

## QSA TOKEN HOLDER PRIZE CONTRACT

- I. This agreement (the "Contract") is issued for the sole benefit of Quinto S.A. a Costa Rica Company ("Sponsor") and the QSA Token holders' ("Holder"). **BOTH PARTIES AGREE THAT THE QSA TOKENS DO NOT REPRESENT OWNERSHIP IN QUINTO S.A. AND DOES NOT CONSTITUTE A SECURITY. CONTRACT IS NOT AN INSURANCE POLICY AND HOLDER(S) ARE NOT AN INSURANCE COMPANY. PERFORMANCE UNDER THIS CONTRACT IS NOT COVERED BY ANY STATE GUARANTY ASSOCIATION.** Holder's liability is limited to the actual cost of the contingent prize(s) described in this Contract and payable by Sponsor to the verified winner(s) of their games described in Exhibit A. Compliance by Sponsor and all verified winner(s) with the applicable terms of this Contract and the official rules of the Sponsor games promulgated by Sponsor ("Sponsor's Official Rules") is a condition precedent to Holder's duty to pay the contingent prize(s) scheduled in this Contract. Unless otherwise specified herein, the fee(s) payable to Holder(s) hereunder are non-refundable and are fully earned on the specified due date. Both parties agree that all valuation within the contract is based on Bitcoin, and when referencing Bitcoin in monetary terms, the following symbol will be used "₿".

### II. EXHIBITS

**Please see applicable exhibits for detailed specifications on each Product/Service provided for under this Contract.** Every exhibit, schedule and other appendix attached to this Contract and referred to herein is hereby incorporated in this Contract by reference:

- a. **Exhibit A** - Terms & Conditions applicable to award prize winning events attached hereto is an integral part of this Contract. Holder(s) liability is triggered by events scheduled and defined in Exhibit A.

### III. OFFICIAL RULES

The parties hereto acknowledge that Sponsor must prepare and post Sponsor's Official Rules which must be readily available to all potential contestants and must reflect the terms and conditions of this Contract, including specifically the following terms:

- a. Employees, agents, successors, and assignees of Sponsor, its advertising agencies and promotional companies involved, as well as family and household members of same, shall be ineligible to participate in the jackpot games and shall be ineligible for any prize covered herein.
- b. Where Sponsor's Official Rules conflict in any way with the terms of this Contract, the conflict shall be resolved according to the terms in this Contract. Sponsor is responsible for any and all prizes payable under the terms of Sponsor's Official Rules which are not in compliance with or payable under the terms of this Contract. Sponsor warrants that Sponsor's Official Rules comply with all applicable laws and regulations.

### IV. CONDITIONS

- a. If the actual conditions of any game differ in any material way from those stipulated in this Contract or amendments thereto, Holder(s) incurs no liability unless such changes have been made seven (7) days prior to commencement of the change.
- b. Holder(s) are not a party to or involved in the conduct of Sponsor games. Sponsor agrees to indemnify Holder(s) for any claims initiated as a result of Sponsor's implementation or conduct of their games.

- c. All copyright, trademark and other intellectual property rights currently owned by the Sponsor shall remain the property of the respective owner.
- d. 80% of Holder(s) initial funds must be placed in a specified cold wallet (“Escrow”) for the sole purpose of fulfilling this contract. Sponsor must show proof of such Escrow to any Holder upon request within 24 hours of such request.
- e. Unless otherwise specified herein, any prize liability, incentive bonus, risk of excess redemption or performance award for which Sponsor has contracted with Holder(s) hereunder shall not be indemnified, guaranteed or insured by any other entity.
- f. The Contract shall be governed by Costa Rican law and the parties submit to the exclusive jurisdiction of the Costa Rican courts.
- g. This Contract, including exhibits and attachments, represents the entire final agreement between Sponsor and Holder(s), and supersedes any prior agreement, oral or written. If any provision(s) of this Contract is unenforceable, all other provisions remain in full force and effect.

## **EXHIBIT A TERMS & CONDITIONS**

Holder(s) agrees to have funds put into the following bitcoin cold wallet address:

[1QSA1G8VhAbUNrx65vLnhRqQZrnB4Fw6P](https://www.blockchain.com/btc/address/1QSA1G8VhAbUNrx65vLnhRqQZrnB4Fw6P)

as (“Escrow”) specified herein and to be awarded in conjunction with the Sponsor's Office Rules. Any Escrow funds will only be released in conjunction with a jackpot game winner and the Sponsor's Office Rules and/or to redeem QSA Tokens from the Holder(s) according to the Reimbursement Schedule. Participants are eligible to receive such prizes if the participant complies with the Terms & Conditions contained herein that relate to the participants. Holder(s) understand that there is a risk of losing all Escrow funds, and Sponsor puts this risk factor at **3.358%** should all jackpots hit at once. Sponsor's agrees to only use the necessary funds to cover the difference between funds collected and jackpot game winner.

### **1. SPONSOR’S PRE-CONTRACT DUTIES**

- a. Cover page and Exhibit A - Terms & Conditions;
- b. Promulgation of Sponsor’s Official Rules that comply with the terms and conditions of this Contract.

### **2. OBLIGATIONS OF SPONSOR AND HOLDER(S) AND REQUIREMENTS FOR PRIZE REIMBURSEMENT**

- a. Sponsor agrees to collect funds on all games to reduce the potential risk to Holder(s).
- b. Cover page and Exhibit A - Terms & Conditions;
- c. Sponsor agrees to only use Escrow for jackpot prize reimbursement and must only use the required funds to make up the difference between the collected funds and actual prize payout., within the following games:

#### **I. LOTTERIES**

- A. Sponsor is responsible for collecting all picks for each drawing into a file (“Results”) that is verifiable through any third-party SHA-512 checksum and made public on Sponsor’s website prior to the actual drawing as specified herein.
- B. In no instance shall Holder(s) be liable for prize payment for any entry not included within the Results, as described above.
- C. In the event of a jackpot winner(s), Holder(s) agrees to verify claim within 48 hours of drawing, and Sponsor will release the Escrow to pay a valid claim within 24 hours thereafter.
  - i. **QuintoBTC Lottery**
    - QuintoBTC Lottery drawings are held at 23:00 UTC (11pm UTC) on the 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup>, 25<sup>th</sup>, and 30<sup>th</sup> of every month (except February) and shall begin on January 5, 2019.
    - Maximum Holder(s) responsibility is: ₱500.00
  - ii. **5:55 LOTTO**
    - 5:55 LOTTO drawings are held at 5:55 UTC every Monday, Wednesday, and Saturday and shall begin on January 5, 2019.
    - Maximum Holder(s) responsibility is: ₱2.00

iii Daily 4 Lottery

- Daily 4 Lottery drawings are held at 16:00 UTC (4pm UTC) daily and shall begin on January 5, 2019.
- Maximum Holder(s) responsibility is: ₱0.20

iv Super 10 Lottery

- Super 10 Lottery drawings are held at 10:00 UTC and 22:00 UTC (10am UTC and 10pm UTC) daily and shall begin on January 5, 2019.
- Maximum Holder(s) responsibility is: ₱0.10

**II. BINGO**

A. In the event of any guaranteed bonus prize, Holder(s) agrees that Sponsor's can release Escrow to pay the claim. There is no holding period in BINGO as the risk to Holder(s) is less than 0.50%.

i **Bonanza Bingo**

- Bonanza Bingo is played every 3 minutes.
- Maximum Holder(s) responsibility is: ₱1.00

ii **ThreeUp Bingo (2) games**

- ThreeUp Bingo is played every 2 minutes.
- Maximum Holder(s) responsibility is: ₱0.25

**III. DICE**

A. In the event of a jackpot winner(s), Sponsor will withhold funds up to 72 hours to verify any jackpot claim.

B. Maximum Holder(s) responsibility is: ₱100.00

i Dice jackpot payout varies between (0.01% to 100.00%) based on ₱0.01 wager ("Base"). Jackpot percentage is calculated by taking the minimum between wager amt and Base, divided by Base. Examples of percentage calculation:

- Wager amount of ₱0.00025 would receive 2.5% of the jackpot amount,
- Wager amount of ₱0.0025 would receive 25.00% of the jackpot amount,
- Wager amount of ₱0.025 would receive 100% of the jackpot amount

ii The overall odds of winning a jackpot is 100,000,000 to 1.  
(See Sponsor's Office Rules for more detail information)

**3. TOKEN FEE SCHEDULE**

Sponsor agrees to collect up to 15%<sup>1</sup> of jackpot wagering from all jackpot games set out in paragraph 2(c) above and receive a transfer of said earnings weekly at Midnight UTC every Sunday to Escrow account for a period of two years (not beyond Midnight UTC on June 01, 2021) or the collected reserve on each individual game account equaling two times (2x) guaranteed jackpot prize payout for each individual game, whichever comes first. This fee is designed to recoup the actual cost of each outstanding QSA token, with a reasonable usage fee, instead of advance payment as is standard on most risk management promotional contracts.

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<sup>1</sup> Actual fee is calculated by (QSA tokens issued / QSA token available) \* 15%

#### **4. REIMBURSEMENT SCHEDULE**

In the event that Escrow account has available funds for payout, Sponsor must initiate reimbursement to Token Holder(s) no later than Midnight UTC on July 01, 2021. Sponsor has the right to buy back Tokens at any time should the Token Holder be willing to sell back to Sponsor. Sponsor is not responsible for any lost or stolen token. Token Holder(s) have until Midnight UTC on January 01, 2022 to turn in their tokens for reimbursement, any remaining funds in Escrow after this date will become the property of the Sponsor.

#### **5. TERMINATION**

- a. Sponsor may terminate this Contract upon thirty (30) days written notice for any reason. Upon such termination, Sponsor shall return any escrow amounts not yet reimbursed pursuant to the Reimbursement Schedule in paragraph 4.
- b. In the event that this Contract terminates because the maximum number of prizes available under the Contract are won or the Contract has expired on its terms, then Token Holder(s) and Sponsor agree to negotiate a new contract in good faith as expeditiously as reasonably prudent.

#### **6. MISCELLANEOUS**

- a. Token Holder(s), and any affiliated companies and insurers, are not responsible for any late, misdirected or incomplete entries, effects of hackers, or failure of any electronic equipment, computer transmissions and/or network connections. Token Holder(s), and any affiliated companies and insurers, are not responsible for any inaccuracies in information which may be used in the Lottery, or for any technical or human error which may occur in the processing of the entries, unless this is as a result of matters under the control of Token Holder(s), provided however, notwithstanding any other provision to the contrary, that Token Holder(s) will not be liable for prize reimbursement unless the winning entry (identical to the corresponding entry in the checksum) in accordance with the procedures set out in paragraph 2(c)(I)(A) above.
- b. Token Holder(s), and any affiliated companies are not responsible for lost, interrupted or unavailable network server or other connections, mis-communications, failed telephone or computer or telephone transmissions or technical failure, jumbled, scrambled or misdirected transmissions, or other error of any kind whether human, mechanical or electronic. Persons found tampering with or abusing any aspect of Sponsor's games, as solely determined by the judges, will be disqualified. If disqualified for any of the above abuses, Sponsor reserves the right to terminate a contestant's eligibility to participate. In the event any portion of the games are compromised by virus, bugs, non-authorized human intervention, hackers or other causes beyond the control of Token Holder(s) or Sponsor which corrupts, or impairs the administration, security, fairness or proper play of the games, Sponsor reserves the right, at its sole discretion, to suspend or terminate all or part of any game. Token Holder(s), and any affiliated companies are not responsible for any entry, which is generated by computer hardware or software, malfunction, error or failure, or is tampered with or subject to any non-authorized human intervention, unless this is as a result of matters under the control of Token Holder(s), provided however, notwithstanding any other provision to the contrary, that Token Holder(s), will not be liable for prize reimbursement unless the winning entry (identical to the corresponding entry in the checksum) in accordance with the procedures set out in paragraph 2(c)(I)(A) above.