

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 9, 2023

LOTTERY.COM, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-38508 (Commission File Number)	81-1996183 (IRS Employer Identification No.)
20808 State Hwy 71 W, Unit B, Spicewood, Texas (Address of principal executive offices)		78669 (Zip Code)

Registrant's telephone number, including area code: **512-592-2451**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	LTRY	The Nasdaq Stock Market LLC
Warrants to purchase one share of common stock, each at an exercise price of \$11.50	LTRYW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On March 13, 2023, Lottery.com Inc. (the “Company”) received a notice (the “Notice”) from The Nasdaq Stock Market LLC (“Nasdaq”) stating that, as a result of the resignation of Naila Chowdhry from the Board of Directors of the Company and the Audit Committee and Compensation Committee of the Board of Directors (as discussed in Item 5.02, below), the Company is not in compliance with Nasdaq Listing Rule 5605, including Rule 5605(c)(2), which requires the Audit Committee of the Board of Directors (the “Board”) to consist of at least three members, each of whom is an independent director under the Nasdaq Listing Rules and who meets heightened independence standards for Audit Committee members.

The Notice indicates that consistent with Listing Rule 5605(c)(4), Nasdaq is providing the Company a cure period to regain compliance as follows: (a) until the earlier of the Company’s next annual shareholders’ meeting or March 9, 2024; or (b) if the next annual shareholders’ meeting is held before September 5, 2023, then the Company must evidence compliance no later than September 5, 2023. In the event the Company does not regain compliance by this date, Nasdaq rules require the Staff of Nasdaq to provide written notification to the Company that its securities will be delisted. At that time, the Company may appeal the delisting determination to a Hearings Panel.

While the Company can provide no assurances as to timing, the Company plans to identify a new independent Audit Committee member as soon as practicably possible to regain compliance with the Nasdaq Listing Rules.

Separately, as previously disclosed, on August 24, 2022, the Staff notified the Company that the bid price of its common stock had closed at less than \$1 per share over the previous 30 consecutive business days, and, as a result, did not comply with Listing Rule 5550(a)(2) (the “Rule”). In accordance with Listing Rule 5810(c)(3)(A), the Company was provided 180 calendar days, or until February 20, 2023, to regain compliance with the Rule. On February 23, 2023, the Company received a determination letter from the Staff advising the Company that the Staff had determined that the Company had not regained compliance with the Rule and that the Company was not eligible for a second 180 day period as the Company has not filed its periodic reports with the Securities and Exchange Commission (the “SEC”) and Nasdaq, for the quarters ended June 30, 2022 and September 30, 2022, and it no longer complied with Nasdaq’s Listing Rules for continued listing. Nasdaq also confirmed to the Company in its February 23, 2023 letter that the failure to timely file those periodic reports each serve as separate and an individual basis for delisting.

The Company had until 4:00 p.m. Eastern Time on March 2, 2023 to request an appeal of this determination, which appeal was timely requested. If the appeal is not granted, then, the Company’s common stock and warrants will be delisted from the Nasdaq Global Market and trading of the Company’s securities will be suspended, and a Form 25-NSE will be filed with the SEC which will remove the Company’s securities from listing and registration on The Nasdaq Stock Market.

Hearings are typically scheduled to occur approximately 30-45 days after the date of the hearing request. A request for a hearing regarding a delinquent filing will stay the suspension of the Company’s securities only for a period of 15 days from the date of the request, provided that when the Company requests a hearing, it may also request a stay of the suspension, pending the hearing, and the Company has requested a stay of the suspension. A hearings panel will review the request for an extended stay and notify the Company of its conclusion as soon as it is practicable but in any event no later than 15 calendar days following the deadline to request the hearing. In deciding whether to grant an extended stay, a the panel will consider the Company’s specific circumstances, including the likelihood that the filing(s) can be made within any exception period that could subsequently be granted, the Company’s past compliance history, the reasons for the late filing, corporate events that may occur within the exception period, the Company’s general financial status, and the Company’s disclosures to the market.

At the panel hearing on the delisting, the Company intends to present a plan to regain compliance with the Rule and to file the Company's deficient quarterly reports for the quarters ended June 30, 2022 and September 30, 2022. In this regard, the Company is continuing to work to become compliant as quickly as possible and is continuing to work to make progress in completing its amended 2021 Annual Report on Form 10-K for filing with the SEC.

There can be no assurance that the Company's plan will be accepted by the hearings panel or that, if it is, the Company will be able to regain compliance with the applicable Nasdaq listing requirements, or that a hearings panel will stay the suspension of the Company's securities. If the Company's securities are delisted from Nasdaq, it could be more difficult to buy or sell the Company's common stock and warrants or to obtain accurate quotations, and the price of the Company's common stock and warrants could suffer a material decline. Delisting could also impair the Company's ability to raise capital and/or trigger defaults and penalties under outstanding agreements or securities of the Company.

Item 4.01 Changes in Registrant's Certifying Accountant.

As previously reported in the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on October 24, 2022, on October 7, 2022, the Audit Committee of the Board of Directors of the Company approved the engagement of Yusufali & Associates, LLC, ("Yusufali") as the Company's new independent registered public accounting firm, effective immediately for the fiscal year ended December 31, 2022.

Subsequently, on March 6, 2023, the Company's Audit Committee also engaged Yusufali as the Company's independent registered public accounting firm, to re-audit the Company's financial statements for the fiscal years ended December 31, 2021 and 2020.

As previously disclosed, during the fiscal years ended December 31, 2020 and December 31, 2021, and through October 7, 2022, neither the Company, nor anyone on its behalf, consulted with Yusufali regarding: (i) either the application of accounting principles to a specific transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, or (ii) any matter that was the subject of a "disagreement" (as that term is defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) or a "reportable event" (as that term is defined in Item 304(a)(1)(v) of Regulation S-K).

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Director

On March 9, 2023, the Company received a letter from Naila Chowdhry announcing her resignation from the Company's Board of Directors, effective immediately as of 6:00 p.m. Eastern Standard Time on March 9, 2023 (the "Resignation Letter"). Prior to her resignation, Ms. Chowdhry also served as the Chairperson of the Compensation Committee and served as a member of the Audit Committee.

A copy of the Resignation Letter is filed herewith as Exhibit 17.1 (the "Resignation Letter"), and the description of the Resignation Letter contained herein is qualified in its entirety by reference to the full text of the Resignation Letter which is incorporated by reference into this Item 5.02.

Ms. Chowdhry resigned because of a disagreement with the Company on matters relating to the Company's corporate policies, operations, relationships and governance as described in greater detail in Exhibit 17.1. Specifically, Ms. Chowdhry referenced in the Resignation Letter disagreements with the current Board of Directors regarding the number of independent and internal directors on the Board and the inability of the current Board's ability to resolve urgent Company issues; and the Resignation Letter further makes allegations that the current members of the Board have breached their fiduciary duties.

The Board strongly rejects the allegations made by Ms. Chowdhry in the Resignation Letter and the characterization by Ms. Chowdhry of the Board's actions, by someone who suddenly resigned and departed the Company. Contrary to Ms. Chowdhry's claims, the Company believes that it has taken proper actions, including with respect to its engagement with existing shareholders, the appointment of executive officers and corporate fund raising, among others, that are in the best interests of all of its stockholders and the Company. The Company is seeking legal guidance on how to best respond to Ms. Chowdhry's allegations and is considering legal action.

The Company plans to work diligently to identify and appoint an additional director to fill the vacancy left by Ms. Chowdhry's resignation.

In accordance with the requirements of [Item 5.02\(a\)](#) of Form 8-K, the Company has provided Ms. Chowdhry with the opportunity to furnish the Company as promptly as possible with a letter addressed to the Company stating whether she agrees with the statements made by the Company in response to this [Item 5.02](#) and, if not, stating the respects in which she does not agree. The Company will file any letter provided by Ms. Chowdhry in relation thereto by amendment to this Current Report within two business days after receipt by the Company.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

Exhibit

No.	Description
17.1	Resignation Letter of Naila Chowdhry, dated March 9, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

LOTTERY.COM, INC.

Date: March 15, 2023

By: /s/ Mark Gustavson
Mark Gustavson
Chief Executive Officer

March 9, 2023

Board of Directors of Lottery.com, Inc.
20808 State Hwy 71 W, Unit B
Spicewood, Texas 78669

Gentlemen:

With considerable regret, I, Naila Chowdhry, a member of the Board of Directors (the "Board") of Lottery.Com, Inc. (the "Company"), and Chairperson of the Compensation Committee of the Board, hereby submit my resignation from both positions with immediate effect as of 6 p.m. Eastern Standard Time on March 9, 2023.

General Comments

When I joined the Board on November 10, 2022, I had high expectations that the Board could achieve positive changes within the Company and be a force for its revitalization. Sorry to say, my experience, specifically with the two other Board members, McGahan and Battles, and their singular advisor in London, Nasib Piriye, has convinced me otherwise. I must resign.

Prior to this resignation, the Board of the Company has consisted of only three directors: one in the United States – me, and two in the United Kingdom (London, U.K.), and their special advisor in London, U.K., Nasib Piriye.

In accordance with the Articles of Inc. of the Company and its Bylaws, I have repeatedly voiced my opinion that additional independent as well as internal directors need to be appointed, only to have my requests dismissed by the Board's Chairman, Matt McGahan, without Board discussion or vote. (Had additional independent directors been appointed, it would have allayed some of my issues stated below. Furthermore, added people would hopefully supplement Board members current skill sets in order to achieve a better and more rapid resolution of the Company's problems.)

Rather, however, it would appear that Chairman McGahan, and the other Board member and the special advisor are unwilling to have any additional Board members since such appointments would dilute their control.

In my opinion, the current Board leadership has repeatedly demonstrated an inability to take on or resolve urgent Company issues and have repeatedly demonstrated a callous disregard toward former employees and past and current

contractors, as well as a total disregard for the Company's shareholders. Acting together, they seem intent on doing nothing to repair the severe economic damage incurred to suppliers, former employees and other stakeholders, and have ignored the need for the formulation of a forward-looking business plan, limiting themselves to only attempting to deal with issues on a more-or-less hidden private agenda.

Breaches of Corporate Duty

Additionally, I cite the following dozen events, occurrences and behaviors exemplifying corporate governance lapses by the Board that I experienced during my time as a Board member:

1. I will start with my most troubling discovery since my appointment to the Board: The 8-K filed by the Company with the SEC on September 9, 2022. In it, an unstated "change of control" of the Company occurred without U.S. regulator notification or disclosure nor a majority vote of the Company's shareholders. Under it, Woodford Eurasia Assets, Ltd., a U.K. company, ("Woodford"), promised significant multi-million dollar financing to the Company. Said financing was orchestrated by the Board's current special advisor, Nasib Piriyeve. The "change of control" occurred because Woodford, as a requirement to fulfill the financing promised in the 8-K, required four of five current Board members at the time to resign, and the appointment of replacement directors acceptable to it. I have taken the time to read each resignation letter of the then current Board members (Borders, Thompson, Cohen and DiMatteo) as filed with this 8-K, and find the content of each raising serious legal questions on the legitimacy of what transpired. Per this 8-K, the Company and its shareholders were promised and assured prompt multi-million dollar financing by Woodford which never occurred, much less occurred during the stated time and in the stated amount. So, it can be argued that the changeover of the Board to directors acceptable to Woodford, may be interpreted as a "corporate hijacking" of a distressed U.S. company by parties affiliated with Woodford in the U.K., where Woodford never fully had to deliver on its published commitment. In other words, any legal "due consideration" for the change of control was never paid. Additionally, the successor Board never filed any 8-K subsequently stating what actually occurred, nor ever filed an 8-K stating any modification to the terms of the Woodford financing.
2. I find the independence of Mr. McGahan and Battles highly questionable since they were appointed as successors to resigning prior Woodford-approved directors, in connection with Woodford's September demand for a restructuring of the Board, wherein only directors acceptable to Woodford, would be appointed then and in the future. In each case, Mr. Piriyeve, the principal architect of the Woodford transaction and the continuing liaison with them, was instrumental in these director appointments.

3. Personally, as a director I was acceptable to Woodford only because I am a woman and therefore helped the Company meet new Nasdaq Board membership requirements. However, since my appointment, the Board Chairman, Matt McGahan, Director Battles and special advisor, Piriyeve, have consistently only provided me with Company information on a "need to know basis only", and then only at Board meetings, without any prior discussion of critical topics. Moreover, my comments in Board meetings are often high-handedly dismissed by the U.K. contingent, especially when relevant to any critical Board discussion.
4. Case in point, the Chairman and the special advisor, Piriyeve, have resisted my attempts to obtain (as a director and member of the Audit Committee of the Board) transparency on the amount and use of funds advanced by Woodford to date per the commitment cited in the September 8-K. I was told by Chairman McGahan that Woodford has advanced \$1.25 million to the Company of the September promised loan amounts, an amount far less than what the public and regulators was told. Any accounting for this amount remains hidden and undisclosed. Without the proof of receipt of funds, and especially as a result of the pushback I experienced, I must remain skeptical that \$1.25 million was ever received and that it was spent in accordance with Company policy and needs.
5. Further, my requests for proof of Woodford's ability to fund its total loan commitment as published in the September 8-K have been repeatedly rebuffed. Furthermore, I have no faith, nor any reason to believe, in Woodford's ability to fund said commitment. Additionally, I feel that Chairman McGahan abrogated his duty by allowing special advisor Piriyeve, to determine the final terms and conditions of the loan and securitization agreements with Woodford - wherein the level of securitization granted to Woodford is totally disproportionate to Woodford's funding, and provides a questionable leverage point from which Woodford could confiscate the Company's remaining assets without payment of a proper amount of consideration.
6. Because of Woodford's failure to fund as committed and published, a loan default letter was sent to Woodford by the former CEO, Sohail Quraeshi, with the foreknowledge of the Chairman, which only resulted in his dismissal for the audacity to demand that Woodford honor payment of its loan commitment. Chairman McGahan and special advisor Piriyeve cited "discomfort" with Mr. Quraeshi's acting under his proper authority without their permission (which permission is unnecessary under normal corporate governance standards). (Director Battles tacitly just goes along with them and demonstrates no independent thought or pushback.) Moreover, Chairman McGahan and special advisor Piriyeve have repeatedly shown docile subservience to, and entanglement with, Woodford, which is further highlighted by this action. In other words, instead of supporting Mr. Quraeshi as would be appropriate, the majority of the Board, which is only two members, voted to terminate him.
7. Separately, I was appalled that my role as a director was deliberately marginalized in a high-handed manner by Chairman McGahan and Director

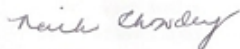
Battles, in their appointment of Mark Gustavson as CEO, by their scheduling of a Board Meeting at 4 a.m. in the morning my time (EST) to make sure that it was inconvenient and difficult for me to attend and to ask questions about this appointment. The veiled intent was so that they could appoint Gustavson without discussion or having to answer my questions about his background and suitability.

8. Additionally, although I was Chairperson of the Compensation Committee, details of Mr. Gustavson's compensation package was and remains hidden from me. Recently, I have been told by the Chairman that his compensation package is still undetermined, and provided with no details of any kind. As Chairperson of the Compensation Committee, this is totally unacceptable. Obviously, Mr. Gustavson must have been assured some level of compensation when taking the job. To date, no compensation for Mr. Gustavson, who has been employed now for a month, has been disclosed to me. Clearly, there is no Compensation Committee except in name only.
9. Inappropriate for a U.S. SEC reporting and Nasdaq-listed company, I was shocked to discover that Chairman McGahan and special advisor Piriyevev together have colluded to control the finances and operations of the Company (such as they are), with the tacit acceptance of the third director, Battles, Chairman of the Audit Committee, They have usurped proper U.S. public company management control in order to run the Company from the U.K., choking off what remains of a U.S.-based management team. Perhaps they think that such action is without consequence since they are out of U.S. jurisdiction. At the least, I highly doubt that the manner of their exerting control and record keeping is in compliance with U.S. public company internal control processes and procedures, and I am unwillingly to accept any representations on their part that they are.
10. As a director, I believe that I was blind-sided deliberately in the February 27, 2023 Board meeting in that Chairman McGahan, Director Battles and special advisor Piriyevev each knew the content of the Nasdaq letter received four days prior on February 23, 2023, but were unwilling to share it with me either before or at the Board meeting, deferring instead to provide me with a copy after the Board meeting ended. Moreover, by not providing me with a copy of the letter either before or during the Board meeting, Chairman McGahan, Director Battles and special advisor Piriyevev prevented me from knowledgably contributing to any constructive discussion about it. Also, I found it embarrassing to read the Company's March 1, 2023, 8-K and press release, neither of which were shared with me before publication, regarding Nasdaq's staff decisions and the Company's appeal. Both response documents in my opinion are poorly written and attempt to mislead the shareholders as to the degree of risk that the Company faces as a result of the Nasdaq letter. Although each response document may thinly meet its legal disclosure requirements, both documents present a more positive outlook than I believe is reality.
11. As pointed out in the March 1, 2023 announcements, the Company faces the

need for the filing of its delinquent financial reports with the SEC. As a member of the Audit Committee, I have been kept in the dark as to the critical issues that need to be addressed. I have no faith that the Audit Committee or the Board will properly meet in order to review in detail the contents of these filings before they are filed with the SEC. (To date, there have been no meetings of the Audit Committee.) Given that the Company has no D&O (directors and officers) insurance, I am unwilling to approve any such filings without a thorough review of their content which in the current environment, I doubt will happen. Especially since Chairman McGahan and Audit Committee Chairman Battles by themselves can approve these filings without my approval, overruling any objections that I may make, while still being able to state that I was a member of the reviewing Audit Committee. Moreover, I have no confidence in Director Battles ability to sufficiently navigate U.S. public company accounting rules, when his experience admittedly by him is solely with U.K. and/or European companies. In other words, by this resignation, I will not be part of this Audit Committee undertaking if it ever occurs.

12. Generally, what I have observed is that the behavior of the Board's Chairman, Matt McGahan and his special advisor Piriye, have repeatedly demonstrated an underlying, unstated self-interest in taking control of the Company in conflict with the interests of the Company's shareholders, and potentially to the advantage of Woodford and possibly other parties undisclosed. I won't be a part of it.

Respectfully,



Naila Chowdhury

Email copies to:

Mark Gustavson

Amar Ali, Esq.

David Loev, Esq.

U.S. Securities and Exchange Commission

U.S. Department of Justice, Southern District of NY

NASDAQ Investigations & Enforcement

markgus@gmail.com

amarali1978@gmail.com

dloev@loevlaw.com

finnegannm@sec.gov

justin.rodriguez@usdoj.gov

Alan.Rowland@nasdaq.com