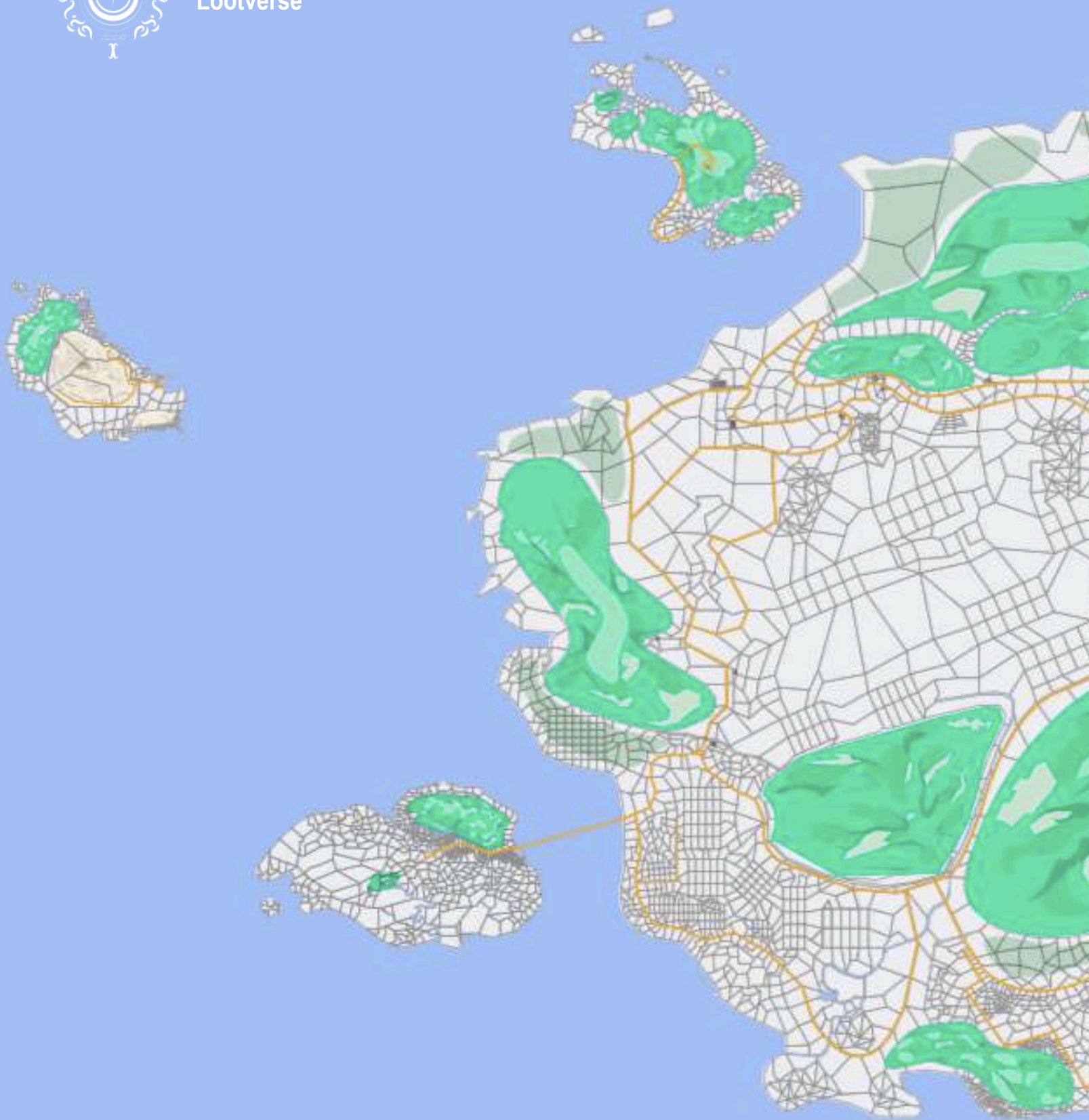




Government of
Lootverse



Lootverse, Year 2022

Lootizens,

Our nascent ecosystem is growing.

After the festivities of Creator's Day, the first Lootversian public holiday, the building and discovery of our parallel world continue. The challenge in this evolution is ensuring we make the right moves at the right time.

As a recap, over the past few months, we have experimented with various designs, pushed the boundaries of innovation, built significant technological capital while resolving countless issues with radical transparency together with the Lootizenry. We started from the ground up and had no frames of reference to follow or other models to copy to fast-track our evolution. Instead, we engaged in a heightened practical research and development process while running a business.

Today, we are guided by ecosystem data and consultation with Lootizens. Before turning to the specific topics listed in this document, I want to thank our fantastic community, the talented creators that have come before and are yet to come, curators, world builders, and everyone that contributes to achieving a Lootversian future for all.

Your enthusiasm is the fuel with which we drive forward.

The Lootversian Foundation
The Great Empire
Lootverse



THE STRUCTURE OF THIS DOCUMENT

Our parallel world caters to people with various interests. Therefore, the information we share may be relevant to some, but not others. Below is a quick guide for which section applies to you.

01 OUR ETHOS

Our approach to building Lootverse

02 BRIEF OVERVIEW

A summary of Lootverse for consumption by everyone

ANNEXES: DETAILED INFORMATION

- A** WORLD BUILDERS (for Plot, Building, Unit, or Plant Owners)
- B** PORTAL OPERATORS (for those conducting business in Lootverse)
- C** CENTRAL BANKERS (for miners, curators, and creators)
- D** PARLIAMENTARIANS (for those interested in member governance)
- E** RESIDENTS (for everyone wanting a deeper dive)
- F** IMPORTANT UPDATES (prior knowledge required)

Lootizen Support

Have any questions or seek clarification about something? Ask us on our customer service and discovery channel on Telegram (t.me/lootnft).

Plot H117, Isle of Talos, Lootverse. Design and architecture to scale (and with floor plans) by **Heavenly Developments, LALL** (a Lootversian Business).



01 OUR ETHOS

01.1 Radical Transparency

We believe that there is more to decentralization than Web 3.0. To us, this means having a radically transparent and truth-first approach to the work we do and a business model that empowers others. Lootverse is a long-term project that we chose to run in that manner.

There is a significant amount of information available on Lootverse since our experimentations and product evolution stages are documented and public. It is like being party to a product's design and building process instead of the usual secrecy and big reveal approach.

The tradeoff is that combining innovation and radical transparency means that information quickly becomes stale. Progress from a design or ecosystem perspective is made in iterations, explosive growth, and contractions before maturity is achieved.

Thus, especially at the early stages, the Lootizenry must constantly be kept abreast of the happenings in the ecosystem. On the other hand, this also means that everything we do is out in the open and constantly under scrutiny.

Our ultimate goal is to create a decentralized metaverse with a specifically-designed internal economy. We do this by running a business with a working product and not raising capital. In time, we plan to evolve from a semi-centralized structure to as much of a decentralized ecosystem as possible based on technology, user experience, and regulatory compliance.

01.2 Lootverse, the Manifesto

Too often, expressions of self and human progress are limited by the judgment of others. We all dream of doing passionate work, experimenting, being creative, building something crazy, or maybe something extraordinary. Colors, shapes, and norms do not apply when we are in this parallel world devoted to who we are. There, we live true and become free. Lootverse honors you without the numbing and time-killing escapism. Do more, be more.

Collectively, we are bigger than just a metaverse.

02 BRIEF OVERVIEW

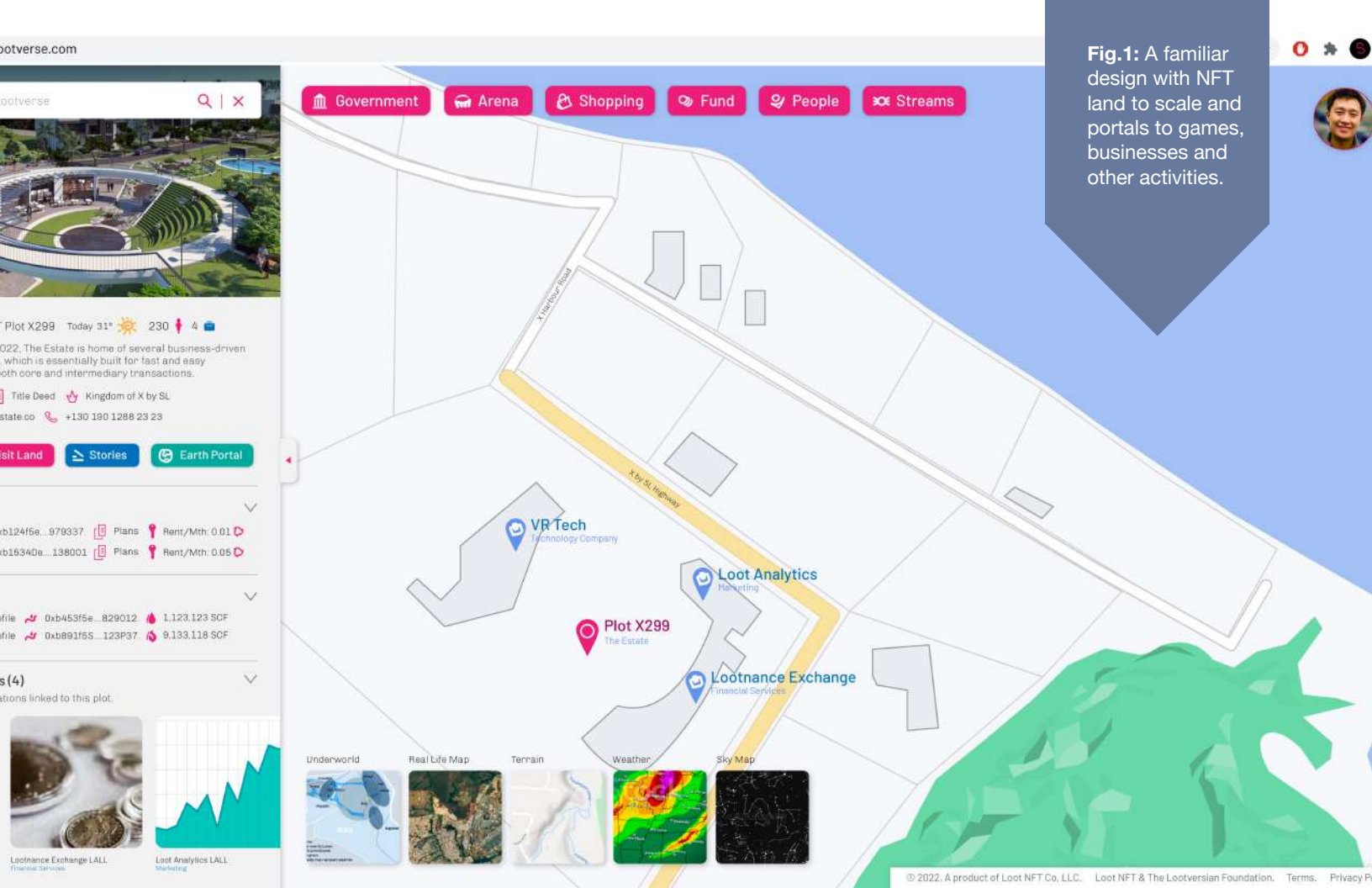
Lootverse is a metaverse project with a fantasy parallel world theme. It aims to replicate a real-world feel to interactions using non-fungible tokens (NFTs) as transferable support structures.

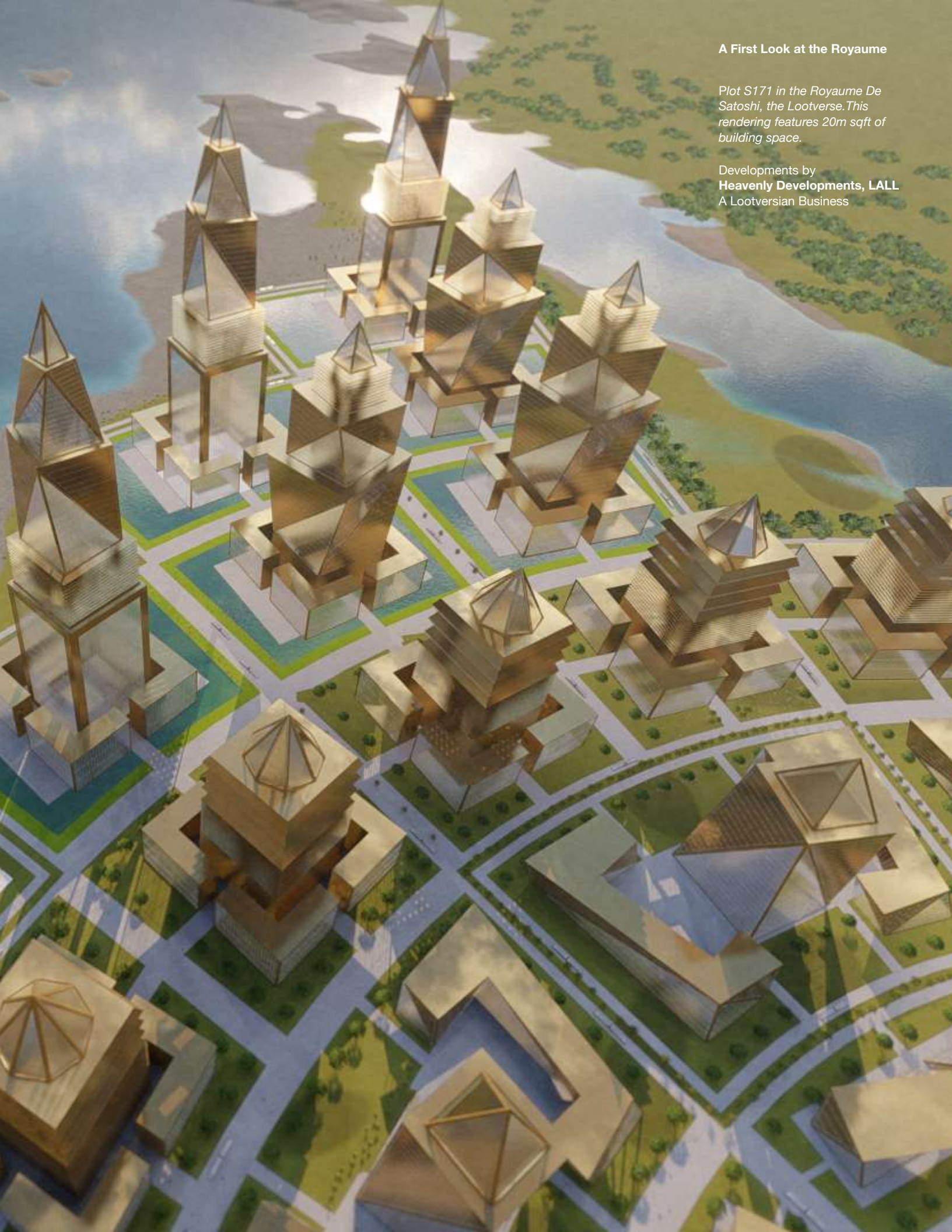
Over time, we expect crowdsourced creativity to provide layers of artistic exploration and gamified dynamics. We hope this engages users to discover an entertaining world, launch pet project businesses, add to and consume Lootversian ingenuity.

02.1 A Non-Pixelated Metaverse For Grown Ups

Lootverse contains seven core sites that are yet to be unified. Introducing an interactive map (similar to Google-maps) for Lootverse will bring about unity. From there, anyone can become a Lootizen by registering at the Government.

Using *Loot Tickets* (LTT), Lootverse's native currency, Lootizens can rent or buy a place to live and participate in the rewarding offerings of this new world.



An aerial perspective rendering of a futuristic city. The architecture is characterized by tall, tiered, golden-colored structures with pyramidal or stepped tops. These buildings are arranged in a grid-like pattern, separated by green spaces and light-colored walkways. A prominent winding river or canal flows through the city, reflecting the sky. The overall aesthetic is clean, modern, and highly stylized, suggesting a high-tech or post-apocalyptic setting.

A First Look at the Royaume

Plot S171 in the Royaume De Satoshi, Lootverse. This rendering features 20m sqft of building space.

Developments by
Heavenly Developments, LALL
A Lootversian Business



S171
Royaume De Satoshi
Lootverse

Courtesy of
Heavenly Developments, LALL
A Lootversian Business

Lootizens must maintain a positive *Health Points* balance. A random event, like a tornado, can affect Lootizens' assets and health while, on the other hand, also shower them with benefits.

When Lootizens run out of Health Points they die and go to the Underworld. They come back to life by re-establishing a positive Health Points balance. Anyone can visit the Underworld by toggling Lootverse's map. Looking up, Lootizens can explore a sky map made up of valuable NFTs sold in Lootverse.

Lootizens can visit Lootversian businesses by navigating the map to buy products and services (and maybe also in person through Augmented Reality), participate in play-to-earn games, explore the world, or even get LTT air drops (described as a "Job" in Lootverse). They can also trade items for USDC.

A strategic plot-based war game allows them to band with landowners and rule another plot. For this, Lootizens need NFT weapons or shields and LTT to contribute to the war efforts. Rulers get rewards from the land.

Lootizens wanting to do more can govern in the Parliament, manage assets in the Fund, become in-world central bankers, offer products and services, etc. They can also store their LTT and NFTs off-world in Web 3.0 wallets.

Making the above a reality is our focus in 2022.

In the future, Lootizens may hold birthday parties with virtual reality at their Lootversian residences with views over a parallel world and bridge real-world interactions and commerce with the virtual. **Building a metaverse with robust foundations for the future matters.**

02.2 A Take on Virtual Land and Spaces

Many laughed at the bitcoin-gold comparison. They viewed physical gold as more valuable. Today, bitcoin complements their physical gold holdings or other assets. Likewise, many fail to appreciate the significance of digital land as they see real-world properties they can touch and live in as more valuable.

Many metaverses will likely exist with different flavors, much like bitcoin, Ethereum, and Cardano, co-exist in the digital coin space. We are not pressured to cut corners but build a new world with an economic system and in-world GDP that provides the most value to Lootizens.



Courtesy of
Heavenly Developments, LALL
A Lootversian Business

ANNEXES: DETAILED INFORMATION

Note: Lootverse is complex and intricately designed as an enterprise-grade software solution for stakeholders that want to build virtual worlds and a light version for end consumers that want to explore, play and interact socially. This paper is targeted principally at stakeholders. We have also released several white papers for a deep dive into how the platform works for this user group. The content in the following annexes may require some prior knowledge of our work and may not be relevant for some users. Note that complexity will be abstracted away from the resultant end-user experience.

A WORLD BUILDERS

World Builders describe Lootizens that own and manage plots, buildings, units, natural resources, and plants. They are third parties that collaborate to provide depth and context to Lootverse.

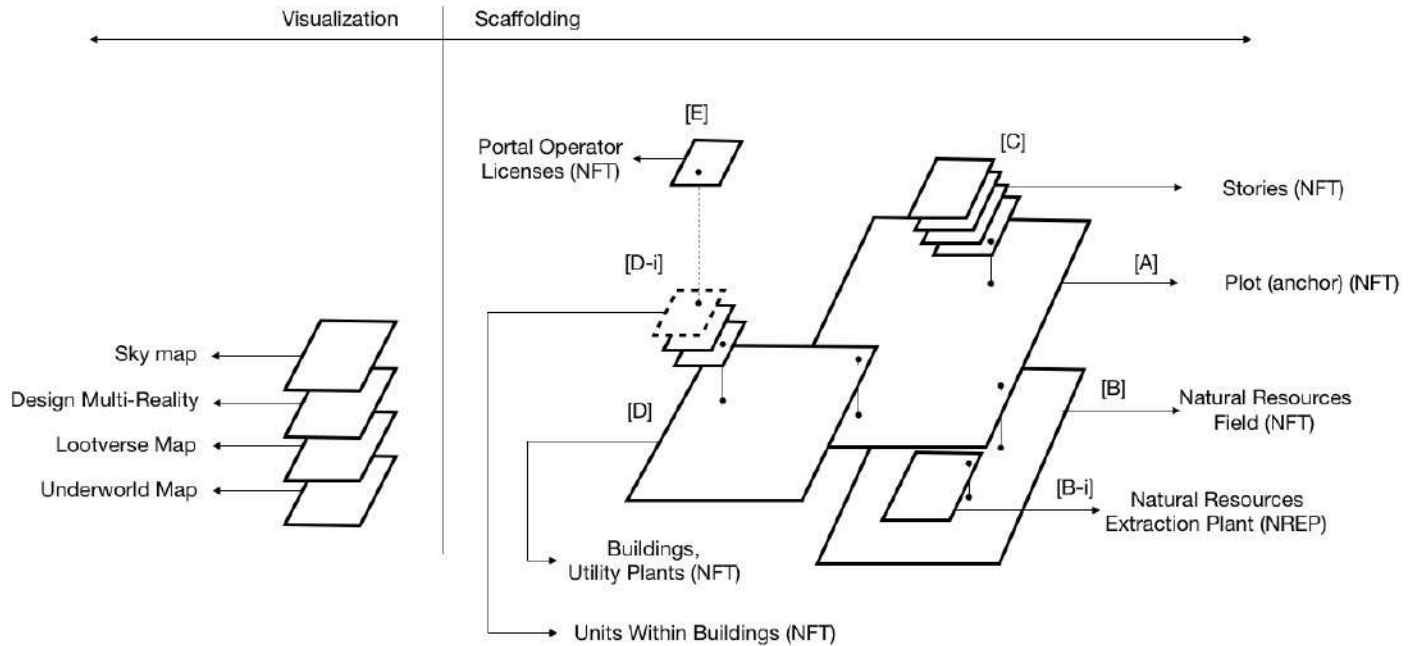


Fig. 2: The Components of Lootverse

- (a) Lootverse is made up of virtual land called plots [A].
- (b) A natural resource field [B] is an NFT that can stretch across several plots to indicate the presence of natural resources. Several such fields will exist in Lootverse. They are tagged to plots on which they are present. Natural resource extraction plants (NREPs) release natural resource tokens [B-i] to NREP owners.
- (c) A plot's history in time can be visually portrayed by up to four NFT stories [C].
- (d) Plots are improved with buildings and plants [D]. Buildings contain living spaces (called units) [D-i], whereas utility plants convert natural resource tokens to consumable units (similar to utilities such as electricity, water, etc.).

(e) A portal operator is an enterprise that must have a business license NFT granting the right to tap into Lootverse's core system to operate a business [E]. A portal operator must be represented by a Lootizen that owns a unit dedicated as a registered address for that business.

(f) Users must have a residence in Lootverse to have full access to its attractions and be considered Lootizens. They can buy or rent units. Plot, building, or unit owners are de-facto residents of Lootverse.

(g) NFT stories, buildings, utility plants, and natural resource fields are permanently tagged to plots. On the other hand, units are permanently tagged to buildings, and NREPs are permanently tagged to natural resource fields.

(h) Only plot owners can tag NFT stories, buildings, and utility plants to their plot, and units and NREPs to buildings and natural resource fields found within their plot, respectively. All NFTs can be traded except for natural resource fields.

A.1 Natural Resources

(a) Natural resources are broken down as follows:

(i) Resource A tokens (pollutants)

(ii) Resource B tokens (clean)

Natural resources can be limited in number or unlimited. For illustrative purposes, they can be described further, e.g., oil, gas, coal, and the like. In addition, Lootverse may also offer non-typical resources, e.g., dragon's breath, gravity, and more fantasy-like natural resources.

(b) An NREP, which is visualized like the "Tesseract" in the Avengers movie, extracts Resource A and or B tokens over time.

(i) When tagging an NREP to a field for a *limited* natural resource, the total natural resource token supply for that plot is sent to the NREP. Tokens are then released to the NREP owner at the standard rate of 1% per month (rating 1 NREP) or the upgraded rate of 10% per month (rating 2 NREP) each 24th of a calendar month until all tokens in the NREP are released. NREP owners can upgrade to a rating 2 NREP by burning the prescribed LTT one-time fee.

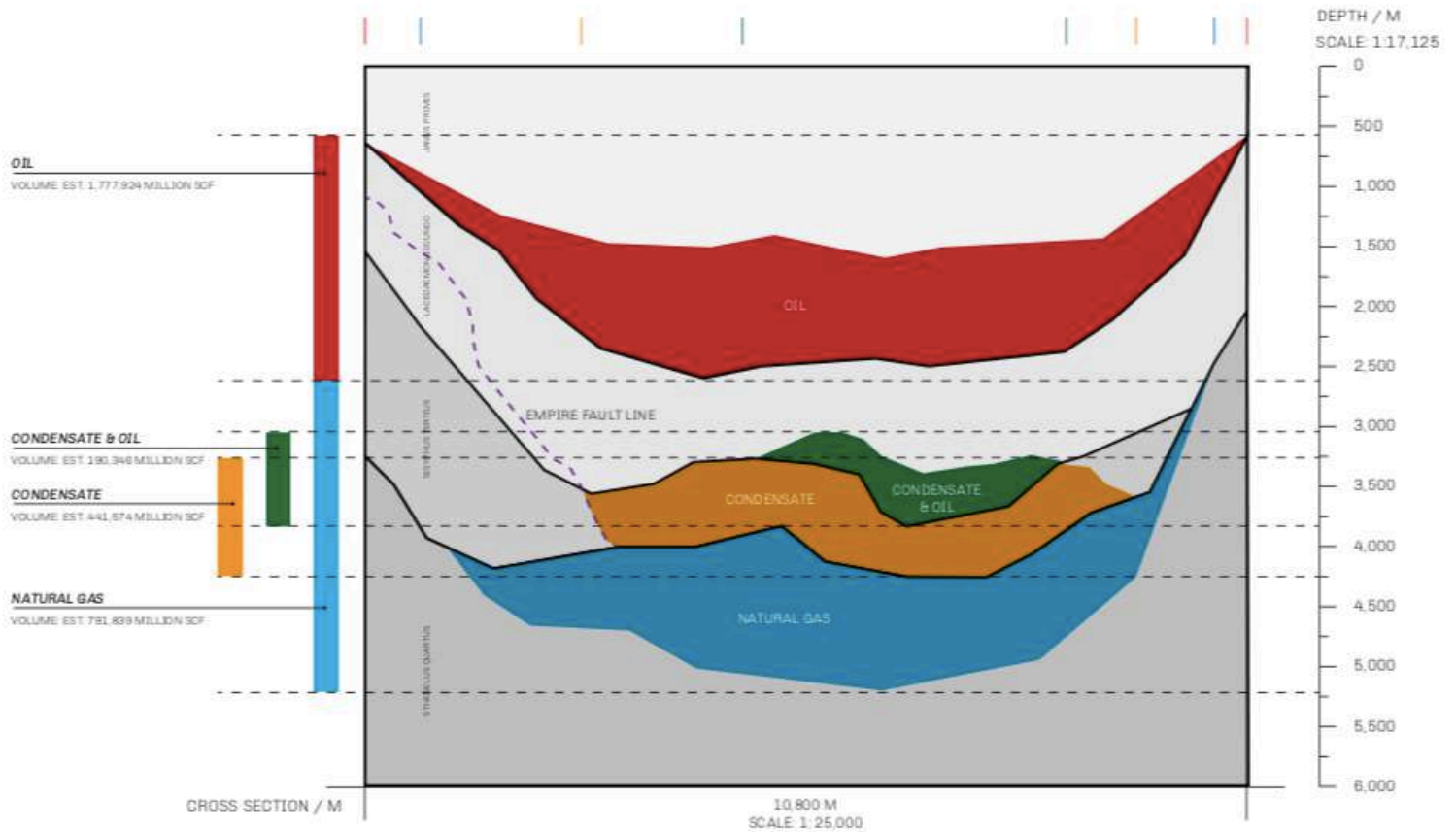
**SHEZMU BASIN**

BOUNDARY 38.62 KM
 HIGHEST PROFILE DEPTH -600 M
 LOWEST PROFILE DEPTH -5200 M

RESOURCES

| | |
|---|---------------|
| ■ OIL | 600 - 2375 M |
| ■ CONDENSATE & OIL | 3100 - 3800 M |
| ■ CONDENSATE | 3250 - 4250 M |
| ■ NATURAL GAS | 3800 - 5200 M |

Fig. 3: An example of a natural resource field, Shezmu Basin, Lootverse

**SIDE VIEW - DEPTH**

(ii) Unlimited resources are introduced by the Lootversian Foundation from time or dynamically from random events. The release rates fluctuate and are not dependent on NREP rating.

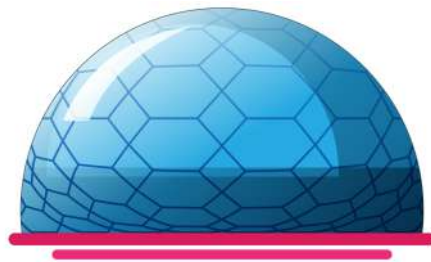


Rating 1 NREP - 1% per month
 Rating 2 NREP - 10% per month
 NREP footprint - 50 sqft

(iii) Rating 1 NREPs are available for purchase by plot owners on whose plot a natural resource field (or part thereof) is present.

(iv) For visual representation, NREPs are located above ground on a plot.

(c) Utility plants are domed structures (of 275 sqft by 15 ft tall) on plots that convert natural resource tokens to consumable utilities (CU), 1 for 1. In the process, the natural resource tokens are burned. Depending on the type of natural resource consumed by a utility plant, they produce Pollution Units.



Pollutant - 5 Pollution Units/CU
Clean - No pollution

(d) To counteract pollution, utility plant owners must purchase Offset tokens to achieve a zero pollution footprint before CUs can be transferred or sold. One Offset token is created per US\$ 0.00001 the Lootversian Foundation spends on **buying and retiring real-world** Carbon Credits (or contributing to green, charitable, or positive activities). Polluters must burn the equivalent of US\$ 0.00010 (in LTT) to cancel 1 Pollution Unit.

(e) Utility plants are limited in number per realm (TBD) and are for sale in LTT. They may be further limited to only provide CUs to specific realm.

A note about R&D in Natural Elements

We may use real-world meteorological data, maps, and patterns in Lootverse, allowing us to use real-time or predicted weather to power utility plants (unlimited resource). We believe that we are the first metaverse project to attempt this mesh.

(f) Plot owners may engage the services of portal operators offering architectural and design services for their plots. Portal operators fulfill a vital role by facilitating the process for plot owners to improve their plots while maintaining a quality standard for Lootversian products.

A.2 Plot improvements

(a) Plot improvements are categorized as:

- (i) Structural NFTs; and
- (ii) Visualization matrix.

Structural NFTs refer to the buildings, units, utility plants, and NREPs as NFTs. These are 2D spatial structures with metadata.

Visualization Matrix refers to design elements that dress up Structural NFTs and create interactive 3D and 2D environments. Visualization can evolve over time.

(b) Structural NFTs

(i) The world-building tools in Lootverse use a standardized approach focused on reducing complexity for users. The steps to improve land are as follows:

1. Create a building plan in one PDF;
2. Create a unit plan for each building in one PDF;
3. Add building data, which includes the building plan;
4. Add unit data, which includes the unit plan;
5. Create a site plan with design assets for Lootverse's map;
6. Mint building and metadata as an NFT; and
7. Mint each unit and metadata as an NFT.

Only creation of site plans and minting buildings and units as NFTs [items A.2, (b)(i)(5), (6) and (7)] incur an LTT fee; adding data does not.

(ii) Creating a building plan

Building plans are rectangular or square blocks with no features, such as balconies, windows, doors, and the like.

They must only contain:

1. North, South, East, and West elevations and a top view.
2. Show the number of floors in the building (ground floor is annotated as Floor 1), together with the height of each floor.
3. The length and width of the building.

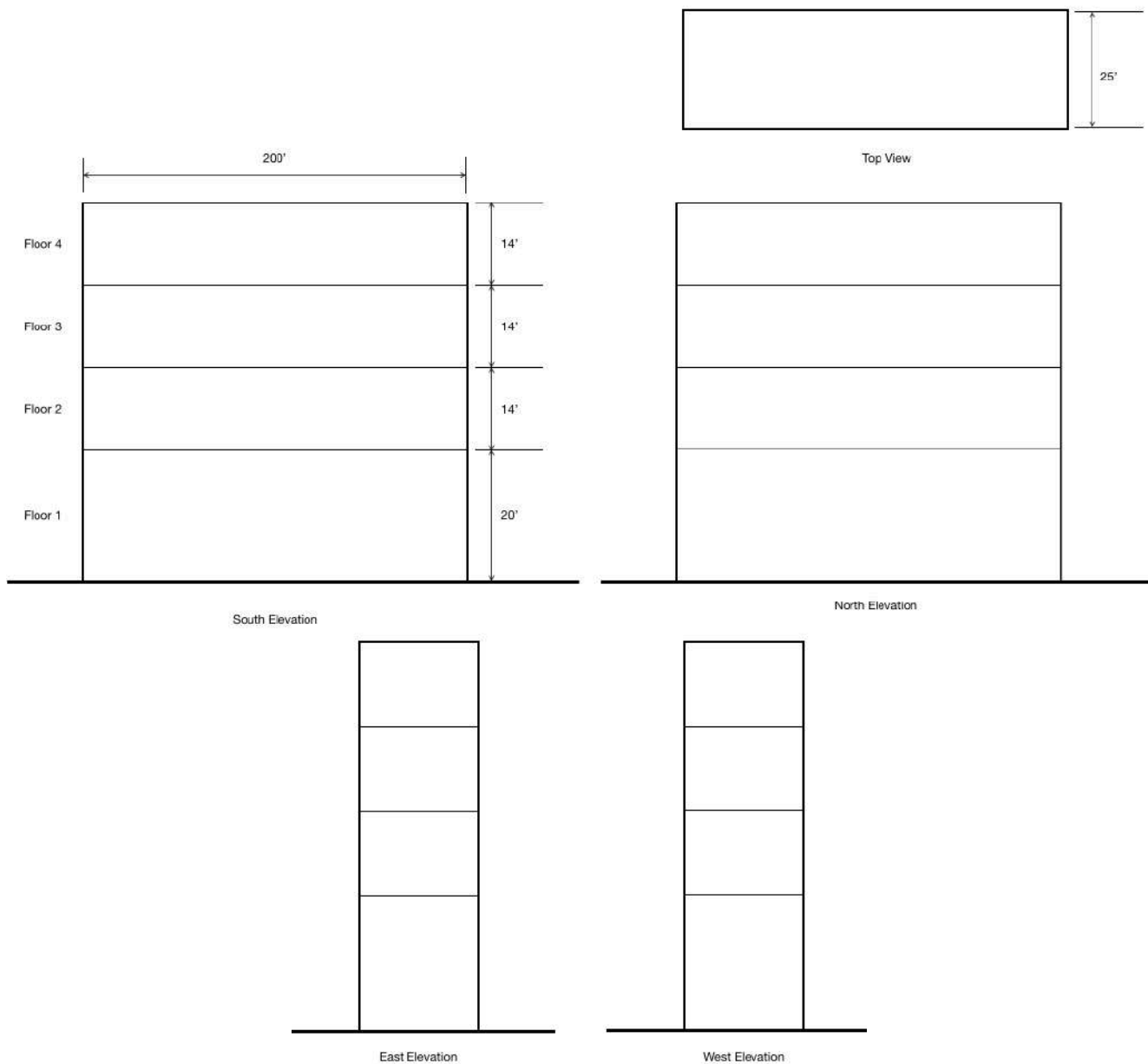


Fig. 3: An example of a building plan.

3. The plan may also list *optional* elements such as a creator's name, logo, date, notes, page number, and scale, placed at the bottom of the plan.
4. The total building footprint must not cover more than 70% of a plot's footprint. Buildings floating in the air are not allowed.
5. Dealing with non-rectangular or square shaped buildings

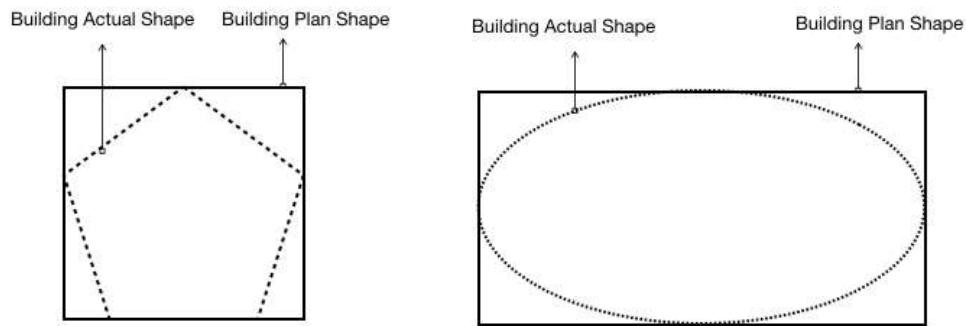


Fig. 4: The shape of the building doesn't matter for the purposes of the building plan.

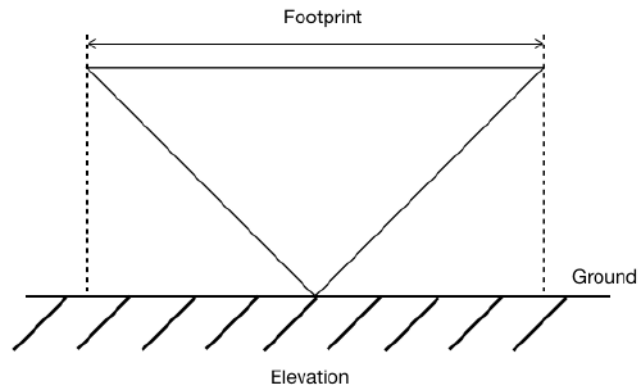


Fig. 5: buildings with irregular elevations must be drawn as a rectangle.

All elevations (and top view) must connect the furthest extremities of the shape of a building to form a square or a rectangle as a singular block.

(iii) Creating a unit plan

Unit plans are floor plans for each floor of a building showing the units within the actual shape of that building. They must:

1. Contain the orientation of the floor with respect to true north.

2. Label each unit as unique numbers (Unit 1-1 for floor 1, unit 1).
3. Label each floor as Floor 1, Floor 2, and so forth.
4. The footprint of each unit (in sqft) with a minimum of 1,000 sqft per unit.
5. The footprint of common areas in sqft (for, lobby, garages, etc.). Common areas must contain at least 25 sqft of garage space per unit and sufficient access and egress on each floor (for elevators, stairs, corridors, etc.). The uses of common areas must not be labeled on the plan.

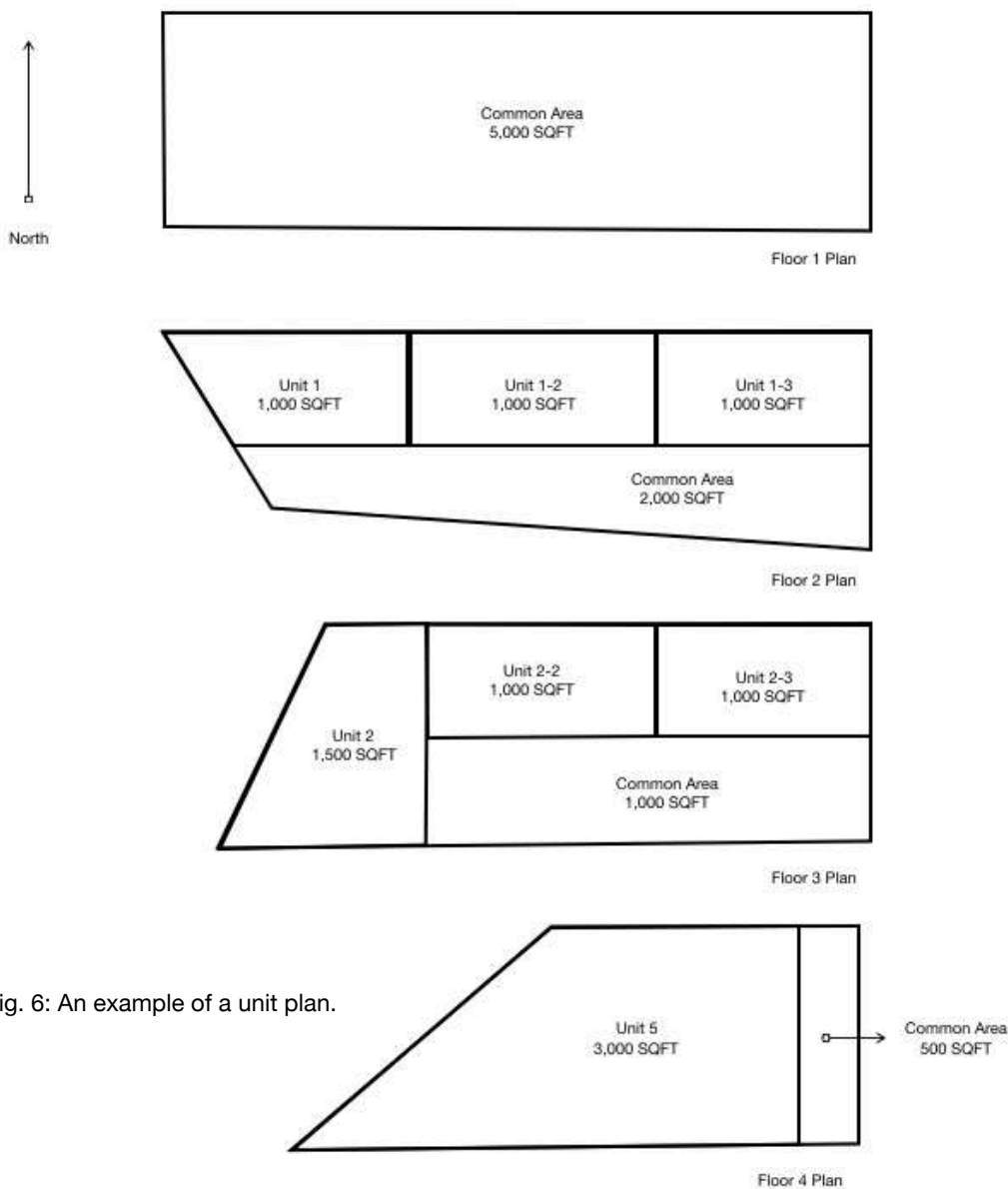


Fig. 6: An example of a unit plan.

6. A unit plan is a PDF that contains all the units on all the floors as one (1) document. The document starts with Floor 1 on the first page for multi-level buildings, and higher floors are presented in ascending order.
7. The unit or common areas must fit within the total area of the relevant floor, and the floor must fit within the area described in the *building plan*.
8. The unit plan may also list *optional* elements such as a table of content for quick access to pages on which specific floors are found, page number, creator's name, logo, date, notes, and scale, placed at the bottom of the plan.

(iv) Adding Building Data

Section 1: General Information

Building Name

Number of Floors

Total Units

Add Building Plan

Save

Section 2: Space Data

Footprint (area)

Length

Width

 SQFT FT FT

Save

Section 3: Floor Data

Floor

Height

Number of Units

Footprint (area)

Unit Numbers

 ▼ FT FT SQFT Separate with "+", "

+ Add More

Upload CSV

Save

Fig. 7: Registering Building Data with Lootverse

1. For each building, the plot owner must identify a building with a name, then provide the number of floors and the number of units per floor. The building plan is then attached.
2. The second section requires inputting the building's (i) footprint area and (ii) length and width. For clarity, the information to be provided must match the details included in the *building plan*.
3. The third section addresses floor details as follows: (i) the floor number (pre-populated), (ii) the floor's height and footprint area, and (iii) the number of units on that floor along with the unit identifier. For clarity, the information provided must match *the floor's actual shape* and not the square or rectangular representation from the building plan.
4. For ease, floor data can be extracted from a CSV file.

(v) Adding Unit Data

Section 1: General Information

Building Name

Add Unit Plan

Save

Section 2: Floor Data

| Floor | Number (Unit, Common Area) | Footprint (area | Notes (if any) |
|---|----------------------------|-----------------------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text" value="SQFT"/> | <input type="text"/> |
| <div><div>+ Add More</div><div>Upload CSV</div></div> | | | |
| <div>Save</div> | | | |

Fig. 8: Registering Unit Data with Lootverse

1. The building name is selected, and the unit plan is attached. .

2. The floor number and the relevant unit (or common area) are selected. Their corresponding areas along with descriptive notes (if any) are then entered.

3. For ease, unit data can be extracted from a CSV file.

(vi) Creating a Site Plan

Site plans refer to the placement of design assets within the 2D map of Lootverse; they are not NFTs and are solely for visual representation.

The interface for creating a site plan consists of a form on the left and a 2D map on the right.

Form Fields and Buttons:

- Plot:** A dropdown menu.
- Building Name:** A dropdown menu.
- Building Shape:** A button labeled "Attach SVG".
- Add Elements:** A button labeled "Attach SVG".
- + Add More Elements:** A button.
- + Add Another Building:** A button.
- Request Access Road:** Radio buttons for "Yes" and "No".
- Send Request:** A button.
- Clear:** A button.
- Submit For Approval:** A button.

Map Elements:

- A north arrow and scale "1:25,000" in the top left corner.
- A building footprint (dashed rectangle) and a utility plant (dashed circle) on the map.
- A yellow bar on the right edge of the map.
- Buttons at the bottom of the map: "Place Building", "Place Utility Plant", "Place NREP", and "Place Element".

Fig. 9: Site Map Elements

1. The plot and building name are chosen from the drop down.

2. The building's top view shape, to scale, is attached as an SVG image. The top view must match the *actual shape* of the building's top view, not the square or rectangular shape portrayed in the building plan.

3. The orientation of the building image must be aligned to true north.
4. The color of the building image must be #F1F3F4, with border as #E7E9EB.
5. Several *optional* top view elements can be added, such as internal roads, sports fields, pools, rivers, lakes, hills, and the like. All such assets must be included in one (1) SVG image file; they must be to scale. Color for the following elements must be as follows:
 - a. Forests, parks, mountains, or greeneries must be #CEEAD6;
 - b. Rivers, lakes and bodies of water must be #9CC0F9;
 - c. Internal roads must be #FFFFFF;
 - d. Deserts, sand, or beach elements must be #FEEFC3; and
 - e. Cliffs, rocky protrusions, canyons must be #E8EAED.

Other items must respect the color code of the building image.

6. Once the SVG assets are uploaded, they can be dragged and positioned on Lootverse's map.

7. *Optional* elements [Item A.2, (b)(vi),(5)] may be deleted or updated.

8. Plot owners that purchase a utility plant or an NREP *must* edit the map to place these elements on the map. These design assets are system generated and *do not need* to be provided or uploaded as SVG images.

9. General Information:

- a. A plot owner pays 5 LTT for a site plan's approval (this may vary). The Lootversian Foundation assesses the site plan for inconsistencies with prior improvement plans or visualization previously created for the plot and whether the rules for the creation of site plans were followed. Resubmissions incur the same fee.
- b. The site plan will only be updated at the time a building is minted, or a utility plant or NREP is tagged to it, or optional elements are removed or edited.

- c. No structure can be placed within 30 ft of a plot's boundary (setback area). The map drag and drop feature will not allow this.
- d. Plots have an easement for roads along boundary lines that connect to the main roads of Lootverse. Plots with no access to main roads can request the map be updated with connecting roads to the nearest main road or an adjoining road. Roads are 40ft wide (20ft on one plot and 20ft on the adjoining plot), plus 5ft of sidewalks on each side.

(vii) Minting Building NFTs

| | |
|--|---|
| <p>Building Name</p> <div style="border: 1px solid #ccc; height: 50px; margin: 5px 0; display: flex; align-items: center; justify-content: center;"> v </div> <div style="border: 1px solid #ccc; background-color: #f0f0f0; padding: 10px; width: fit-content; margin: 10px auto;"> <p>Submit For Approval</p> </div> | <p>System Generated Information</p> <p><i>Site Map</i></p> <p>Plot X293</p> <p><i>Density</i></p> <p>Calculated Density: [] Unit/SQFT</p> <p>Minting Fee: [] LTT</p> |
|--|---|

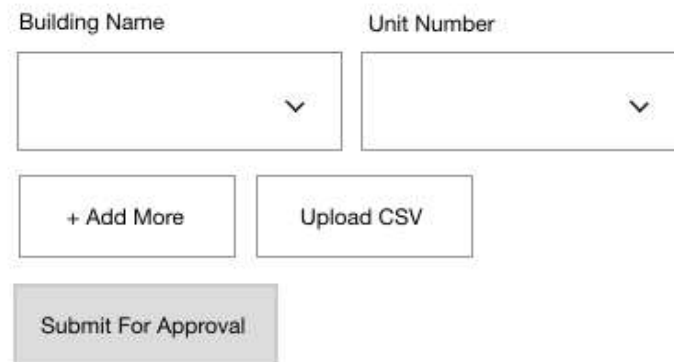
Fig. 11: Inputs For Minting a Building NFT

1. A plot owner pays a fee of 50 LTT per building for the approval and minting of building NFTs (this may vary). The Lootversian Foundation assesses the building plan against the *approved* site plan for inconsistencies and whether the building minting rules were followed. Resubmissions incur the same fee.
2. First, the building name is chosen to retrieve a building's specific information (map placement, the density calculation, and the minting fee). The plot owner can then submit the minting information.
3. General Information:
 - a. Density for building approvals is categorized as either low, medium, or high. Minting fees vary for a building. Low is up to 200 units per square mile (base minting fee), medium, up to 10,000 units per square mile (base x 20), and

high, up to 30,000 units per square mile (base x 100). The base minting fee shall be as prescribed in Lootverse. The calculation is automated.

- b. Once approved the building NFT is minted with its metadata and tagged to the plot, and the building SVG image on the site plan cannot be changed.

(viii) Minting Unit NFTs



The form consists of two dropdown menus labeled 'Building Name' and 'Unit Number'. Below these are two buttons: '+ Add More' and 'Upload CSV'. At the bottom is a large grey button labeled 'Submit For Approval'.

Fig. 12: Inputs For Minting a Unit NFT

1. A plot owner pays a fee of 1 LTT per unit for the approval and minting unit NFTs. The Lootversian Foundation assesses the unit plan against the building NFT for inconsistencies and whether the unit minting rules were followed. Resubmissions incur the same per unit fee.

2. To mint a unit NFT, the name of the building NFT and the unit number to be minted are selected. Multiple units can be minted at the same time. Plot owners can import a list of all unit numbers as CSV to be minted. Units already minted will be skipped and will not be re-minted.

3. Following approval, the unit NFTs are minted with their metadata, and tagged to the relevant building.

(ix) The minting flow process

The recommended minting process is as follows:

1. Produce the building and unit plans;

2. Enter and save the metadata for the building and units;
3. Submit the plot's site plan information;
4. After the site plan's approval, mint the building NFT: and
5. After the building NFT's approval, mint the unit NFT.

Notes. (a) Remove and add optional elements at any time by submitting the site plan; (b) Tag utility plants and NREP at any time by submitting the site plan (once tagged, this is permanent); (c) Add buildings by submitting the site plan and minting that building as an NFT.

(c) Visualization

(i) Visualization of Example Used in Fig 3. And Fig 6.

While the building plan is minted as a block with more context added by the unit plan, the amalgamation of both plans can result in various shapes when visualized in perspectives (as shown below).

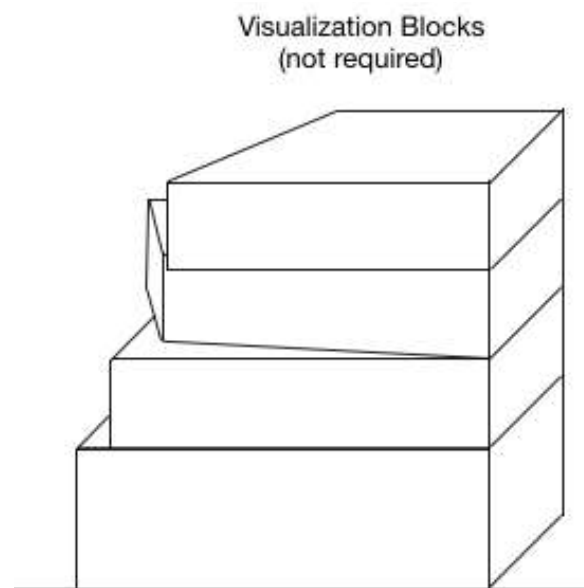


Fig. 13: Perspective built from building and unit plans from example.

This structured approach to combining plot drawings and metadata to create NFTs superimposed with visualization layers is unique to Lootverse. Visualization or perspectives are not required to mint NFTs and create units.

(ii) Building the visualization matrix (optional)

1. Intricate details, finishes, realistic footage, detailed floor plans, and more (which are not NFTs) can amplify plots, buildings, and units. It means that the style of a plot or building can change over time and does not require burning or re-minting of NFTs. Visualization is a significant step in increasing the value of a plot, building, or unit and is a prerequisite for virtual reality interactions.

2. Architect and design portal operators can be commissioned to facilitate the visualization process; they are professional real estate builders, architects, or have virtual reality software building expertise. Detailed floor plans are required in the relevant software to be portrayed in 3D. Portal operators are paid in LTT.

3. Visualization does not require approval from the Lootversian Foundation. However, the creation of virtual reality and augmented reality environments require a portal operator's license or an agreement with a portal operator.

A.3 Further items appertaining to plots.

(i) In Lootverse, only one resident can rent or own a unit (no multiple tenancies).

(ii) Each Lootizen at sign-up is given 100 Health Points (0.01 US cent per point). Every day, Lootizens lose 3 Health Points. NFTs won by a plot owner containing Lootversian power can be tagged to a plot to release Health Points when rent is received (until Lootversian power is depleted). The amount released is set by the NFT owner. This can create desirable regions within Lootverse.

(iii) Lootverse Levy (or LL) receives a flat percentage of all economic activity from Lootverse, including a plot. Five percent (5%) of the economic activity from a plot is redirected to the **Ruler of the land** (which initially is the plot owner). If the economic activity is from a portal operator, then Lootizens that have a job there receive 5% of the Levy. Note, jobs do not require approval or work and is like an LTT faucet, **where residents on which the business is located** can register to receive these airdrops. Each portal operator must have a minimum of 10 jobs.

(iv) Lastly, a strategic war game can be waged amongst *rulers* to take over 5% economic activity of a plot. Ownership of items like plots, buildings, etc., remain with the owners and cannot be lost in war games.

A.4 Plot Stories

The creation of plot stories can be complex and consume administrative time.

Lootizens can use an in-world historian license holder to mint a plot story. A historian creates ready-made stories with a consistent storyline that can be customizable to plots or, alternatively, they can work with plot owners on custom stories. Following approval, the plot owner can publish the same. Historian's fees in LTT cover the administrative cost of minting the NFTs.

Alternatively, plot owners can mint and submit their own story NFTs.

A.5 Practicalities

Cross-World ?

| | | |
|---|---|---|
| 1,203.0000 \$LTT <small>Sell (X-Bridge) Transfer In-World</small> | 11,203 Resource A (CW) <small>Sell (X-Bridge) Transfer In-World</small> | 11,203 Consumable Units (CW) <small>Sell (X-Bridge) Transfer In-World</small> |
| 2,304.00 USDC ERC20 <small>Transfer In-World</small> | 12,304 Resource B (CW) <small>Sell (X-Bridge) Transfer In-World</small> | |

In-World

| Emissions (For Utility Plant Owners) | | | |
|--------------------------------------|--|----------------------------|--|
| 1,203.0000 LTT | 11,203 Resource A <small>Use</small> | 11,203 Consumable Units | 12,304.00 Pollution Units (PU) |
| 2,304.00 Credits | 12,304 Resource B <small>Use</small> | | 12,304.00 Offsets <small>Buy Apply</small> |

Fig. 14: Token Wallet (excludes Health Points)

(i) The types of currencies, commodities, emission tokens (or Health Points) are accessed from Lootizens wallets. For example, utility plant owners can convert resource A to consumable units, or use offset tokens to balance pollution units.

(ii) Consumable units are burned when rent is paid by residents to unit owners. These are automatically taken out of the consumable units balance of a unit owner. One (1) consumable unit is required per rented unit per month.

(iii) If a Unit owner has a zero consumable unit balance when rent is paid, the rent is burned (i.e., the LTT paid by the resident is burned). Residents that fail to pay rent on time no longer hold Lootversian resident status.

A.5 Plot Resale

Plots can only be resold once all plots have been listed in Satoshi's Lounge. Due to the rising reserve of plot listings, we expect about 60% of plots to remain available in the treasury (government land). This allows interactions in Lootverse to grow organically like in the real world.

A.6 Sales and Rental, General Notes

(i) Rent is paid to Unit owners and not plot or building owners.

(ii) Buildings or units sold create a permanent tenant on the land.

(iii) Only plot owners can tag buildings to plots they own.

A.7 "Is this air that you are breathing?" Morpheus said to Neo.

As a concluding note to the *World Builders* section, note that latitude is given in building our parallel world. For example, Lootverse is not a globe, but a rectangle. Gravity may not work the same way or apply to some plots; air is not the same. The sky is also rectangular. Lootverse is more like Thor's home, Asgard, in the Marvel representation.

B PORTAL OPERATORS

The term *Portal Operators* is used to mean Lootizens that operate a commercial activity in-world. They get access to the relevant API keys to authenticate and build extensions to Lootverse.

B.1 Metaverse App Store

Lootverse is a **map-driven metaverse app store** with a parallel world theme. It allows portal operators to provide products and services (including play-to-earn games using multi-reality mediums (real-life portals, 2D, 3D, AR, and VR).

For example, say, Nike releases shoes entitled "The Lootversian." The Nike store is accessed from the map. If they geofence their physical store, they can include the product available for LTT with Augmented Reality. While everyone in the store sees shoes offered for "Earthers," the portal allows Lootizens to see the Lootversian products by scanning the store with their phones.

In this context, there may be a few reasons for portal operators to offer something that can be found in, say, a store on earth; for this, they can use other applications, their metaverses, etc. Lootverse is where portal operators can offer products and services of a Lootversian feel.

B.2 Licenses

(i) There are no restrictions on obtaining commercial licenses, except that the activity must not offer offensive content or bring Lootverse into disrepute. Businesses can obtain a "Lootversian" business name by submitting a one-page commercial activity summary; a fee of 100 LTT is charged for the application. Integration keys are then released for the application (a fee for API calls made to the Lootversian system, payable in LTT, may be charged). For theme consistency, the business is accompanied by the acronym LALL which stands for Lootversian Association Limited by Liability. The registration and the business plan are blockchain notarized and searchable at the government's site.

(ii) Portal operators:

(a) must be represented by responsible parties (Lootizens) who own units in Lootverse. Portals are tagged to units and can be relocated at any time to other units. Commercial licenses cannot be sold in-world, although real-world business

ownership can be dealt with like any off-world organization, which include changes in ownership;

(b) are responsible for fulfillment to their partners, collaborators and customers. Loot NFT Co (or the Lootversian Foundation) is not an arbiter and cannot act to resolve disputes; and

(c) set their fees or sales prices in USDC, which are displayed in LTT based on an in-world exchange price feed. Lootizens pay in LTT, and portal operators receive \$LTT (which can be sold for USDC).

(iii) We have received several requests for portal operator licenses, and we will address them in time. Currently, testing of Lootverse's integration with *Lootnance* (an in-world exchange) is underway. It is essential to restate that Lootnance can only sell in-world assets (e.g., LTT) for Credits (used to buy LTT, BUN, or pay for shipping); it is a way for others to buy LTT without mining. However, stakeholders having \$LTT can sell them for USDC via Lootnance through a bridge connector (yet to be released). USDC or \$LTT can be sent off-world to USDC ERC20 or \$LTT via the relevant portal operator.

(a) We keep our public APIs, webhooks or other integrations to a strict minimum. We will develop more in time as we address various commercial solutions. The following base interactions have been developed to date:

1. Send and receive LTT and Credits;
2. User authentication;
3. Pay with LTT;
4. Utility APIs and Webhooks.

The following are soon to be developed.

1. \$LTT sales bridge;
2. In-World Commodities sales;
3. Additional user authentication services;
4. Send and receive NFTs to portal operators;
5. Additional utility APIs and Webhooks.

We will provide the authentication with Lootizens through a "Connect Wallet" functionality from portals on Lootverse's map.

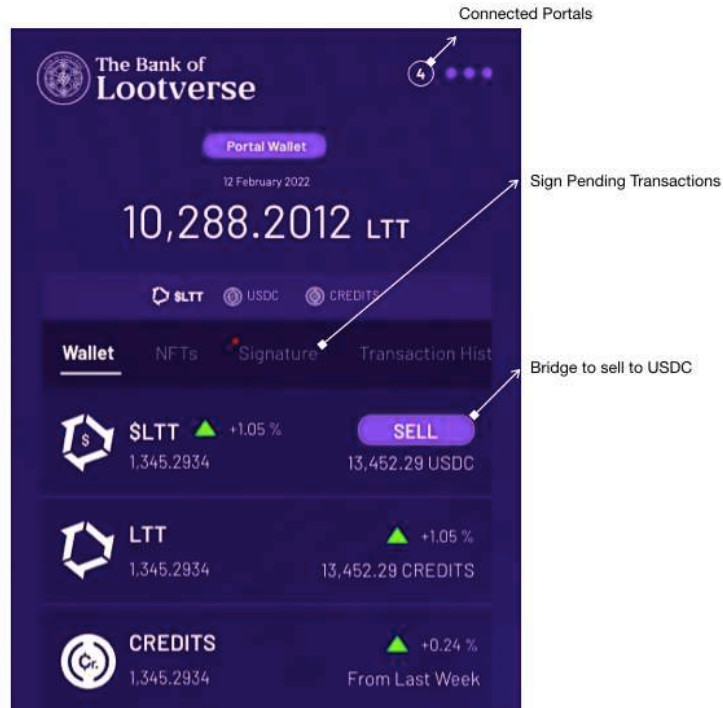


Fig. 15: Mockup of the upcoming portal wallet.

The in-world portal wallet will allow users connect their Lootversian wallets to portal operators to send or pay for products and services by confirming and signing transaction requests. However, to send USDC or \$LTT off-world, this must be done from the government gateway (i.e., the government accepts USDC in-world or sends USDC or \$LTT off-world).

Some restrictions exist for trading NFTs. First, Arena NFTs can be transferred by re-listings in Satoshi's Lounge or Loot Arena (since ownership can affect mining ratios). Arena NFTs can, be burned and sent off-world. Second, NFT plots cannot be traded until all of Satoshi's Lounge listings for plots have been completed. Lastly, natural resource field NFTs cannot be traded.

(iv) Some core system functionalities can be assigned to specific users to help in the administration of Lootverse. These administrators can:

- (a) submit information to the Lootversian Foundation on behalf of Lootizens;
- (b) pay approval fees on behalf of Lootizens for submissions; and
- (c) get paid from Lootizens to whom they provide these services.

B.3 Updates

The first portal operator licenses issued (or to be issued shortly) are:

1. Lootnance Exchange, LALL to Aya Trades, LLC for an in-world exchange.
2. Heavenly Developments, LALL to Heavenly Developments, LLC for architectural drawings, buildings, and renderings.
3. Origins, LALL to Aya trades, LLC to create plot stories.

B.4 The Possibilities

The full breadth of creativity and solutions available to portal operators are hard to understate. For example, it may be possible to have real-world treasure scavenging connected to prospecting in the virtual world. Salvagers could invite Lootizens to connect to their portal to prospect the Lootversian seas and charge Lootizen prospectors an LTT fee to discover whether a treasure is found.

This action could require the salvager to search for treasure in the real world. If found, an NFT can be created that grants ownership of that real-world item (which could be held in custody at a museum) to the Lootizen player. That NFT can be resold in Satoshi's Lounge along with the rights to the underlying item. The process of custody is the same as used in Loot Arena today.

In another embodiment, a portal operator can charge a small fee to witness battles or a virtual reality flights through Lootverse. Or maybe hold a virtual reality concert with LTT ticket fees.

C CENTRAL BANKERS (PRIOR KNOWLEDGE REQUIRED)

We use the term *Central Bankers* (in-world, fantasy) to mean those that manage the issuance of LTT, the native currency of Lootverse. They are also called miners or bidders of Loot Arena. They are third parties that play a game to win NFTs and, in the process, receive LTT for playing.

We built Loot Arena with a few goals in mind, namely:

1. Democratize access to valuable NFTs;
2. Recognize talented creators, no matter their brand power or location;
3. Provide liquidity in trading creations; and
4. A mechanism for LTT to be issued out of the *Proof of Play* protocol.

We changed the equation of how creations are valued (see *articles* on the topic at medium.com/lootnft). We called this "battle-bidding auctions."

However, Loot Arena is not a typical auction, but a game of being the last to spend a BUN when the timer expires. The winner receives the NFT and publishes the creation in a chain of other previously concluded games. Then, players receive LTT based on their mining ratio in proportion to BUN they spent. NFTs are chained to NFTs previously won.

We make the following critical observations:

1. While the goal is to win the NFT, players come to mine LTT, the native currency of Lootverse, and the products and services offered for them.
2. In theory, anyone can win, although it is time-consuming, and the players with bigger wallets are much more likely to win than others.
3. Brands have a reduced effect on an NFT in Loot Arena unless their followers also see the value of Lootverse and engage with the players. The demand for LTT in Lootverse plays an integral part in the value received by creators.
4. The Proof of Play invites creators to link their works to a chain of talented works that have come before and that are yet to come. The challenge is then to

achieve the most successful financial outcome. Nevertheless, the privilege is to time capsule their work on the blockchain with a creation that defines them and lives forever linked to other talented individuals and their work.

5. With the federated network of creators that can publish and get rewarded from Loot Arena, the fact that we deal with physical and digital works, the NFT reward has, in our opinion, no equal in the industry.

In essence, Loot Arena is an in-world fantasy Central Bank and cannot function as a standalone product or NFT marketplace. We cannot associate Loot Arena with traditional NFT marketplaces without wrapping it within Lootverse.

C.1 What does this all mean?

(i) Loot Arena site is being streamlined to its target audience: miners on the one hand, and on the other hand, creators that want to take up Loot Arena's challenge to contribute their work to the chain. This chain contains over 100 works from talented creators around the planet.

(ii) The stars arena will move to Satoshi's Lounge (bidding in LTT). This will count as an NFT for obtaining degrees, and be able to contain Easter eggs. Anyone that wins those NFTs can join Loot Arena without an invite or joining fees. However, NFTs sold there will not release LTT, unless the Curator adds LTT that has already been mined as an Easter egg.

(iii) All sign-ups are now done through the Government site. No one can sign up to the Arena directly; however, miners can still log in on the Arena site.

(iv) In addition to the above, note the following:

(a) The current mining ratio is 42:1 and there are no staking bonuses. Loot Arena's joining fee is 28.75 LTT (at 1 February 2022). This joining fee doubles weekly thereafter until it reaches 575 LTT. When the first tournament is held (see *what a tournament is below*), the joining fee will be set at 575 LTT, irrespective of whether it conforms to the fee doubling schedule. All joining fees are burned.

(b) The ability to invite others from Loot Arena and the "I'm Interested" functionality has been removed.

(c) There is no restrictions to hold at least 1 LTT, 1 BUN, or 1 NFT to access Loot Arena.

(d) The staking from Loot Arena and NFTs for re-listing has moved to The Fund and all profile details relocated to the government's site.

(e) The purchase of in-world Credits with USDC is done in packs of 5 Credits for 5 USDC from the government only. BUN purchases is done with Credits.

(f) Badges were relocated to the Wallet page.

(h) A new Tournaments page has been introduced for groups wanting to avail themselves to NFT drops in the Loot Arena format. The Tournament's section is only accessible to invited persons. At the end of the Tournament, those that win an NFT get access to Loot Arena, and everyone else can do so by paying the prescribed joining fee. Tournament NFTs have an hard cap of 2,100 BUN, meaning the maximum amount of BUN that can be purchased is 10,525 BUN for a total of USDC 2,105. Each curator must obtain the approval of the Lootverse Foundation prior to setting up a Tournament.

(g) the footer page has been updated to focus solely on Loot Arena information.

(j) All invites to Loot Arena are now either through whitelisting by a Type B plot owner (each whitelisted email costs 1 LTT), winning an Arena NFT in Satoshi's Lounge, or paying the prescribed joining fee. Invites benefit of a 15% discount from Loot Arena's joining fee and other perks the Type B plot owner includes (BUN drops, first purchaser BUN discount of 4%). A Type B plot owner can also pay the joining fee for an invitee. Note: The referral must use the link to sign up to obtain referral benefits.

(m) Miners (service providers to Lootverse) are now credited with \$LTT. These must be transferred to LTT in-world to be used within Lootverse, or can be sold (when the functionality is released) to USDC.

(v) The following will be implemented in February 2022:

(a) To address bots in Loot Arena: (1) all miners can bid up to 20 times manually in the last 11 seconds of an auction before being locked out of that auction for 30 minutes (called a timeout). (2) Following the timeout, they can bid again

(including bidding up to 20 times manually in the last 11 seconds), so on and so forth. (3) A bid bot activated in the last 11 seconds counts as a manual bid.

(b) Usernames will be able to be changed for a fee of 10 LTT from the newly implemented government page.

(c) Loot Arena's joining fee (for those who did not win an Arena NFT) shall be dynamic based on the last sold Arena NFT in Satoshi's Lounge or 575 LTT, whichever is higher.

Note: No additional badges will be issued, except for the Genesis Army Badge, the Mining Ratio, and Mystery Gift. Further, the benefits of the Pioneer Badge and Invite Bonuses will be significantly reduced by the year's end.

C.1 The following upgrades are still under consultation and modeling for Loot Arena (these may be implemented shortly):

(a) The re-listing feature for future (not past) NFTs to be done from Satoshi's Lounge. Winning a re-listed Arena NFT that forms part of a set of 5 grants immediate access to its winner to Loot Arena. These NFTs can be used to achieve degrees or complete NFT sets, but not mine LTT.

(b) Each Curator (Type P Plot owner) will be required to list at least 2 NFTs in Loot Arena, but no more than 5, or a maximum of 3 NFTs in Satoshi's Lounge (i.e., between 0 and 3).

(c) The supply of BUN may be halved (to 250m) and the price of BUN to double (\$0.40). Along with this, all the bid caps would be reduced from 10,000 to 5,000 and 500 to 250 for hard caps. In that event, the account cap will be reduced to 25,000, and the purchase of 1 BUN pack to increase to \$10. Those who have already purchased BUN at \$0.20 each shall retain these BUN in Loot Arena.

D PARLIAMENTARIANS

We refer to those that take part in the governance of the ecosystem as Parliamentarians. The Parliament can only change certain variables within Lootverse that do not affect its core functions.

D.1 Loot NFT and the Lootversian Foundation

Lootverse is designed as a core product (much like the Linux Foundation) that is extensible at the edges by third parties. Loot NFT does not own LTT or \$LTT.

Shortly, the current home page of lootnft.io will evolve into the Loot NFT Co LLC and the Lootversian Foundation site. These Earther entities sit outside the ecosystem and ensure that Lootverse is managed properly. On that site, we will provide all of the information relevant to the ecosystem, including developer information to tap into Lootverse to enable portals.

In keeping with the parallel world theme, the language on the site will be from the perspective of behind-the-scenes managers of the world or those building extensions to it. It ensures we keep the experience of Lootverse distinct from those that maintain or extend it.

The Parliament gives a voice to Lootizens to guide us in ensuring the ecosystem evolves in accordance with the value of Lootizens.

D.2 Updates

We created a group on Discord for the Parliament (The Parliament of Lootverse) ahead of the in-world Parliament feature of Lootverse.

We set up the group to hear from Lootizens that want to be part of the Parliament when it is released on matters of importance to Lootverse. Participation fees were offered at a 70% discount (before 1 February 2022), and is now at 50% discount until the end of February. The sitting term of Parliamentarians will be decided by the Parliament.

Parliamentarians have access to any information regarding the platform and may vote on motions. Loot NFT has veto rights over parliamentary decisions until the ecosystem matures. When the Parliamentary features are released, the system will operate to give a voice to all Lootizens programmatically.

E THE RESIDENTS AND EXPERIENCE SEEKERS

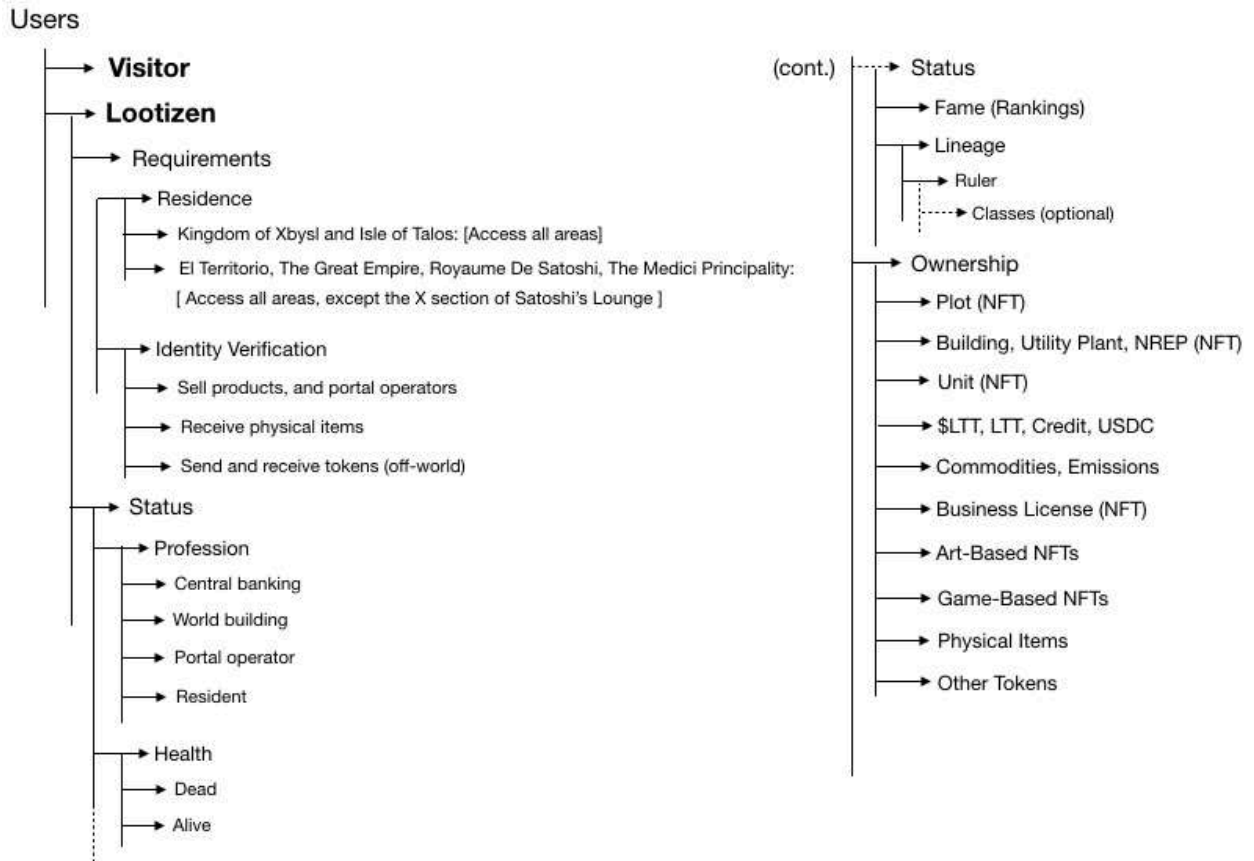


Fig. 16: Lootizen Character Attributes

Anyone that signs up for Lootverse is considered a visitor. While they can access Lootverse's map and attractions, they cannot interact or authenticate at any of the attractions (bid, use portal operator services, etc.).

E.1 Lootizenry

(i) To become a Lootizen, users must have a Lootversian residence. This requires either, owning a plot, a building or a unit, or renting a unit.

(ii) Residences in all areas allow Lootizens to participate at any attractions in Lootverse, except that:

(a) a residence in the Kingdom of Xbysl or the Isle of Talos is required to access the exclusive X section of Satoshi's Lounge. Multiple residences are allowed; and

(b) participating in Loot Arena (and becoming a Central Banker) is subject to paying the Loot Arena joining fee or winning an Arena NFT in Satoshi's Lounge or at an Arena Tournament.

(iii) A verified account is required for Lootizens that want to become portal operators, sell products or services, get paid in USDC ERC20, send \$LTT or NFTs to their custody, and receive physical products. Verified account status is granted to Lootizens that pass a KYC check.

(iv) Users who buy an initial pack of Credits receive 100 Health Points. These decay by 3 points a day to mimic life expectancy.

E.2 Profession

(i) Lootizens are either:

- (a) Central bankers (miners),
- (b) World builders (plot, building, unit or plant owners),
- (c) Portal operators (business owners),
- (d) Parliamentarians (governance members),
- (e) Residents.

(ii) Residents join to participate in entertaining activities, enjoy artistic exploration, shop and more. They can receive rewards such as airdrops from portal operators, god matrix rewards, war bounties and more.

(iii) Airdrops are shared equally amongst Lootizens who tag themselves to a portal operator (i.e., conceptually like jobs). Residents can untag themselves at any time and join any other portal operators *on a plot they reside*. Residents cannot get these airdrops from multiple portal operators.

E.3 Ownership

(i) A Lootizen can own the following:

1. Plots, buildings, units, utility plants and NREPs
2. A portal operator's NFT license (non-tradeable or transferrable)

3. NFT creations (Plot Stories, Arena NFTs)
4. In-world item NFTs (shields, weapons, user generated NFTs)
5. In-world tokens (\$LTT, LTT, credits, USDC, commodities, health points, emission tokens)
6. Physical products

(ii) All items are tradeable (except for a portal operator's license) in-world. Prices are set in USDC but paid for in LTT by the purchaser; the seller receives \$LTT. \$LTT can be exchanged to USDC through an in-world exchange. \$LTT or USDC can then be extracted off-world through a portal operator.

E.4 Health

Lootizens can purchase Health Points for 0.01 USDC, paid in LTT. LTT used to buy Health Points are burned (removed from circulation). Lootizens need at least 1 Health Point to be considered, alive. Lootizens with 0 Health Points, or less, are considered, dead.

Lootizens can have negative Health Points (i.e., the simulation of degree of death). To be alive again, they must buy Health Points or items (or NFTs) granting Health Points to get back to a positive balance.

Lootizens can only buy Health Points from the government if they have less than 100 Health Points and only such that they can re-establish a balance of 100 Health Points. If they want to acquire more Health Points, they must buy items, NFTs or other products, that grant Health Points, either in Satoshi's Lounge or from portal operators.

E.5 Health Derivatives

(i) By introducing Health Points, it is possible to tie real-world items such as a t-shirt with a specific amount of Health Points. By not allowing Lootizens to buy more than 100 Health Points at a time, they must scavenge for or buy items if they want to increase their Health Points beyond 100.

Note: This does not stop the burning of LTT for Health points but rather shifts the burden of burning these to a third party. With the implementation of the

Lootversian chain of title for authenticity (see below), it is possible to transfer Health Points between Lootizens in the real world (while also transferring that in the virtual). This could also be done for weapons, shields, and other items. The commercial applications of the above can be significant.

(ii) Health Points can be used to calculate life expectancy in-world, providing data such as mortality rates together with extensive correlations with in-world natural events and more.

E.6 Health Benefits, God Matrix, Deaths

(i) Loot Arena NFTs can contain easter eggs which are generally termed Power. If applied to a plot, the easter egg will make the plot more welcoming as it can distribute Health from the Power to its residents over time until depleted.

(ii) God Matrix events may cause health damage or grant benefits at random.

For example, a lightning strike (or a King Kong or Alien Attack, may cost 200 Health Points). If affected, a Lootizen with 100 Health Points would get their Health Points balance reduced to -100 Health Points. A purchase of at least 101 Health Points is then required to be considered alive again. On the other hand, the God Matrix may give LTT to exemplary Lootizens.

(iii) The God Matrix can only affect a Lootizen's LTT between 1 and 5% but Health Points are absolute numbers (i.e., not a percentage). Both Health Points and LTT are burned in the process.

(iv) When Lootizens die, they go to the *Underworld*. Dead Lootizens can only see the Underworld map, and not Lootverse's map (this is shown on the next page). They can still interact at Lootversian core sites (which are both present in Lootverse and the Underworld). However, they cannot interact with any portal operators (or non-core sites), since they are only part of Lootverse's map.

An interesting point to note: Some Lootizens may accumulate so many health points that they could be considered immortals, much like the concept of time in the movie *In Time* (i.e., their Health Points decay is insignificant in relation to their impact on Health Points balance).

(v) The Underworld

An inverted Lootversian map visually represents the Underworld. There, the mineral deposits, sea floor, lakes and the like are shown as mountains.



E.7 Lineage

Any Lootizen can be part of the ruling class of Lootverse. Initially, plot owners are the rulers of their land. However, with the introduction of war games (see E.8 below), a plot owner can be removed as a ruler (i.e., Lootizens get to take over as rulers of plots they conquer).

Rulers are entitled to 5% of all commercial activity of a plot. To note,

- (i) Rulers are either plot owners or an army led by a plot owner.
- (ii) Plot owners cannot add residents to share as rulers of their land. Non-plot owners must form part of an army to integrate the ruling class.

E.8 Wars in Lootverse

Conflicts are a part of the real world, as in Lootverse. Following research and development to mimic real-world interaction, we designed a new war game.

- (a) A ruler can start a war on other rulers by identifying the plot to attack, setting up a war fund, an armory. Plot owners who are rulers of their land can attack by themselves or create an army. If an army is created, residents can lock LTT to the war fund *and* add weapons (NFTs) to the armory. These are the Aggressors.
- (b) The target rulers on the specified plot (the Defenders) are notified before a war starts. Defenders have 96 hours to set up their war fund and armory. Defenders can be joined by residents of the plot being attacked if the latter lock up LTT to the war fund *and* shields to the armory.
- (c) Weapons and shields are NFTs with specific Health Points damage or protection they provide, respectively.
- (d) If the Defender's war fund matches that of the Aggressors, war is averted. Fifteen percent (15%) of the Aggressor's war fund is burned, and 15% is distributed to each Defender in proportion to LTT they committed in their war fund. Seventy percent (70%) of the Aggressor's war fund is returned to each Aggressor in proportion to LTT they committed to their war fund. Weapons and shields are returned to their owners.
- (e) If the Defenders cannot match the Aggressors war fund, the war goes ahead.

The following ensues:

[i] The weapons' Health Points damage is tallied and matched against the shields' Health Points protection. [1] If the Health Points damage is more than the shields' Point protection, the Aggressors win. [2] If the shields absorb all of the weapon's Health Points damage, the Defenders win.

[ii] Aggressors win: any outstanding weapon's Health Point damage is inflicted in round-robin one at a time on the ruling class and residents of the Defenders' plot until all of the weapon's Health Point damage is used up. At that time, the weapons are burned. From that time, they get 5% of the economic activity from the conquered plot distributed pro-rata their LTT committed to the war fund and the Health Points contributed by weapons.

[iii] Defenders win: any outstanding shield Health Points protection is returned proportionally to the relevant shields. They keep 50% of the Aggressors war fund while the other 50% is burned. The Defenders' reward is distributed based on LTT committed to the war fund and the Health Points contributed by shields.

E.g., the rulers on which Lootnance Exchange is found get attacked. If the attackers win, they stand to collect 5% of the exchange's LTT revenue (unless Lootnance moves its business out of that plot, although soon enough they'll run out of plot to run to). They stand to lose 100% of their war fund if they lose.

(f) Additional Information

1. No one can attack rulers that are already under attack.
2. Only plot owners can initiate wars. Only residents on the plot they reside can join an army initiated by a plot owner.
3. Rulers can display their brands publicly on all plots they rule.
4. Rulers may change residence without affecting their benefits.
5. Any plot owner can attack any rulers. It means that a plot owner that is not a ruler of his plot may create a rebellion to take back as a ruler, except that in so doing, residents may choose to either participate in an Aggressor's army or a Defender's army. If a rebellion is successful, plot owners could share as rulers with residents that participated in a Defender's army.

6. No participant in a war loses ownership of their assets other than LTT in the war fund and weapons, shields in the armory, in addition to Health Points. Plots, buildings, units, commodities, etc., are untouched.

(g) Displays

Wars are displayed on Lootverse map.

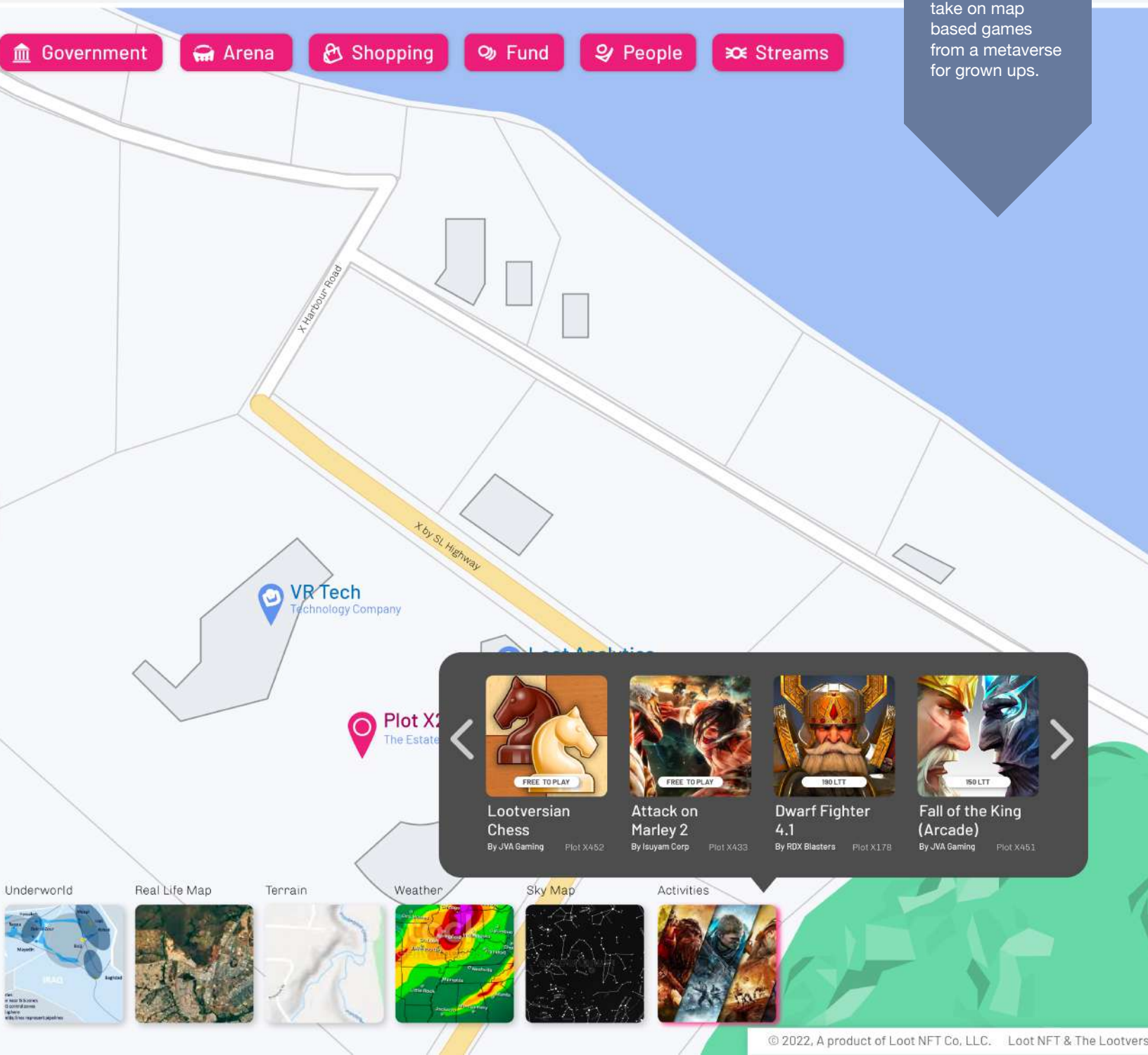


Fig. 17: Wars in Lootverse

(h) A World of Possibilities

The Lootversion map can be used for activities designed by portal operators. E.g., using the map as a chessboard and introducing pieces as elements that move on the map; maybe, a snake and ladders game and even scavenging and treasure hunt activities. By searching the map areas for these, Lootizens can enjoy fun activities from Lootversion portal operators.

Fig.18: A different take on map based games from a metaverse for grown ups.



F IMPORTANT UPDATES (PRIOR KNOWLEDGE REQUIRED)

F.1 The following name changes will apply when the new map gets released.

The Isle of Fund will be renamed **The Medici Principality**

HABN Island will be renamed **The Isle of Talos**

The Kingdom of X by SL will be renamed **The Kingdom of Xbysl**

Territorio LTT ST will be renamed **El Territorio**

The NFT land title documents will not change. Instead, a statement of change of realm will be tagged to the relevant title documents, much like is the case in the real world, and form an inseparable part of the plot NFT title documentation.

F.2 The God Matrix

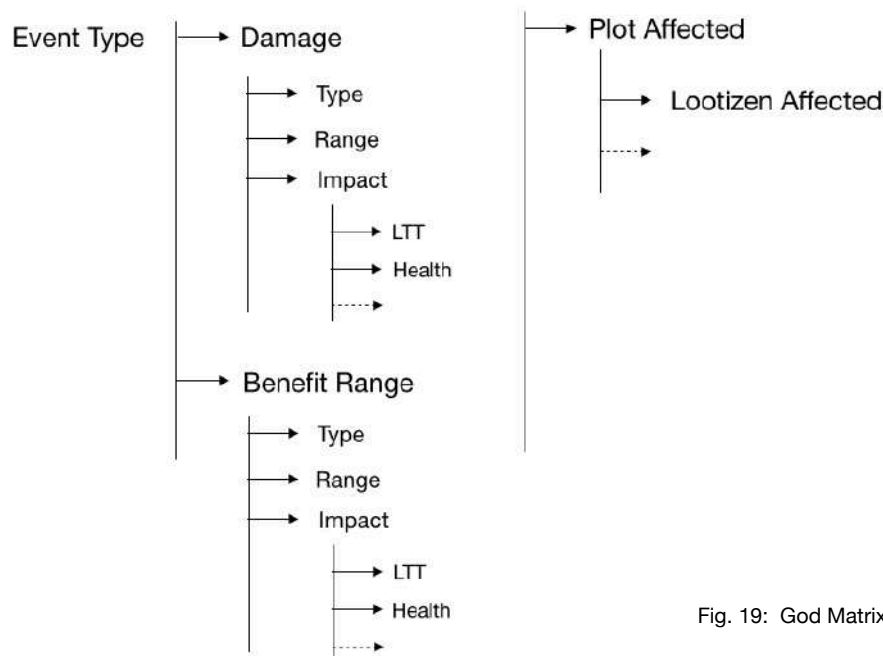


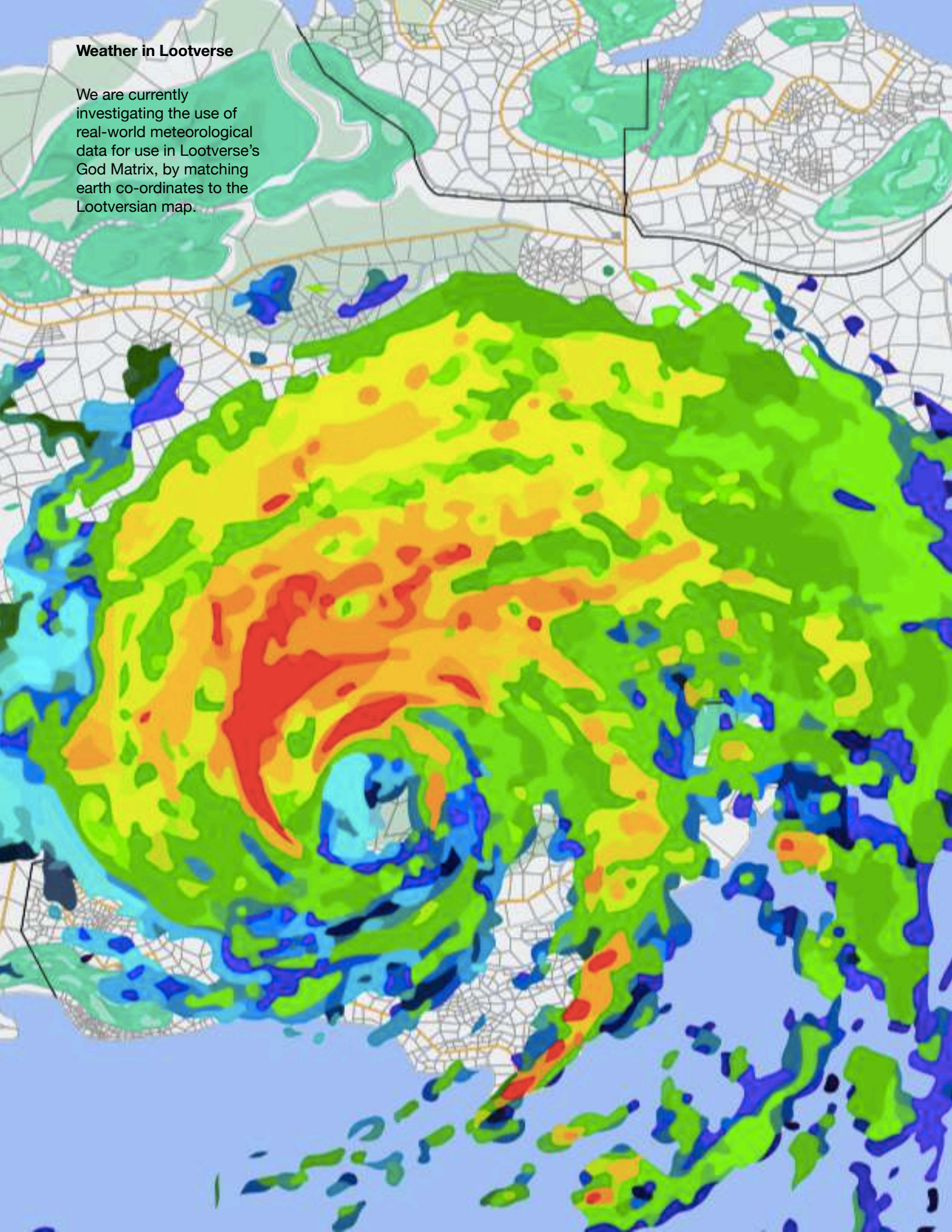
Fig. 19: God Matrix Structure

(a) The God Matrix can impact the LTT or Health Points owned by Lootizens. While Health Points that can be lost are not limited, the God Matrix can only impact up to 5% of LTT holdings per event.

(b) We are investigating the use of real meteorological data from earth to be overlain as part of the God Matrix functionality (e.g., natural disaster on earth, impacting Lootverse at relevant coordinates).

Weather in Lootverse

We are currently investigating the use of real-world meteorological data for use in Lootverse's God Matrix, by matching earth co-ordinates to the Lootversian map.



F.3 In-World Economy

- (i) The LTT (issued from the Proof of Play protocol in whole numbers) is now fractionalized to 4 decimal places for all interactions. Any fractional rounding beyond 5 decimal places is in favor of the Lootversian core (dust).
- (ii) Product and services from portal owners (or offered for resale) must be listed for Credits for purchase in LTT (at the market price). However, some items in Satoshi's Lounge may be priced directly in LTT (e.g., plots).
- (iii) Products introduced for resale by Lootizens in Satoshi's Lounge are previously sold by (and originate from) portal owners or Loot NFT. The seller receives proceeds from resales in \$LTT (and can be sold for USDC).
- (iv) The world's GDP can be calculated from the economic activity in-world for all purchases made by Lootizens.

F.4 Lootverse Levy

The welfare of our ecosystem matters. The Lootverse Levy (LL) is implemented to reward Lootizens and ensure the proper management of Lootverse. Fees charged vary based on the type of activity. No LTT is received by Loot NFT; for services or items it provides, LTT is burned (removed from circulation).

- (i) The Lootverse Levy is automated and charged as follows:

- (a) All economic activity from a plot (for a total of 10%).

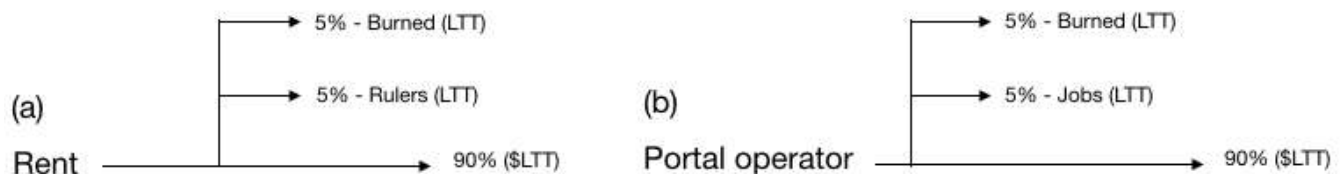


Fig. 20: Lootverse Levy - Land Activity

(b) Satoshi's Lounge sales (10% for Lootizen sales and 100% for Loot NFT sales).



Fig. 20: Satoshi's Lounge (different contributions)

(i) The God Matrix Pool rewards Lootizens at random as part of a benefit event.

(ii) The Lootverse Levy does not apply to rewards given.

(c) \$LTT sales to USDC, and Commodities sales to \$LTT.

These sales can only be initiated through Lootverse's X-Bridge. There is a 5% Lootversian fee to convert \$LTT and Commodities using the X-Bridge. Fees are charged in USDC or \$LTT on successful conversions.

(d) 2% of all LTT burned is sent to the plot S and T reward pools. This is shared amongst plot owners that have minted stories in the Royaume De Satoshi (W-S), and El Territorio (W-T).

F.5 Cross-World and In-World Tokens

(a) Two wallets facilitate and simplify transactions in Lootverse.

(i) A Cross-World wallet receives consideration for services rendered, convertible in-world tokens, or products sold in-world. \$LTT can be sold for USDC and commodities to \$LTT. These can be sent off-world.

(ii) An In-World wallet is used for all in-world activities (buying plots, collectibles, trading on exchanges, paying portal operator, etc.).

Cross-world wallet items can be transferred in-world wallet items fee-free (i.e., no levy applies).

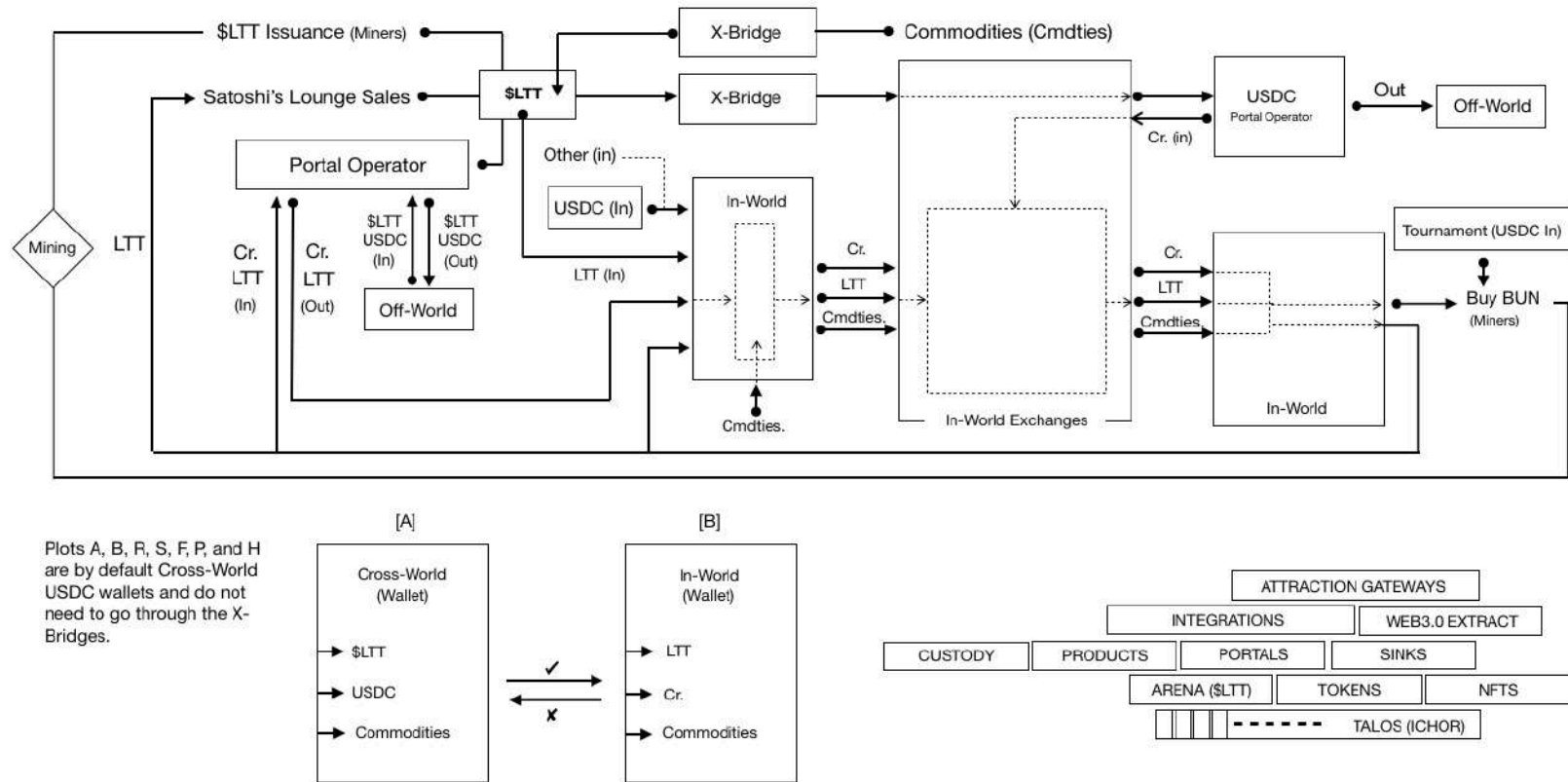


Fig 21: Currency Circulation. Follow the paths to get a full picture of the inputs and outputs to Lootverse.

(b) Sellers use an exchange connector (when that functionality is released) to automatically place a sell \$LTT order for USDC that can be extracted out of Lootverse.

(c) Sellers that do not use the bridge cannot receive USDC. It is essential for compliance purposes that the sale of an item or payment for services be directly connected to the tokens received from such sales. Sales can be for various items, including NFTs.

(d) A note of caution: the above is dependent on a robust in-world exchange. Low activity may mean that receiving USDC may not always be instant and may take time.

F.6 Tracking of Physical Items

Verifying and tracking the authenticity of physical goods tied to NFTs are tricky. Several solutions exist, from salting to NFT tags. Indeed, governments face a

similar issue with counterfeit currency. At the same time, the precious gems industry does not have a foolproof way of tracking blood or conflict diamonds, even with several multi-party accords.

To demonstrate the non-scalability of correctly identifying counterfeit items, consider that it is expensive to distinguish lab-grown diamonds and natural diamonds even today. Indeed, DeBeers had to develop an expensive device to detect the difference between natural and lab-grown diamonds.

At Loot NFT, we implemented a process and tools to custody physical items (in use in Loot Arena by curators) to ensure the authenticity of NFT trades. However, once an NFT leaves Lootverse, it is difficult to ensure that the NFT owner is also the owner of the physical item (this could cause a split between physical and digital).

An authenticity tracker will soon be introduced, which records the authenticity and owner of the physical piece at the government. Both parties to a sale of an NFT linked to a physical item custodied by the seller must ensure that transfers are appropriately recorded. The tracker is the relevant record of authenticity, not the physical piece. If the seller and buyer do not acknowledge the transfer of the physical piece, future sellers will not be able to prove their ownership of the physical item, and it may be valued less in future resales.

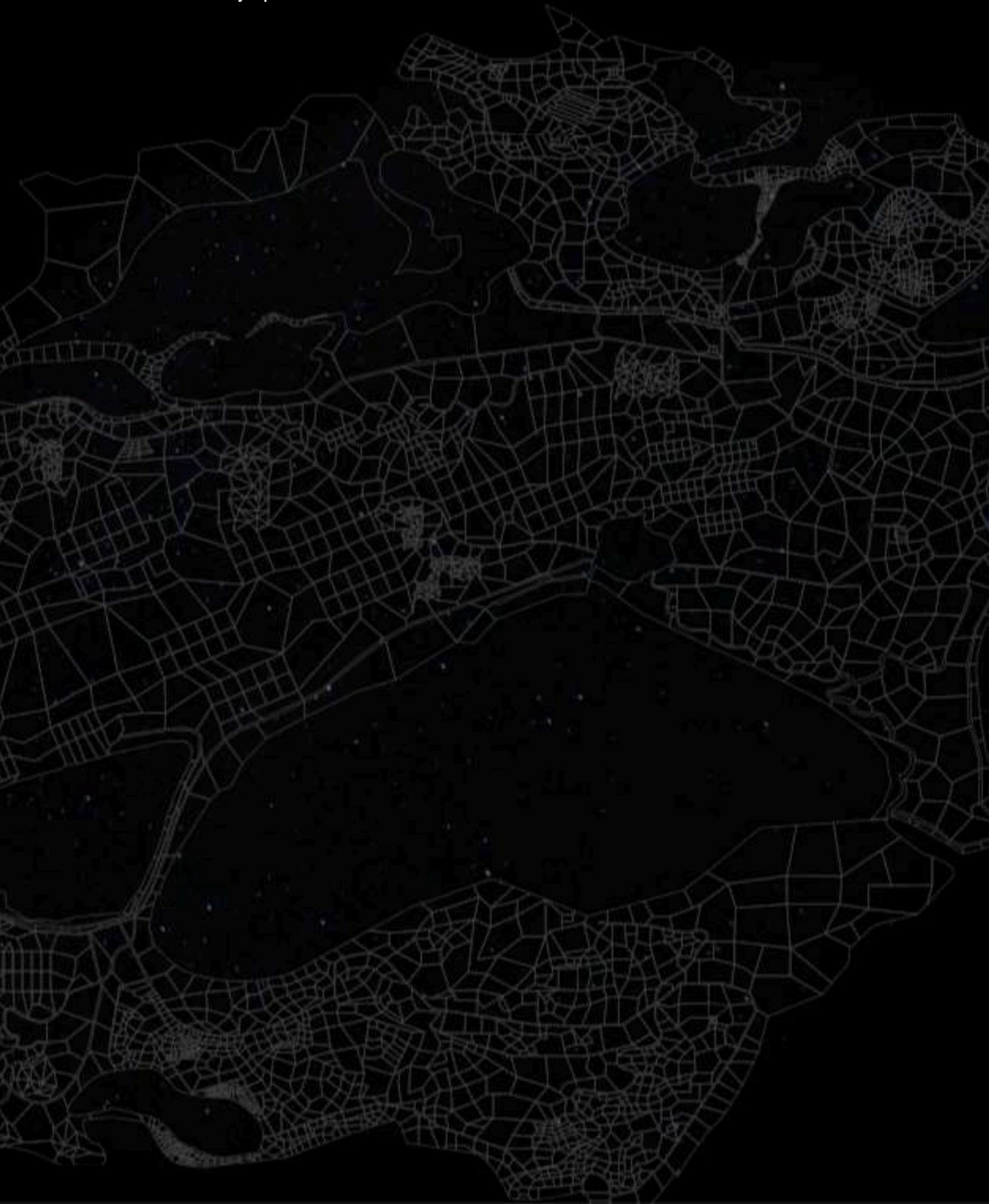
Under this system, counterfeit can become originals and vice versa in the eye of the record of authenticity. The system has some limitations and must start with a sale of an item from the originator (creator) and not apply to items, such as gems, whose physical characteristics can be identified. In our case, it does provide a workable solution for collectibles.

We are already following this process for collectibles of Arena NFTs and will extend this to other physical items sold in Lootverse.

F.7 Skymap

All Arena NFTs populate a Sky Map; NFTs are star or planet names, and the set names are constellation names. Type P plot owners can set the X and Y coordinates and the intensity for Sky Map items. Celestial objects will only be placed in sky plots using the same Lootversian plots as a reflection in the sky. Hence, someone looking for a particular constellation can identify it from a plot number instead of X - Y coordinates.

The Lootversian Skymap



F.8 The Fund

The following upgrades were implemented at the Fund:

- (a) Staking is now under the Wallet section (relocated from Loot Arena).
- (b) NFTs won at Loot Arena are now found under Arena NFTs in the Fund. Re-listing Arena NFTs will be performed from the Fund.
- (c) The introduction of several improvements to Type P, B, and S plot management. Further, the wallet is now sectioned as either Cross-World or In-World (under Wallet tab).

The following upgrades shall be released shortly:

- (c) Building, Units, and Plant NFTs to be accessed from the *Structures* tab.
- (d) Licenses to be under the *Portal Operator* tab. These allow Lootizens to manage authentications, create and sell NFT products, add Health Points, etc.
- (e) Other in-world NFTs to be under a new tab, In-World Items, which contain the ability to manage NFT Stories, War Game NFTs, and other items owned in-world. These can be re-listed for \$LTT (via Satoshi's Lounge).

F.9 X By SL

We had initially planned a standalone site for X by SL, which we, in fact, almost completed building, along with hardware devices for which we had manufactured prototypes.

After consideration, we decided to shelve those for the time being and include X by SL, X by Satoshi's Lounge, in Satoshi's Lounge itself. X by SL will list Arena NFTs, including Stars Arena and Re-Listed Arena NFTs. In time, honor-based auctions with honor LTT and exclusive items can be listed by curators.

We believe that transacting in LTT is better for the entire ecosystem and for stakers to receive rewards instantly in both Cr. (1.5% of all BUN sales) and LTT (from all sales and resales in SL).

Regarding the hardware units: we see our evolution more from an app perspective in the short term while we take stock of the various mobile, VR, and AR developments before progressing towards a hardware play.

F.10 Talos

When we started this journey, we had big plans for HABN as a low-cost metaverse-focused blockchain. Today, with the looming rebranding of HABN to Talos, we are not far from achieving this aim.

As an EVM-compatible blockchain, we have successfully tested the ability to send \$LTT and NFTs directly from a portal in-world to Metamask, which facilitates Web 3.0 integrations with portal operators for extraction off-world. The current HABN explorer will be updated and rebranded to **Taloscan**. At the same time, Storage Plus will become a **Talos Document Management System** allowing blockchain notarization of documents in Talos to everyone. These will be accessible from portals in Lootverse as well.

(i) Why Talos for the Metaverse

Talos' rebranded gas (HABX) will be termed ICHOR and available to in-world exchanges. The ICHOR is designed to be at a significantly low cost since the network's economic benefit is linked to the Type H plot and not the sale of the ICHOR itself. 1 Type H plot exists, divided into 15 sub-NFTs that act as validator keys to the network. ICHOR is required as gas in peer-to-peer transfers.

(ii) Real World Applications of Talos driven with LTT

Lootversian applications can be utilized for real-world applications as they replicate real-life interactions very closely.

For example, Loot NFT can offer white label core Lootversian sites to enterprises. They incur fees with a fixed USD price while paying in LTT (i.e., purchasing LTT and paying instantly), which removes volatility entirely with respect to the USD.

Talos can allow businesses and their customers to jump frictionlessly between real-world and metaverse assets while interacting with a fast blockchain-powered technology with negligible transaction fees.

F.11 Land Zonings

(a) Type A, B, R, S, F, P, and H land zonings **cannot** contain buildings or any other structures; hence, they cannot have residents, portals, or Portal Operators. These are to be considered government land. They can, however, be used to create plot stories. **These plots cannot participate in wars.**

(b) Type F will be reduced from 13.5% to 12.5% of BUN sales, with the extra 1% going to Type H, such that type H is now 1.5%. The Type H is allocated to the 15 validators on the Talos blockchain. Any overflow for blockchain fees was anticipated to come out of Type F, but restructuring it in this way makes for a clean separation. The Type F will remain in the custody of Loot NFT to cover the running costs of the Lootversian Foundation, software maintenance, administration, marketing of the ecosystem, as previously advised.

F.12 The business model

The business model implemented by Loot NFT for Lootverse is unique and adheres to the decentralization of business operations where only the Lootversian core system is developed and managed by Loot NFT and the Lootversian Foundation.

A Fantasy central banking unit (miners and curators), world builders (developers), and portal operators (businesses) provide the relevant layers of interaction for that core. When complete, Lootverse residents can then come in for entertainment (games, concerts, etc.) and artistic exploration in multi-reality.

Our ecosystem is currently in the world builder's stage, and several participants are making in-roads in partnerships with large organizations to access the metaverse and the NFT field independent of the efforts of Loot NFT. Could we see a real-world property duplicated in Lootverse whereby purchasing that property would also grant ownership of the property NFT and virtual reality environment in Lootverse? Or could someone buy LTT with mileage points from an airline or points from MGM to be used to play at a hotel in our parallel world? Time will tell.

The resultant Lootversian environment with its sophisticated details is geared to provide an unparalleled level of realism, depth of history, and sophistication to the end-users. For example, take a plane from the airport of the Great Empire to the Isle of Talos? Or a cruise around the islands in VR?

Further, as an enterprise-grade software, businesses can build their own worlds using the Lootversian core. For example, they can place a planet in the Sky Map, that when visited shows the map of their world. They can create their own Talos token that uses LTT for gas. This can save significant amount of time and money.

How is this achieved? Instead of centralizing the build and management process with employees operating all of the elements of Lootverse, Loot NFT instead provides a stable infrastructure for the portals that can be built within Lootverse and collaborates with stakeholders that are themselves investing in their enterprises. Some of those third-party businesses are valued at several millions of dollars even at this early stage.

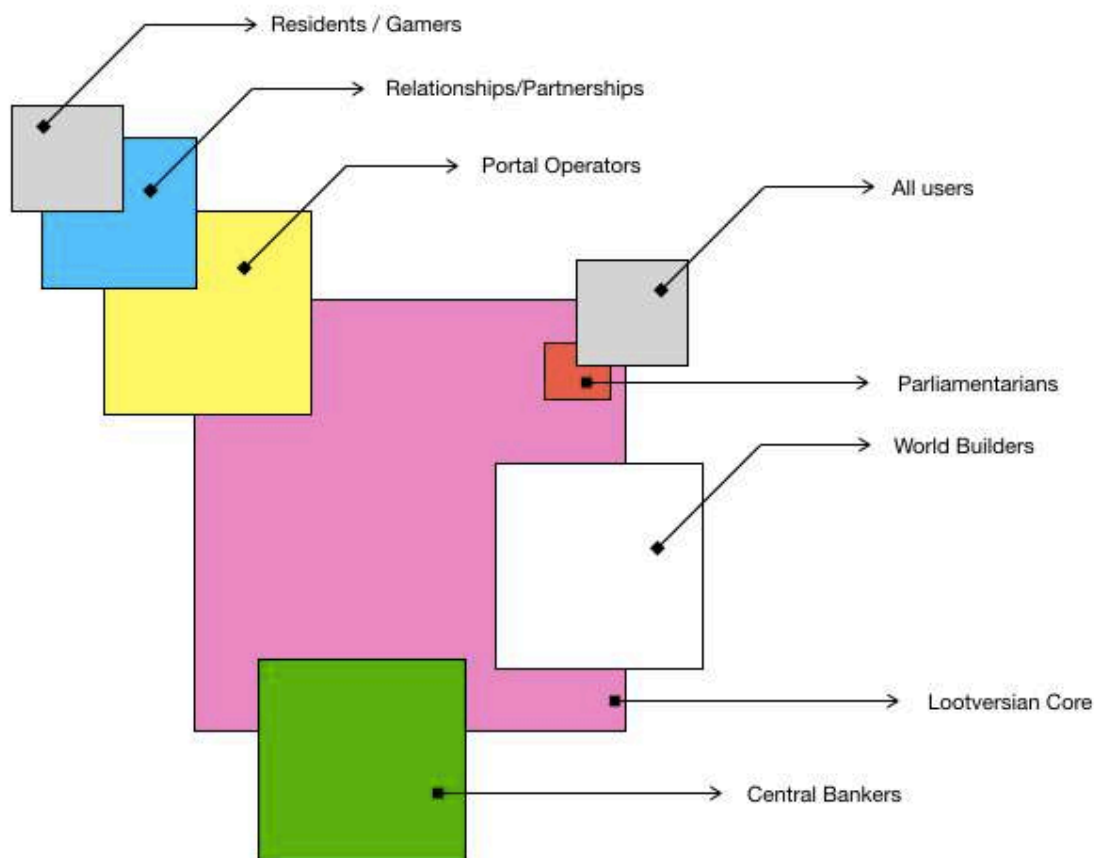


Fig 22: Currency Circulation. Follow the paths to get a full picture of the inputs and outputs to Lootverse.

The challenge is in aligning the incentives of stakeholders to solve this gigantic puzzle while removing the maximum amount of complexity for them. When completed, it could represent a tour-de-force in organizational efficiency.

The Loot NFT model is thus more like a joint venture between several third-party partners and a business to business to consumer product.

F.13 Marketing and Communication

The way we describe Lootverse continues to evolve due to its highly innovative nature. With each passing iteration, our language becomes more refined and focused. Loot Arena, which was once the focus of Lootverse, is now a cog in the puzzle pieces that create Lootverse.

We work hard to keep our community free of shillers, spammers, and moon boys and will continue to conduct regular clean-up of our Telegram group, which is provided as a customer service and discovery channel. Our Telegram channel is not to be used for future value speculation.

We have recently grown our in-house marketing personnel and engaged leading professionals in the advertising space to help with the task of attracting the right users at particular points in time.

(i) Targets from a marketing perspective.

We are currently transitioning from the central banking (Loot Arena) phase to that of the world builders. While less complex than the central banking phase, there is still a significant learning curve for world builders (this stage is not for everyone). We anticipate that the overwhelming majority of Lootverse's future users (>99%) will be in the resident's phase (simplistic user experience).

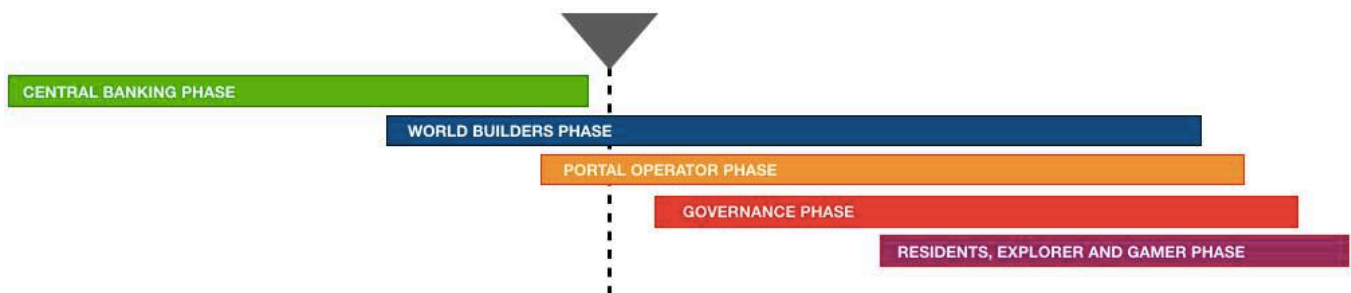


Fig 23: The various business stages of Lootverse.



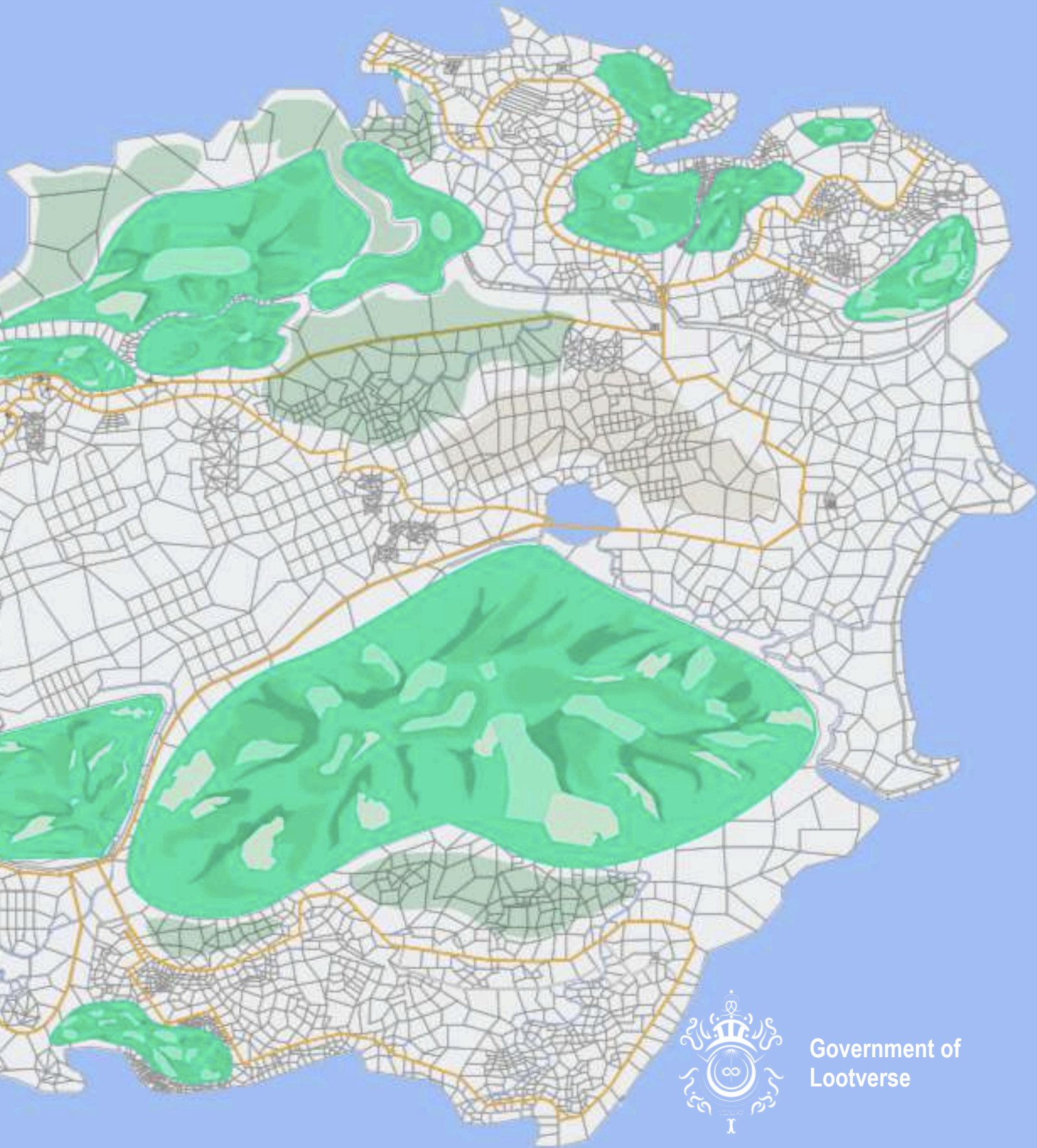
CONCLUDING REMARKS

All seven core sites of Lootverse are now deployed. They may still be visually rudimentary and missing features and functionality, but this is a necessary step to get to maturity.

Lootverse's metaverse project is a long-term commitment. We will continue to execute our goal with the diligence, care, open dialogue, and the radical transparency we have employed so far.

We know that there will be difficult times, that we will have to iterate and fix mistakes, but we will nevertheless progress one step at a time, together, until we reach our destination.

Collectively, we are bigger than just a metaverse.



Government of
Lootverse