whitepaper or the Website may be amended or replaced from time to time. There are no obligations to update the Whitepaper or the Website, or to provide recipients with access to any information beyond what is provided herein.

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DeFi11 Economy assumptions

With any industry as vast as 750 billion dollar, innovation can not only transform and strengthen it but even make it future proof for challenges ahead. That's the story of the virtual gaming, sports predictions industry with more than 150 billion active gaming population in 2020 generating over 780.3 billion dollar in revenue from a few regions.

Most of the money earned in gaming assets either work in the same game environment, or they are redeemable into fiat without any extra incentives attached.

DeFi11 Foundation, a defi-gaming ecosystem is launching their D11 Token built on top of the layer2 Matic Chain. The D11 Token acts as a unified platform currency token, and can work as the medium of exchange for value exchange across the different games that are associated with the DeFi11 Ecosystem, (currently incubating the genesis fantasy sports game, DeFi11).

Protocol

The D11 Token is built as a unique gaming utility token on top of D11 Protocol which has a variety of utility functions such as payment of contest fees, purchase of assets, redemption of game rewards, or may be tradeable in a peer-to-peer manner (i.e. trades into other digital tokens or fiat.)

The Benefit

Players or Users

1. Whenever players are operating in a specific game environment, there are assets that they need to purchase, fee amounts to be paid or, their winnings that they need to redeem. For all of the above scenarios, they take the route of fiat. Once they use the D11 Token, they will be given a x% discount for purchase or fee payment or added incentives for redeeming the game assets in D11 Token. So, if you have a 10\$ asset, upon redeeming the 10\$ asset into fiat, you get 10\$ only. But when you put D11 token in the picture, they will give you the 10\$ benefit, along with a x% cashback point in D11 Token.
2. On top of that, there are also additional incentives given in D11 Token for better engagement with the game. Meaning, if some users are spending a specific time daily in the game, they are eligible for loyalty rewards which will be given in D11 Tokens governed by the protocol automatically via airdrop or DTT or Direct Token Transfer. These tokens can be used to pay additional contests' fee or buy more game assets or they can convert the same into fiat from their wallet and use it as per their requirement.
3. Thirdly, the D11 tokens can be used as a lock up token to stake and earn reward points within the gaming ecosystem. For example, the DeFi11 game users can hold/stake/lock their D11 tokens that will yield them game points which in-turn can be used to join contests or prediction contracts. This gives the user a freemium gaming experience and helps them keep hodling their D11 tokens in future.

Game Developers

Whenever a new game is launched, it generally takes time for the game to build their own market. But DeFi11 Foundation is going to provide them with an ecosystem which is already consumer driven. Meaning, new games can completely minimize their penetration struggle into half with an already flooded market place provided by the DeFi11 Foundation. As a result, more people will get to know about the new games developed and developers or game developing companies need not have to spend a colossal amount in their branding & promotion. Marketing burns out a considerable cash and DeFi11 Foundation has created a solution for the same. Nevertheless, these new game developers or companies need to pay some listing charges and transaction fees everytime when tokens are used or redeemed for game rewards in the D11 ecosystem. But these charges will be significantly lower than what they would have otherwise spent in marketing and branding. Also, game developers will be remunerated in D11 Tokens for their development and sales which will provide some source of income to pay for necessary expenses.

DeFi11 Foundation

DeFi11 Foundation will be building an interoperable token system with the help of the Unified D11 Tokens, which are transferable cryptographically-secured fungible utility tokens of the DeFi11 ecosystem. Whenever these tokens are used for use of any type, the DeFi11 Foundation will be receiving a transaction fee. On top of that, it is anticipated that the demand for tokens will rise due to the requirement for tokens in the gaming ecosystem.

D11 functions as the medium of exchange between participants on the DeFi11 ecosystem in a decentralised manner. The goal of introducing D11 is to provide a convenient and secure mode of payment and settlement between participants who interact within the ecosystem on the DeFi11 ecosystem, and it is not, and not intended to be, a medium of exchange accepted by the public (or a section of the public) as payment for goods or services or for the discharge of a debt; nor is it designed or intended to be used by any person as payment for any goods or services whatsoever that are not exclusively provided by the issuer. D11 does not in any way represent any shareholding, participation, right, title, or interest in the Company, the Distributor, their respective affiliates, or any other company, enterprise or undertaking, nor will D11 entitle token holders to any promise of fees, dividends, revenue, profits or investment returns, and are not intended to constitute securities in Singapore or any relevant jurisdiction. D11 may only be utilised on the DeFi11 ecosystem, and ownership of D11 carries no rights, express or implied, other than the right to use D11 as a means to enable usage of and interaction within the DeFi11 ecosystem.

D11 also provides the economic incentives which will be distributed to encourage users to contribute to and participate in the ecosystem on the DeFi11 ecosystem, thereby creating a mutually beneficial system where every participant is fairly compensated for its efforts. D11 is an integral and indispensable part of the DeFi11 ecosystem, because without D11, there would be no incentive for users to expend resources to participate in activities or provide services for the benefit of the entire ecosystem on the DeFi11 ecosystem. Given that additional D11 will be awarded to a user based only on its actual usage, activity and contribution on the DeFi11 ecosystem and/or proportionate to the frequency and volume of transactions, users of the DeFi11 ecosystem and/or holders of D11 which did not actively participate will not receive any D11 incentives.

Token function.

D11 has various functionalities for fee settlement, staking and loyalty rewards within the DeFi11 ecosystem and all its associated games to come in future. The token facilitates additional functions as both deterrent to bad actors (via its staking function) and as a payment option, offering additional discounts to its users.

To develop a self-sustainable, closed-loop economy, all the fees collected by the network would be re-distributed as incentives for active contributors within the ecosystem.

List of token functions (elaborated below):

- Fee settlement
- Staking upon registration
- Reward claiming
- Game Dev Financing and Loyalty payments (for Game Players/ D11 Users)
- Get users Attention and Financing(for Game Devs).

Fee settlement.

All Fees for joining contests or taking part in prediction contracts on the DeFi11 ecosystem platform can be settled either in FIAT or in the D11 token. However, all fees settled in D11 will enjoy a x% discount on the fee amount or alternatively , a certain percentage of tokens will be granted as user participation reward. Since the platform will enable the seamless use of D11, we assume that eventually all fees will be settled via D11 .

Staking.

Newly registered customers/game developers on the platform will have the option to stake a floating amount of tokens (based on fixed USD equivalence). Those tokens will act as a guarantee of proper conduct and as an additional incentive token to provide them a freemium gaming experience. Any platform user not acting in good faith will be at a risk of losing this deposit. In the meantime, those tokens will also provide double benefit to the rest of the platform users:

1. If the token value appreciates in value, users will be able to unstake part of their tokens (as long as they meet the fixed USD equivalence requirement) and sell them for a profit.
2. If the token value depreciates, users will be able to "sell their stake or asset" (ex: NFT in DeFi11) in the system at a slight discount to other users who wish to enter the platform, thus essentially breaking even on their stake, when they decide to exit the platform. development and sales which will increase their earnings face value with token appreciation every time.

Newly registered customers/game developers on the platform will have the option to stake a floating amount of tokens (based on fixed USD equivalence). These tokens will act as a guarantee of proper conduct on the part of the user and embeds a licence to allow holders access to play/utilise exclusive in-game content, thereby acting as an incentive token to provide users with a freemium gaming experience.

When users wish to exit, they will be able to sell their stakes put up and/or other assets (excluding NFTs) to other users who wish to access the ecosystem.

Reward Claiming

All contest rewards for DeFi11 game will be paid to the users in the form of combination of Fiat and D11 tokens. If the user joins the contest using D11 tokens, an additional participation bonus in terms of D11 tokens will be provided to the user even if he loses the match.

Game Dev financing and Loyalty.

D11 will enable cryptocurrency token holders to fund the operations of platform's game developers users via a liquidity pool. D11 will keep a small margin of the interest rate on those loans and pass the remaining to the liquidity providers. Interest in the trade financing protocol will be payable in D11 tokens.

User's Attention and Financing.

While not the main function of the D11 token, it still can be used by game developers as a pure medium of getting users attention to your game by way of rewarding users in loyalty points, and also crowdfund/obtain financing. Advertisers also able to pay in D11 tokens to get user's attention.

Similarities and benchmarks

Conceptually the D11 token is very similar to the Binance coin (BNB), in the sense that it is used for the settling of fees and offers additional discounts to people opting to use it as a payment method. We will use this similarity when estimating token characteristics (such as velocity) further down in this document.

Important differences from the benchmark

While we will use BNB as a benchmark, it is important to also point out the differences between the two coins.

- Instead of burning, D11 will have a staking function, required upon customer registration.
- The D11 token may act as a payment token along with staking and loyalty on the DeFi11 ecosystem.

Lost tokens

Inevitably some small % of tokens is going to be lost each year (lost private keys). We have done a conservative estimation of 0.5% of all tokens being lost per year. This is a conservative estimate, as studies have found that approximately 4 MM Bitcoins have been lost (approximately 25% of the available bitcoin supply as of 2017), over the course of 10 years . Other estimates show this to be closer to 11% for provably lost coins .

Speculative action.

In our assumptions, we have included a conservative 20% of all tokens held by speculators, taking them out of circulation.

D11 Reward Pool

DeFi11 Foundation would fund the D11 reward pool with 5M initial tokens. Post this, 10% of all transactional fees generated (estimations in the Token function section referred earlier in the document) would be diverted to the D11 reward pool ensuring enough liquidity. The Foundation would maintain a reward pool in D11 tokens to encourage early players to participate in the gaming ecosystem. We intend to gradually decrease the amount of tokens you get being a user (with early adopters getting the maximum rewards). We also feel that the old and new members of the community should be rewarded more for participating in the project at an early stage and hence we propose below rules:

1. For the duration of private sale, the amount of D11 tokens rewarded will be 3x on the platform for a sale participant with a minimum purchase of 3000 D11.
2. For the duration of wave I public sale, the amount of D11 tokens rewarded will be 2x on the platform for a sale participant with a minimum purchase of 5000 D11.
3. For the duration of wave II public sale, the amount of D11 tokens rewarded will be 1.5x on the platform for a sale participant with a minimum purchase of 7500 D11.

1 JEFF JOHN ROBERTS and NICOLAS RAPP (2017) Exclusive: Nearly 4 Million Bitcoins Lost Forever, New Study Says

<http://fortune.com/2017/11/25/lost-bitcoins/>

2 Coinmetrics: <https://coinmetrics.substack.com/p/coin-metrics-state-of-the-network-d2e>

D11 Staking

D11 Staking

With D11, one can also provide some liquidity into a pool and either get exclusive benefits within the associated games like a free entry to a contest/match or earn fractional D11(fD11) for participating in games.

The formula for calculating the net present value of a future cash flow goes as follows:

$$NPV = \frac{CF_1}{(1+r)^1} + \frac{CF_2}{(1+r)^2} + \dots + \frac{CF_n}{(1+r)^n} + TV$$

Where:

- I. NPV is the net present value
- II. CF_n is an expected future cash flow at period n
- III. r is the discount rate, also referred to as the cost of capital
- IV. TV is the terminal value (or exit value)

In turn TV is evaluated as:

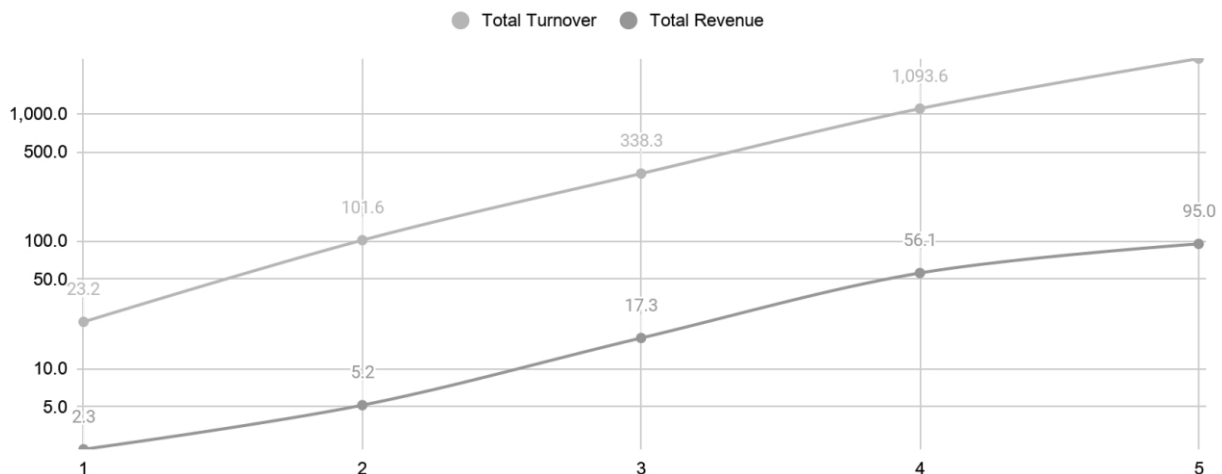
³ Investopedia, Discounted Cashflow Analysis - <https://www.investopedia.com/terms/d/DCF.asp>

$$TV = \frac{CF_n \times (1+g)}{r-g} + \frac{A}{(1+r)^n}$$

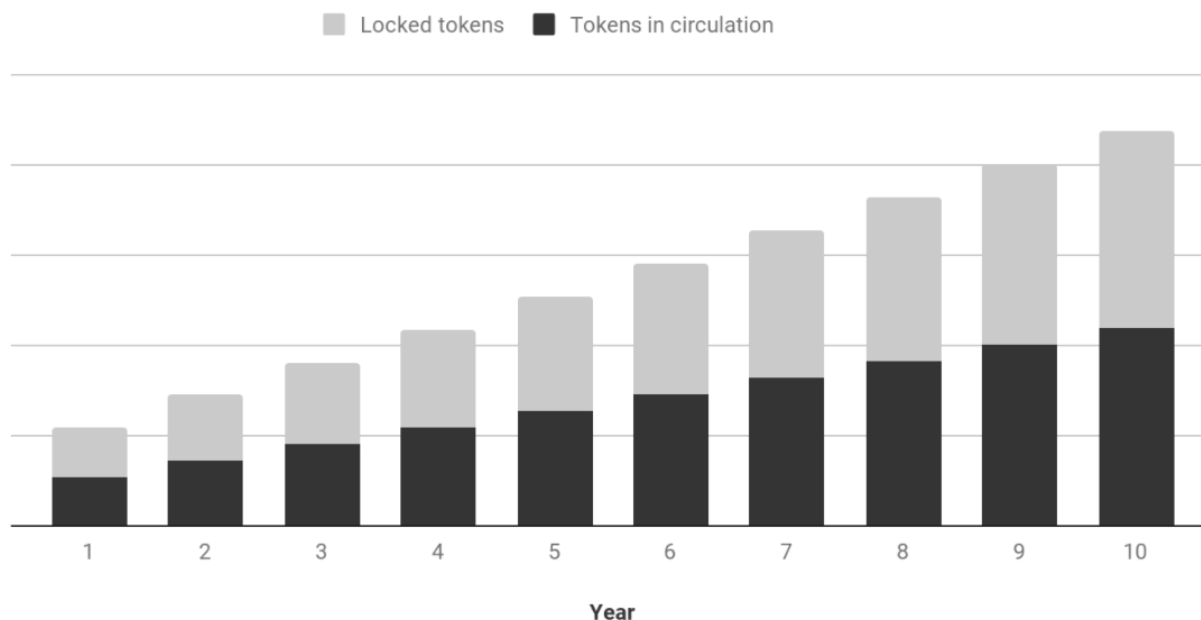
With the two new elements being

- I. r representing the expected long term growth rate of the underlying business.
- II. A representing any liquid assets available at the end of period n

For our cash flow estimate, we are taking a very conservative approach, by looking at the existing DeFi11 Ecosystem games and assuming that we will be able to reach the projected volume(as highlighted in Token Valuation sheet) within a 5 year period (while majority of other projects have reached their targets within 2-3 years).



Only users who stake D11 tokens for participation in the game will be eligible for receiving token incentive rewards. At this point the exact number of users who will stake their tokens and participate in the games is unknown, but for the purpose of this calculation, we will assume that 50% of all circulating tokens will be locked at any given point in time.



ILO Financials & token generation event

Basics:

└Ticker:	D11
└ILO start date:	TBD
└ILO end date:	TBD
└ILO Denomination currency:	USD
└Accepted currencies:	USD, ETH
└Jurisdiction:	Saint Lucia
└Eligibility:	Subject to KYC and AML
└Compliance:	None
└Token purchase contract:	SAFT
└ILO waves:	3

Token Generation Event Summary:

└Sale type:	ILO
└Softcap:	0 MM USD
└Hardcap:	3.95MM USD
└ILO Tokens:	42.75 MM D11 *
└Un-allocated tokens post ILO:	burned
└ILO allocation:	15.54%
└Initial Total Tokens:	275 MM D11
└Token type:	Fixed supply

└Important notice:

Under SEC rules, this token is not a security but a Utility

*ILO tokens calculated under the assumptions of

└Stage 1 : 8,925,000 D11 sold @0.10 USD, with bonuses: 70.0% for all purchasers = 0.525 MM USD raised

└Stage 2 : 33,000,000 D11 sold @0.15 USD, with bonuses: 50.0% for all purchasers = 3.3 MM USD raised

└

└Stage 3 : 833,333 D11 sold @0.15 USD, with bonuses: 0% for all purchasers = 0.125 MM USD raised

Wave 1:

Seed Round

└Token price:

0.10 USD

└Bonuses:

70.0% for all purchasers

└Wave number of tokens available:

8,925,000 D11

└Wave cap:

0.525 MM USD

└Cumulative number of tokens available:

8,925,000 D11

└Cumulative cap:

0.525 MM USD

└Minimum allocation:

100 USD

└Maximum allocation:

TBD

└Wave start:

TBD

└Wave end:

TBD

Wave 2:

Private Round

└Token price:

0.15 USD

└Bonuses:

50.0% for all purchasers

└Wave number of tokens available:

33,000,000 D11

└Wave cap:

3.3 MM USD

└Cumulative number of tokens available:

41,925,000 D11

└Cumulative cap:

3.825 MM USD

└Minimum allocation:

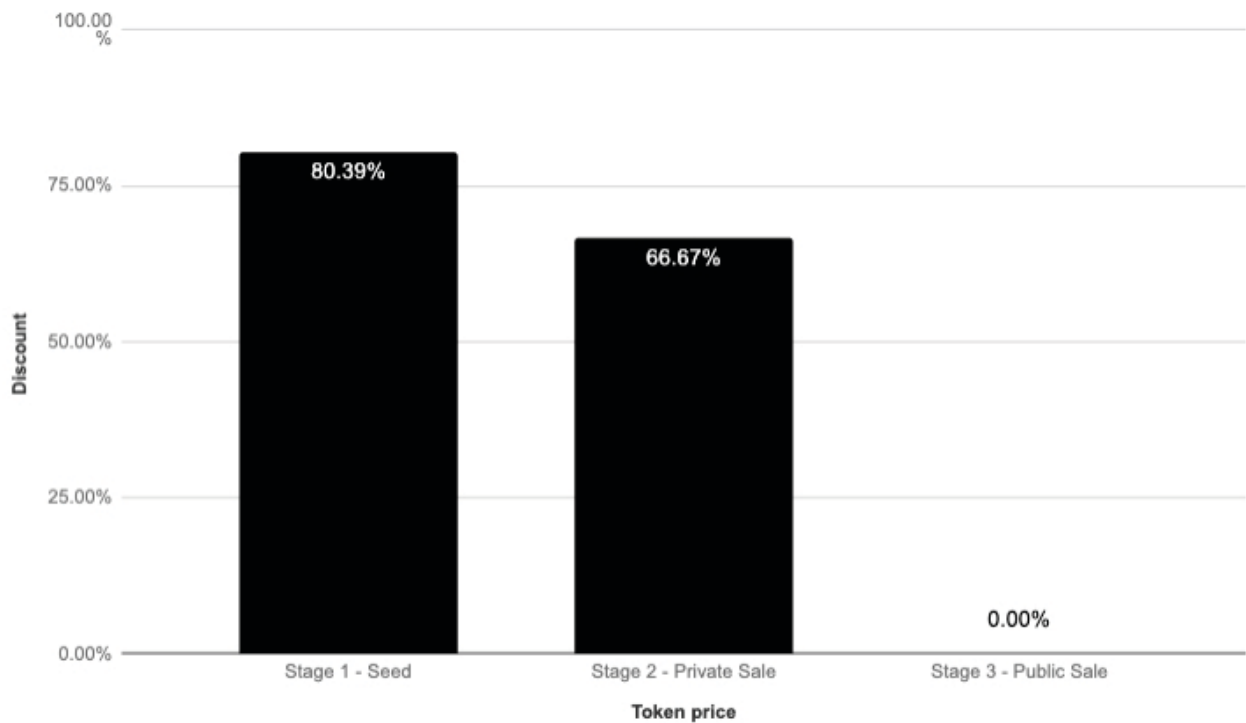
100 USD

└Maximum allocation:	TBD
└Wave start:	TBD
└Wave end:	TBD

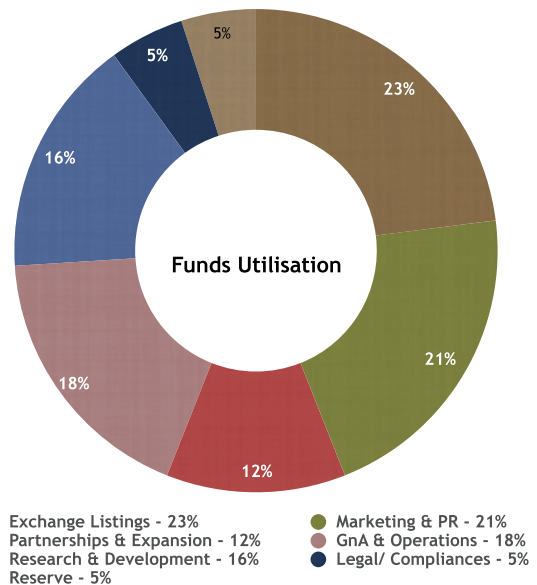
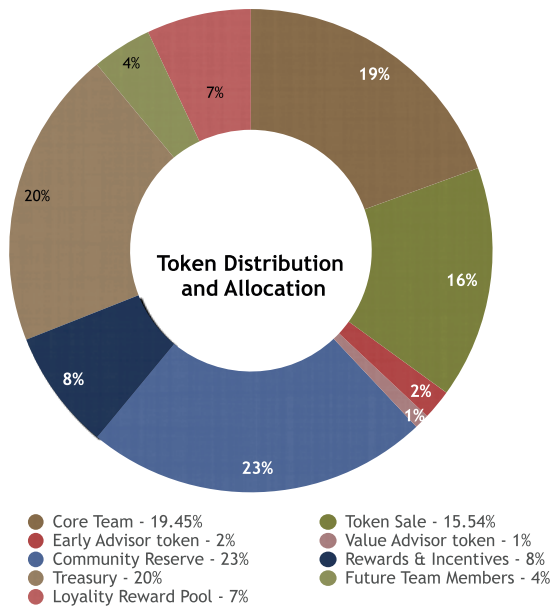
Wave 3:

Public Round

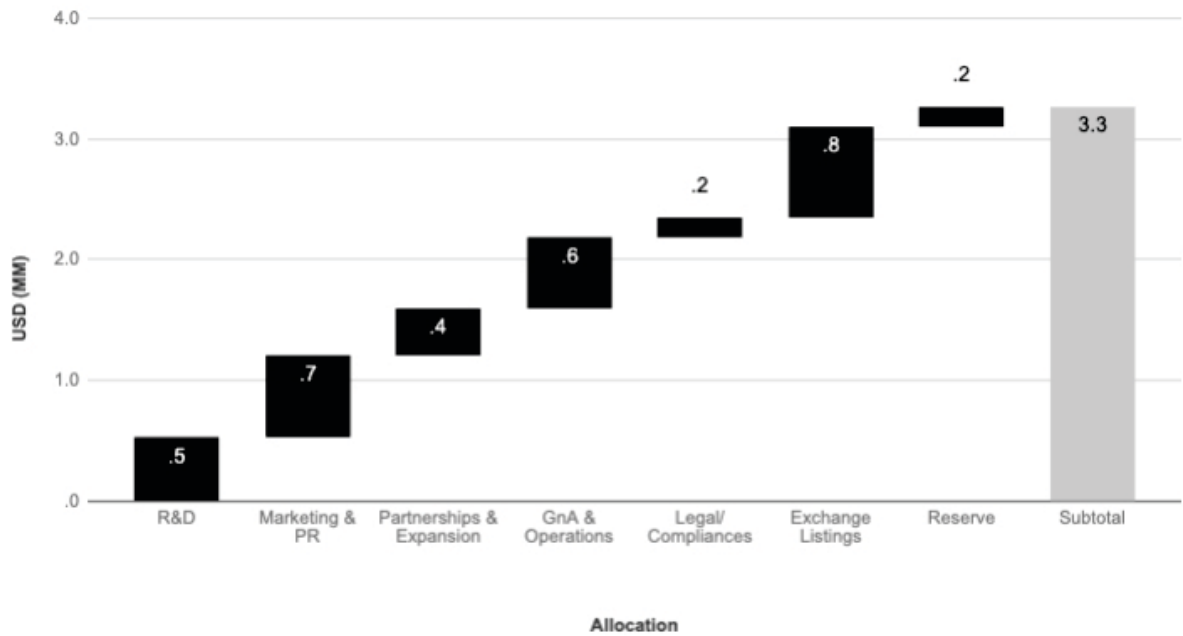
└Token price:	0.15 USD
└Bonuses:	0% for all purchasers
└Wave number of tokens available:	833,33 D11
└Wave cap:	0.125 MM USD
└Cumulative number of tokens available:	42,750,000 D11
└Cumulative cap:	3.95 MM USD
└Minimum allocation:	100 USD
└Maximum allocation:	TBD
└Wave start:	TBD
└Wave end:	TBD



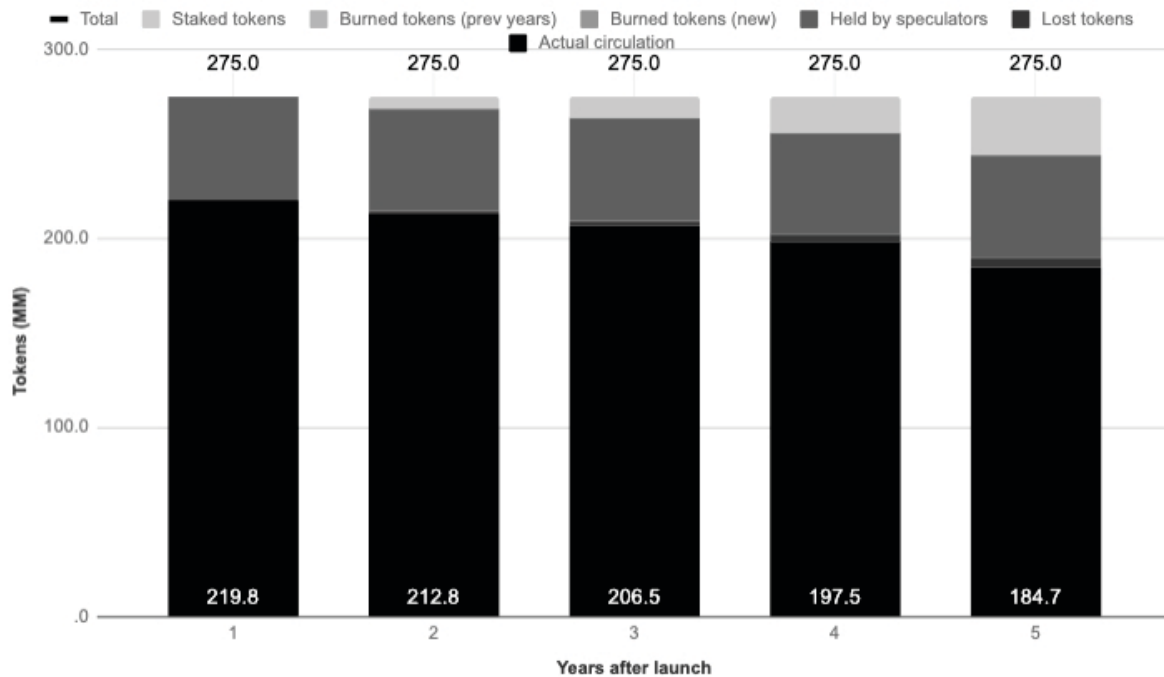
Bonus tokens for each stage. Figures are shown as % bonus versus the minimum ILO bonus.



Total tokens allocation. Assumes reached Hardcap.



Breakdown of the funds' utilisation between the Softcap and the Hardcap.



Expected actual token circulation (numbers at the bottom) compared to the total released tokens to date (numbers at the top)

Token utility

In this section, we will attempt to present a fair price estimate for the D11 token, under the assumption of reaching hardcap and company revenue projections provided as-is. Methodology. Probably the most widely used valuation methodology for utility tokens is the quantity theory of money and more precisely the equation of exchange. Several 4 5 models based on those principles have been developed and widely accepted by the 6 7 cryptocurrency community. In a nutshell, the equation of exchange is:

$$M \times V = P \times T$$

(1)

Where:

1. M is the amount of money in circulation, within a specific system
2. V is the velocity of money, or in other words: how often does money change hands within a predefined period (most commonly - annually)
3. P is the price at which transactions are happening within the system
4. T is the number of transactions for a predefined period (same period, as the velocity)
5. PXT in this regard is essentially the total economic output of the system for the selected period, sometimes referred to as GDP of the system.

The above formula (1) is not directly applicable to cryptocurrencies (and a commonly encountered error), due to the fact that in a token/cryptocurrency economy, the two sides of the above equation are denominated in different units. When talking about the systems GDP, the expected Revenue in USD is generally used, on the other hand, the left-hand side of the equation is still denominated in the native token. We can solve this by introducing an additional parameter which represents the exchange rate

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Bordo M.D. (1989) Equation of Exchange. In: Eatwell J., Milgate M., Newman P. (eds) 5 Money. The New Palgrave. Palgrave Macmillan, London https://link.springer.com/chapter/10.1007/978-1-349-19804-7_17

Chris Burniske (2017) Cryptoasset Valuations <https://medium.com/@cburniske/6-cryptoasset-valuations-ac83479ffca7>

Brett Winton (2017) How to Value a Crypto-Asset-A Model <https://medium.com/@wintonARK/how-to-value-a-crypto-asset-a-model-e0548e9b6e4e>

between the token and USD (or any other FIAT currency based on the denomination of the system's GDP). The equation then becomes:

$$M_T \times E_{T/USD} \times V = P_{USD} \times T$$

(2)

This enables us to solve for (3) and get the expected token exchange rate (or token value), provided we can come up with adequate estimations for the other variables. From (2), we can solve for the token value as:

$$E_{T/USD} = \frac{P_{USD} \times T}{M_T \times V}$$

(3)

However this begs the question - how do we estimate the staked TOKEN equivalent? Staking. Here, we refer back to the expanded equation of exchange (2) as follows:

$$M_T \times E_{T/USD} \times V = P_{USD} \times T$$

From here, we can represent the staked amount as a temporary reduction in the token supply, denominated in USD (S_{USD}), converted to tokens, based on token price ($E_{T/USD}$). Then we can subtract this amount from the total supply M , as follows:

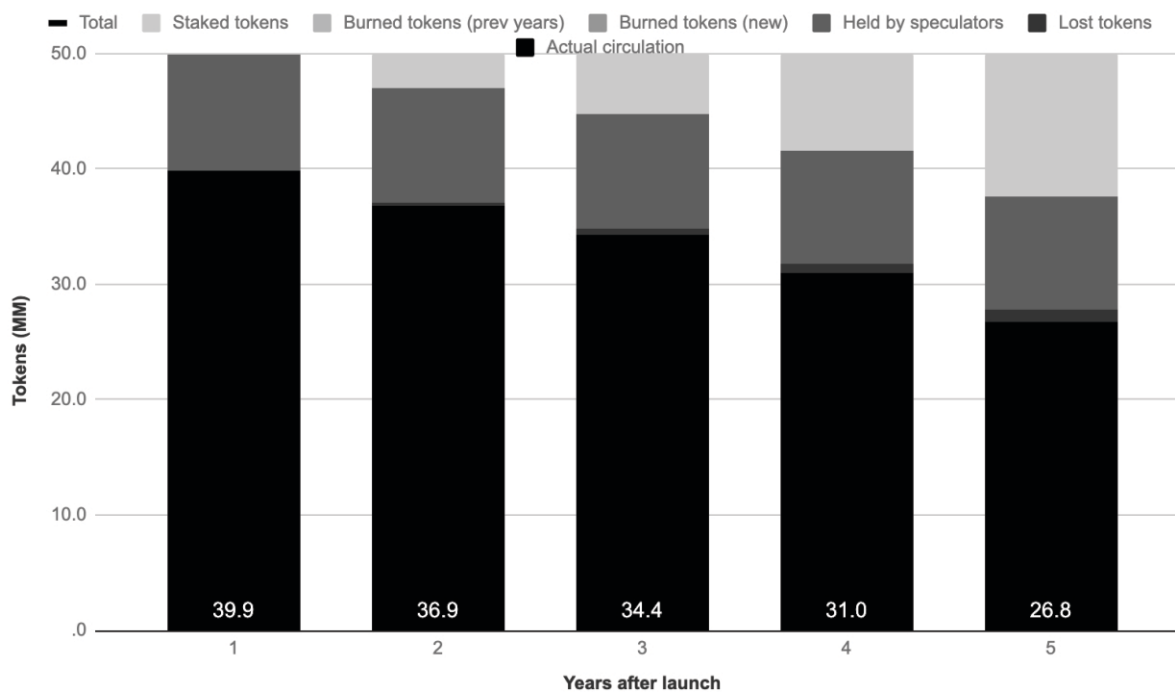
$$(M_T - \frac{S_{USD}}{E_{T/USD}}) \times E_{T/USD} \times V = P_{USD} \times T$$

(4)

Following the same transformations, we did previously, we can simplify this equation to:

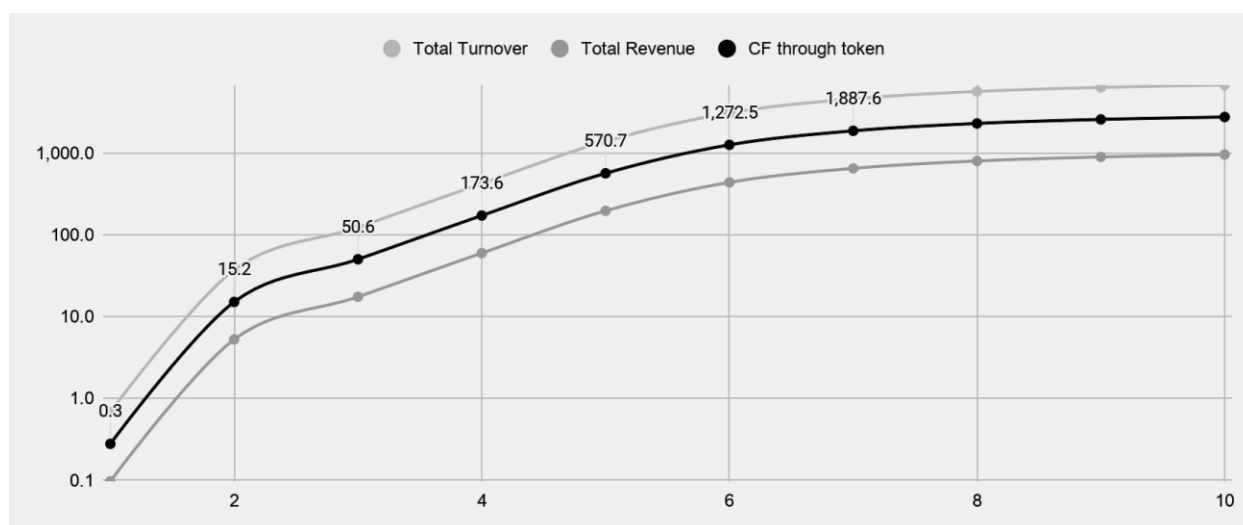
$$E_{T/USD} = \frac{P_{USD} \times T + S_{USD} \times V}{M_T \times V}$$

In other terms - the USD equivalent of any staked token amount can be represented as an increase in the GDP (or demand) for the token. This extra "demand" is not affected by velocity. Having this in place, and having already estimated the USD equivalent of the staked tokens, based on the company's performance projections, we can now estimate the actual circulation of tokens:



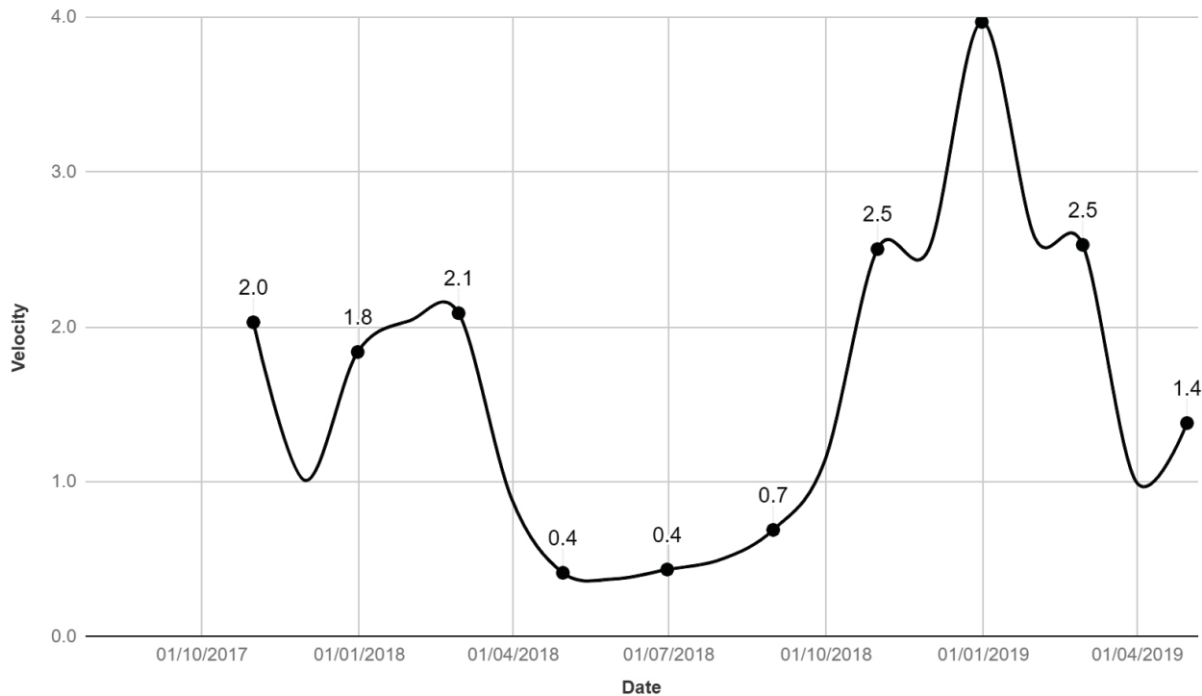
Expected actual token circulation (numbers at the bottom) compared to the total released tokens to date (numbers at the top)

The GDP or Revenue of the system. This is based on the company's 5-year plan (upon successful ILO). The plan is based on the respective total addressable markets and assuming a very conservative 0.1% penetration of those markets within 10 years.



Projected company performance & growth, based on assumptions provided as-is by the company.

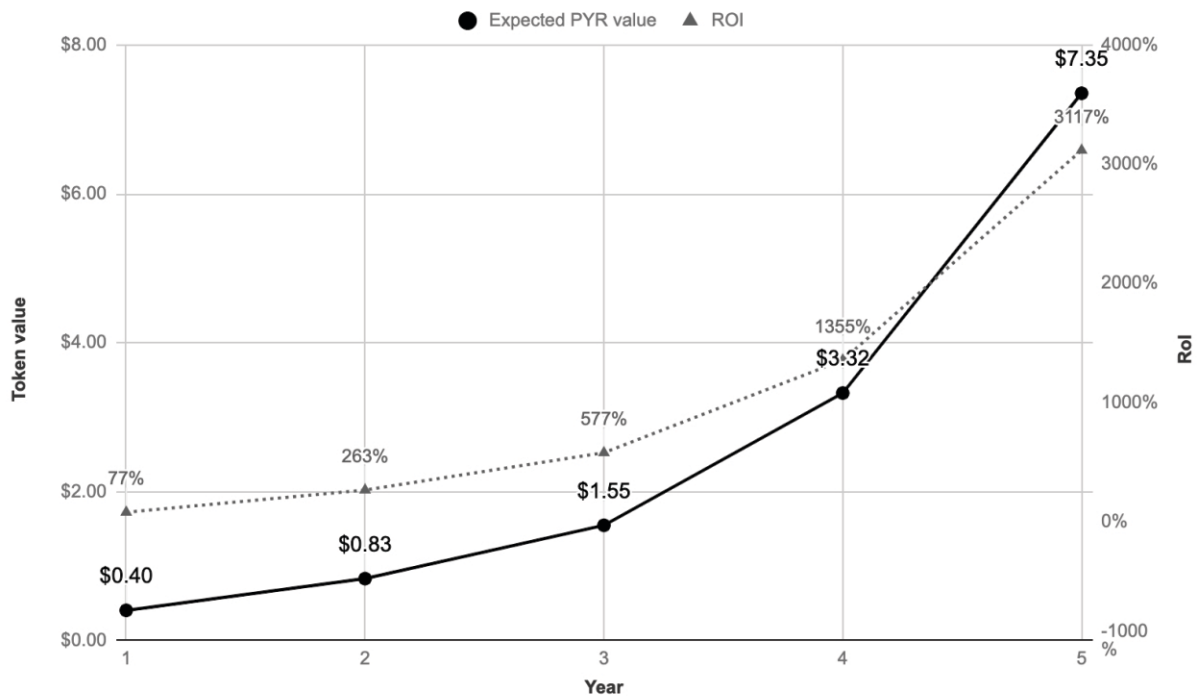
Token velocity. The token velocity is possibly the hardest and most sensitive assumption to make out of all. In order to get an adequate estimate of the expected velocity, we have used the Binance coin as benchmark (due to the similarities between BNB and D11 , as both are used for fee settlement and purchase of services on their respective platforms). We took a look at Binance's on-chain velocity (shown below). The reason to not include the off-chain velocity is that there has been multiple reports for exchanges reporting fake trade volumes , and as such, we do not think we can trust any 8 exchange data at 100%.



BNB velocity of on-chain transactions. Calculation is based on an annualised 90 average transaction volume.

Token Utility. Based on the above assumptions, and the outlined methodology, we can estimate the following figures:

⁸ <https://dashnews.org/report-majority-of-exchange-volume-is-fake-highlights-need-for-real-adoption/>



It is important to point out that its actual utility value will affect the secondary market pricing of D11, but this is not within the control of the project at all, and token holders need to accept this risk. The actual price of the D11 token is likely to include a lot more speculative action (as with most assets) and will factor in other uses of the D11 token which are not part of the original token design.

As Ray Dalio (American billionaire investor, founder of investment firm Bridgewater Associates, one of the world's largest hedge funds) recently said⁹:

“As you know, market pricing reflects expectations of the future; as such, it paints quite detailed pictures of what the consensus expectation of the future is. Then, the markets move as a function of how events transpire relative to those expectations. As a result, navigating markets well requires one to be more accurate about what is going to happen than the consensus view that is built into the price. That's the game.”

⁹ Ray Dalio (2019) Paradigm Shifts - <https://economicprinciples.org/downloads/Paradigm-Shifts.pdf>



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