White Paper

The future of decentralized gambling

DRAFT

Version 3.0

July 2018

eosbet.io

Table of Contents

Abstract

EOSBet is building a commercial-scale casino and innovative gaming platform on the EOS.IO blockchain. We offer a fully feeless, trustless, and permissionless gaming architecture, allowing users to place bets in EOS at zero cost and have absolute certainty all games are 100% fair. Our BET token allows holders to receive dividends from game profits and serves as a voting mechanism for our decentralized governance protocol. The EOSBet team previously built two successful betting applications on Ethereum (becoming a Top 3 Dapp on the network), before focusing our attention fully on the more scalable EOS.IO blockchain. EOSBet addresses the shortcomings of both traditional online gambling companies and other cryptocurrency casinos, mainly: high fees, lack of trust and censorship-resistance, and an inability to scale and provide a fun player experience.

1. Introduction

Our team has been deeply involved in the cryptocurrency space since 2015. As we watched the industry grow, we realized we could add something exciting and new to the cryptocurrency betting scene and build a company capable of upending the online gambling industry. Recognizing that blockchains removed the need for central parties or trusted intermediaries when exchanging value and provide a secure, immutable ledger of all transactions, we set out to build a trustless and permissionless casino, one that handed power, control and trust back to the user. Our goal is to take the essence of what people love about gambling—the thrill, excitement, and ability to quickly hop online and play entertaining games—and strip out everything we hate about the industry—greedy and often shady companies, intrusive sign-ups, high house edges, and poor player experience.

EOSBet fills a significant gap in the $50 billion-dollar online gambling market: despite no shortage of blockchain casino ICOs, there remains no decentralized casino that is actually fun to play or commercially scalable. Tired of all the exit scams and product-less companies, we quickly built two proof-of-concept games on the Ethereum network. These games were huge hits, racking up tens of thousands of plays and consistently ranking us as a top 3 gambling site on various Dapp lists. These games also highlighted the limitations of the Ethereum network and served as a springboard for our move to EOS.IO, a blockchain we believe is powerful and scalable enough to meet our ambitions. In addition to popular table games like Blackjack, Roulette, Craps, and Video Poker, we also plan on developing some innovative and unique game concepts, especially in the multiplayer space.

We've been a community-driven project from the start, which is another reason why we've opted to share game profits and decision-making power with holders of our BET token, rather than require an unnecessary platform-specific token for betting. We will also be holding an airdrop for all EOS token holders.

EOSBet is on track to become the primary casino and one of the first commercially successful projects on EOS, and we aim to be the largest cryptocurrency gambling platform in existence. Join us as we build the world's first truly trustless, permissionless, and high-performance casino!

2. Market Overview

2.1 Gambling Industry at a Glance

At roughly half a trillion US dollars the global gambling market is massive. Online gambling constitutes an increasingly large percentage of this industry: in 2017, the online gambling market was over **US $50bn** and is expected to reach over **US $81bn** by 2022.[1, 2]

The early days of bitcoin saw a number of bitcoin gambling websites popup. Not long after, various online casinos began accepting bitcoin or other cryptocurrencies on their centralized platforms. Since 2014, over 3.7m BTC has been wagered online, equating to around $US30-40 billion in today's prices. These figures are only expected to grow, especially as cryptocurrencies continue to gain mainstream appeal and acceptance.

2.2 Problems with Traditional Online Casinos

Legacy online casinos suffer from a number of drawbacks that make their usage undesirable:

Problem 1: Difficulties with deposits and withdrawals

Traditional online casinos are notoriously unreliable when it comes to cashing in and cashing out. Here is a small sample of common issues:

- Deposits are not credited correctly
- Bonuses or rewards never show up
- Users can only withdraw a small amount of money or only withdraw on certain days
- Users are forced to jump through numerous hoops in order to withdraw
- Predatory conditions exist such as hidden or high withdrawal fees

> **How EOSBet solves this problem:**
> We offer instant withdrawals and deposits. Our website will conveniently integrate with our partner Scatter, the leading browser-based EOS wallet. To start a game, the player calls a function on the contract and sends EOS. The game will instantly process (1-2 seconds, shorter than the animations!) and if you won, the funds will be send directly from the contract to your EOS account.

Problem 2: Games are not verifiably fair and sometimes outright rigged

---

[1] Note: this figure is based on estimates for the legal gambling market. Informal and gray area betting is substantial. Some estimates value the illegal gambling market at over 100% the size of the legal market.
[2] https://www.researchandmarkets.com/research/kct6t8/global_online

Over the past decade there have been countless instances of game results that have been inconsistent with randomness. For example:

- **2007:** Absolute Poker discovered to have stolen (from rigged betting) $1m over a 2-week period
- **2012:** SkillOnNet software, used in over a dozen popular online casinos, found to be inconsistent with statistical norms
- **2013:** Reel Deal and Hi/Lo Gambler found to be running a coin flip game advertising a 100% payout to players, while the true payout was 96%
- **2015:** AmigoTech's results consistently not falling within statistical norms
- In addition, multiple sites have been discovered to have been hiding profit from investors

The Wizard of Odds—the go-to website for online casino information—has blacklisted over 60 gambling sites, a figure that only accounts for the most unethical offenders.[3] Unfortunately, there is no shortage of shady online casinos.

How EOSBet solves this problem:
Every element of our platform, including all our games, is fully transparent and verifiably fair. Our source code is openly viewable on our GitHub page, and will be audited by multiple independent parties before full release. Our games are immutable smart contracts operating on the EOS.IO blockchain, fully viewable beforehand and entirely verifiable during and after gaming sessions.

Problem 3: Burdensome sign-ups and verification

Centralized online casinos require users to create accounts and submit intrusive personal information like utility bills and passport scans. This is often a very time-consuming procedure and a substantial barrier to user adoption. Some sites take days and even weeks to verify these documents. Often, this is only triggered when a user requests to "cash out" in order to dissuade this action and to keep the users money on the casino site.

Many users prefer to play privately, without the specter of their personal identity being tracked to their gambling activity.

---

[3] https://wizardofodds.com/online-gambling/blacklist/ and https://www.casino.org/rigged-casino-guide/

> **How EOSBet solves this problem:**
> If you have an account with any EOS application you're good to go! If not, or if you want to create a separate private account, sign up easily with just a few clicks. We will never ask for any intrusive information from our players!

Problem 4: Platforms are highly centralized

Centralized systems control operations and the flow of information from a single point.[4] Under these systems, all players are directly dependent upon a central power to process information, ensure fairness, keep games running, and pay out winnings to players or investors. As seen above, central authorities frequently fail at these tasks, sometimes due to negligence, but more often than not, due to malice and greed. Industries where trust and transparency are of critical importance are ripe for disruption by decentralized technology. This is especially true for an industry like online gambling, which has undoubtedly earned its shady reputation.

The possibilities of your casino operator opening an account to play against the bank in order to drain funds from investors or absconding to Panama with all the house money are not the only risks you undertake by using a centralized platform. By nature, centralized systems are inadequately fault tolerant and attack resistant. Traditional online casinos have sensitive central points that can be attacked at a much lower economic cost than those of decentralized systems. 74% of Bitcoin gambling websites experienced a DDoS attack in Q3 of 2017, and the online gambling industry as a whole accounted for 34.5% of worldwide DDoS attacks.[5]

> **How EOSBet solves this problem:**
> Operations take place on the EOS.IO blockchain, an entirely distributed and censorship-resistant network. We utilize a decentralized governance system and put decision making in the hands of our users and token holders.

2.3 Problems with Current Blockchain Casinos

There has been no shortage of blockchain-based casinos or casino platforms popping up over the past few years. Some are much better than others, but all of them suffer from one or more of the following problems:

- Burdensome and invasive sign-up procedures
- Require players to purchase, store and use unnecessary platform-specific tokens in order to play
- Boring, stale games

---

[4] Raval, Siraj. "Decentralized Applications." O'Reilly | Safari, O'Reilly Media, Inc., July 2016, www.safaribooksonline.com/library/view/decentralized-applications/9781491924532/.

[5] https://www.incapsula.com/ddos-report/ddos-report-q3-2017.html

- **No functioning products or prototypes**, even well after multi-million dollar ICOs. The few games that do function on the Ethereum network are extremely limited in functionality and user-experience.

As will be seen in the next section, EOSBet addresses each these problems.

3. Why EOS.IO?

Our requirements

Before choosing a blockchain platform for to build upon, our team laid out a list of requirements. It had to:

Our team laid out a list of requirements for the platform. It had to:

- Be suitably decentralized and distributed
- Meet or exceed mainstream performance standards and process thousands of transactions per second (tx/s)
- Allow users to play for little or no cost, and allow the house to cover transaction fees of the users (if any)
- Have the ability to scale to millions of users and host 50+ separate games
- Respect user privacy and allow for anonymous betting
- Be completely transparent, auditable, and offer provably fair gaming

Developing a large-scale commercial-grade platform is a substantial commitment and necessitated we spent ample time conducting due diligence on the proper system to build upon. We began obsessively researching different blockchain platforms, seeing how they aligned with our requirements, and building various small-scale decentralized applications on them (Dapps). After nearly a year of attending conferences and meetups, diving deep into technical whitepapers, and spending hundreds of hours researching existing online gambling sites, we determined that EOS.IO was the best infrastructure to build upon.

What about Ethereum?

Two team members were early adopters of Ethereum and had experience writing in Solidity, so it was an obvious choice to experiment with. Our developers built two fully functional games on the Ethereum network as a proof-of-concept. Although our Dice and Slots games proved to be popular with testers, there were obvious limitations in using Ethereum.

Most notably, **the types of games we could build were severely hindered by the scalability issues and high transaction fees plaguing the Ethereum network**. Even the relatively simple Dice and Slots games we built, which we strongly believe were the most optimized and well-constructed on the network, required a 30+ second wait time for the initial transaction to be mined. This type of latency is simply unacceptable for our users. Additionally, the burden was on the player to pay a transaction fee for each game session they played, which was not what we desired in a platform.

Other aspects of the Ethereum network were severely hindered by Ethereum's rapid growth and inability to scale. Remote nodes (Infura, Metamask) would constantly malfunction, and refused to notify users of their game results. Our third party randomness provider had issues of their own, with severely delayed callbacks, and excessive fees due to rising gas prices. Through our usage of the Ethereum blockchain, as well as third party providers and node infrastructure, it's quite clear that Ethereum is not a scalable blockchain in its present state.

Our development team is well-versed in proposed Ethereum scaling solutions, including proof-of-stake, swapping virtual machines, payment channels, Plasma/Federated side-chains, and sharding. We believe these fixes are either (1) not substantial enough to make the Ethereum network sufficiently robust for building a commercially-scalable smart business, or (2) will not be completed within the timeline we wish to launch and attain a large player base.

EOS.IO is Maximally Scalable

This feature is of critical importance for any blockchain system, as application developers wish to grow and scale their project. In order to usurp billion-dollar legacy online casinos like Paddy Power Betfair, William Hill, and Playtech, the EOSBet platform must be able to handle thousands of transactions per second (tx/s) and hundreds of games.

At present, Ethereum is restricted by the single threaded performance of a CPU. Early test networks witnessed ~25 tx/s, but real-world performance on the network is closer to ~10 tx/s or less. To put that into perspective, a typical exchange executes 100,000 trades per second, and Facebook processes 52,000 requests per second *for likes alone.*[6] In the past, the Ethereum network has been overloaded by transactions, as could be seen during numerous popular ICOs and throughout the Cryptokitties application craze, which led to frustratingly slow transactions and high fees. Since every participating node in the Ethereum network has to validate each transaction sequentially, store transactions on the ledger, and maintain a copy of that ledger, blockchain scalability decreases as network size increases.

---

[6] Dan Larimer presentation at Consensus 2017, https://www.youtube.com/watch?v=MUZWZj1pu94&t=7

EOS.IO has developed a blockchain architecture designed to enable vertical and horizontal scaling of Dapps, which features low latency and extremely high throughout. Using Graphene technology, the EOS.IO blockchain can handle **over 100,000 tx/s**. Deterministic parallel processing of smart contracts will scale the network to **millions of tx/s,** more than enough for our platform and an array of interconnecting apps.

Today, EOS has been shown to successfully process 2,500 tx/s on their current single threaded main net. The present-day EOS blockchain *scales more than two orders of magnitude over Ethereum* and is an obvious candidate for our applications. As an app developer, scalability is paramount, and EOS has shown it can scale.

Superior Consensus and Governance Model

EOS.IO utilizes Byzantine Fault Tolerance Delegated Proof-of-Stake (DPOS) for their consensus algorithm, whereby token holders select 21 block producers through a continuous approval voting system. This is the only known decentralized consensus algorithm proven to support large-scale applications on the blockchain. Ethereum currently uses proof-of-work, with plans to switch to a hybrid proof-of-work and proof-of-stake model. Some contend that DPOS is less decentralized than POW or POS because there are only 21 block producers selected to secure the network. However, it is well understood that, like Bitcoin, Ethereum mining pools are highly centralized. Let's take a look at block production for both systems:

EOS.IO 21 block producers
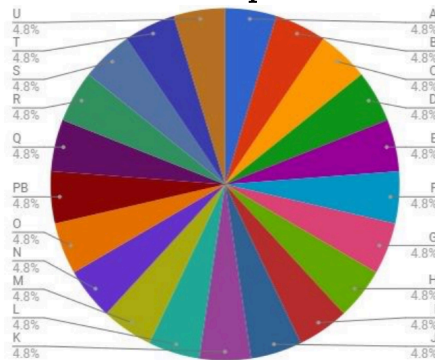
Ethereum top miners, March 2018
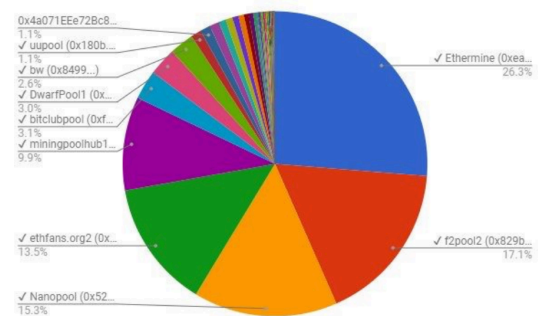
Source: EosSoCal.io

As can be seen, EOS.IO features 21 elected block producers distributed around the globe each validating about the same percentage of transactions, while in Ethereum, 4 mining pools validate about 72% of the network. Two pools control almost 51% of the network.

Further, some contend that Ethereum suffers from the adhocracy of its foundation and the refusal of major stakeholders to recognize the need for governance. EOS.IO places the power in

the hands of the community and creates a legally binding constitution that establishes jurisdiction for disputes. Failed or broken applications in Ethereum (such as the DAO) result in either significant investor losses or contentious hard forks, whereas EOS.IO includes a mechanism to freeze and fix broken or frozen applications. In other words, if the DAO vulnerability had occurred on EOS.IO rather than Ethereum, the issue could have been frozen, fixed and updated without disrupting other applications or requiring a hard fork.

This is clearly a massive benefit for a developer. On Ethereum, if your smart contract is found to be buggy, you will surely lose all your funds. EOS allows developers to "roll back" their smart contracts, and patch bugs as they please. Requiring early stage startups to produce perfect non-buggy code for eternity is misguided, and has caused a multitude of high profile hacks (DAO, Parity, Bancor, etc). Even worse is that the startup itself usually doesn't lose much besides a stain on their reputation. Instead, user's funds are stolen with zero recourse besides a "sorry" message from the startup in question.

EOS.IO is not without its own issues. The first few months after the launch of the main net saw concerns with block producer selection and RAM prices. However, these hiccups are to be expected as we are still in the infancy of this revolutionary blockchain. We have the upmost faith that EOS.IO will be around for the long-term and provide a decentralized architecture upon which hundreds of successful applications and companies will be built.

4. The EOSBet Platform

4.1 High Performance and Built for Scalability

Its only fun playing basic betting games for so long. No one wants to sit and wait for their transactions to process or play the same old tired games again and again. Players deserve action, excitement, and *fun*. This isn't 2012 anymore; there's no reason cryptocurrency games shouldn't be ridiculously entertaining. EOSBet will be offering all the casino classics, as well as our own creations harnessing the unique trustless powers of smart contracts.

The powerful EOS.IO blockchain architecture allows us to provide gaming experiences on par or superior to current leading platforms. We'll be able to build dynamic, blazingly fast games with near-zero latency. We are actively looking into multiplayer games, and hybrid gaming-gambling games using state of the art frameworks like Unity3D.

The future isn't rehashing games popularized by physical casinos on the internet. We have a lot in store, so stick with us on this journey.

4.2 The Best Games Around

EOSBet is not just your typical run-of-the-mill online casino. Sure, we plan to offer some of the most popular table games like Dice, Slots, Blackjack, Roulette, Baccarat, and Craps, but our goal is to push the boundaries of online betting games. To this end, we'll be developing some new and innovative game concepts, especially in the multiplayer space. We'll also be developing some unique variations of popular lottery, crash, and basic battle royale style games. While most of our development will be done in-house, we've also spoken to a number of independent game studios interested in collaborating. Decisions regarding which games to build will be made in a decentralized manner by our token holders and users.

Once we have established our presence online, we plan to develop a number of games for the mobile market, which is projected to have 165 million players worldwide by 2018 (up from 65 million 2013) and over USD 100bn.[7] The timeline for our mobile game rollout depends heavily on the development of the EOS.IO platform and on how quickly we can corner the online cryptocurrency gambling market.

Lastly, while it's not an immediate priority, we eventually hope to make a foray into the virtual reality space, integrating with WebVR's JavaScript API that provides support for a number of virtual reality devices in a web browser. Gamers spend hours playing games like World of Warcraft to unlock in-game items and fighting for in-game currency. Game studios are reluctant to assign real world value to these items and currencies, because it would reduce profits. Utilizing tokenization techniques on EOS, we can allow for the buying and selling of these in-game assets. Gamers can make real money playing our games, something we assume will be very lucrative for skilled players.

EOSBet is not just a casino, nor a gambling company. As the EOS ecosystem matures, we seek to combine gaming and gambling into a new, hybrid class of game. We will allow players to wager their game-tokens on battles and quests, upping the stakes and fun-factor!

4.3 Fully Distributed, Trustless and Permissionless

---

[7] https://www.juniperresearch.com/researchstore/content-commerce/mobile-online-gambling/casinos-lotteries-betting

As most familiar with cryptocurrency know, these attributes are the key reasons to place bets on a blockchain-based platform as opposed to a traditional online casino.

EOS.IO software utilizes a powerful decentralized consensus algorithm called Delegated Proof of Stake (DPOS), whereby token holders on a blockchain adopting the software select block producers through a continuous voting system.[8] Think of EOS.IO as a commercial-scale operating system with 21 distributed nodes serving as the databases and means of verifying the true state of the network. EOSBet will be built and ran entirely on the EOS.IO blockchain architecture, and all operations, including gameplay, dividend payouts, and governance will be executed in a decentralized matter. All EOSBet games and applications will run just as they are programmed with little-to-no chance of downtime, censorship, or third-party interference.

In the simplest terms, **being decentralized and on-chain means that no one *controls* the casino.** The entire platform is fully contract-based and lives on the EOS.IO blockchain. Each game event is executed on the network and becomes permanently part of the blockchain. Our game contracts are **unstoppable**, meaning that they will live on as long as the EOS.IO operating system is alive.

Players are **guaranteed** to have a fair game on our site. For the first time in online gambling history, you don't need to trust the house. Each game will have an accompanying cryptographic proof that you had a fair game, with the exact odds you agreed to.

4.4 100% Feeless

EOSBet will never charge any transaction fees, as all costs of using the network are covered by the platform. No user wants to be nickel and dimed each time they play another hand of blackjack. The presence of transaction fees also acts as an additional *cognitive cost* for users:

> A transaction can't be worth so much as to require a decision but worth so little that that decision is automatic. There is a certain amount of anxiety involved in any decision to buy, no matter how small, and it derives not from the interface used or the time required, but from the very act of deciding.

> Micropayments, like all payments, require a comparison: "*Is this much of X worth that much of Y?*" There is a minimum mental transaction cost created by this fact that cannot be optimized away, because the only transaction a user will be willing to approve

---

[8] https://github.com/EOSIO/Documentation/blob/master/TechnicalWhitePaper.md

with no thought will be one that costs them nothing, which is no transaction at all.

– Clay Shirky[9]

No popular online gambling site charges fees per transaction, and doing so would be a substantial barrier to user adoption. Blockchains use transaction fees as a way to protect against malicious users spamming the network. For instance, in Ethereum, gas fees are used for every calculation and operation, something that can be costly for the user, especially given that fees can spike prohibitively high during periods of increased network activity. EOS.IO solves this issue through use of an ownership model, whereby holding EOS tokens gives a proportional stake in the system's resources.

EOSBet will hold an appropriate amount of EOS tokens granting the platform sufficient bandwidth, storage, and computational power. A sufficient amount of token sale proceeds will be set aside to ensure that the platform can scale in order to meet user demand.

5. Proven and Experienced Company

5.1 Accomplished Track Record of Game Development

In March 2018, we launched two proof-of-concept games on the Ethereum network that were a huge hit with players. We created these beta games for three main reasons:

1. To give our community something to enjoy while we waited for the much-anticipated EOS launch
2. To demonstrate that, unlike what most ICOing (or even post-ICO) companies might have you believe, it's really not that hard to quickly develop a working product
3. To highlight the severe limitations of the Ethereum network as it stands

Below are a few stats from the games before we turned them off to devote ourselves fully to EOS. **Note that these stats were achieved over only 90 days!**
- 7,000+ dice rolls
- 44,000+ slots dials spun

---

[9] Clay Shirky, The Case Against Micropayments
http://www.openp2p.com/pub/a/p2p/2000/12/19/micropayments.html

(As cited in the Steem White Paper, https://steem.io/SteemWhitePaper.pdf)

- 120+ ETH in the bankroll
- $250,000+ wagered on dice alone!

We were consistently a top 3 gambling Dapp on lists like DappRadar and State of the Dapps, and somehow even surpassed $20m+ ICO companies in daily volume and player count. We've been flattered with the usage and reception of these simple games, even though the Ethereum network could barely handle them. The popularity of these Dapps reaffirms that there is a tremendous demand for well-built crypto betting games. We can't wait to leverage the power of the EOS blockchain to build exponentially more fun and exciting offerings for our players!

5.2 Team

The EOSBet team is composed of five professionals with experience in both the online gambling industry and blockchain space. Our talented development team has worked on numerous projects, including state channel creation, blockchain mobile OS, shipping logistics, and of course, gaming. We are looking to hire additional personnel in the coming months, particularly, front-end game devs, C++ code monkeys, and marketing managers. Interested parties should contact development@eosbet.io

Due to the uncertainties and constantly evolving legal/regulatory environment facing both online gambling and cryptocurrencies, the EOSBet team has opted to remain semi-private for the time being. This decision was not made lightly, and we recognize that it's a sub-optimal arrangement for a project seeking investment and community support.

However, in the short-term, we believe it is the right decision to ensure that our employees are not accused of running afoul of the law. This is particularly important as we have team members operating in multiple jurisdictions with differing regulatory climates and attitudes towards blockchain-based gambling. Following legal consultations, we are confident that the services offered by EOSBet are neither illegal nor would likely be considered securities by leading regulatory commissions. Nonetheless, given the ambiguity of different online gaming laws, we have elected to exercise extra caution to protect our team members, even if it may come at the expense of fundraising. We are in the process of receiving additional legal guidance to ensure that we can eventually obtain proper licenses and meet gaming laws.

We understand some may be skeptical of a private team. We advise you to never invest in a project you are not confident in. We take trust seriously and will continue to ensure that every other aspect of our platform operates as openly and transparently as possible. **And in the**

meantime, we'll let our proof-of-concept games, smart contracts, papers, and content speak for themselves.

More detailed personnel information is available to qualified parties upon request.

6. BET Token

6.1 Bet in EOS, Win in EOS!

Unlike many cryptocurrency casinos, we will not force our players to use a platform-specific coin in order to bet. We view this as an unnecessary and greedy requirement. Necessitating a native token for betting also serves as a large barrier to entry for new players who must purchase this token from an exchange and figure out how to store it in a wallet just in order to play a few games. Instead, all bets will be placed and won in EOS. We also plan to accept other major coins like Bitcoin, Bitcoin Cash, Ethereum, Litecoin, and Monero. However, these assets are obviously non-native to the EOS blockchain, and will likely needed to be converted into EOS to play, and converted back into your currency of choice on cash-out. We will be making this an extremely simple an secure process. The barriers to entry need to be extremely low on a gambling site, or users will go elsewhere. With EOSBet, you don't even need a login. Just play!

6.2 The BET Token

The BET token serves three primary roles:

1) Dividend Token

Profit from the games is distributed to BET holders in proportion to the number of tokens owned. EOS dividends are automatically airdropped to token holders each quarter, assuming the bankroll was profitable. Although we have been approached by VC firms interested in investing in the company, we would prefer that the community—especially our players and those in the EOS ecosystem—own, run, and benefit from the platform.

It's important to note that we are **not offering a utility/betting token**. It is silly to require bettors to purchase an obscure token to bet on your platform. 99% of users simply aren't going to sign up for an unknown exchange, and convert their EOS to a betting token to play on your platform. This is a massive barrier to entry. We can see these effects in platforms like Funfair and Edgeless who can barely attract players to place bets with their betting tokens (even

though they had massive token sales). Conversely, we can look at a project like Etheroll which takes bets in Ether for a very basic dicing game, and turns 100+ Ether in profit a week!

2) Decentralized Governance Actions (DGAs)
EOSBet was created in the spirit of decentralization and it is our aim to run each aspect of the company as transparently and decentralized as possible. As such, we'll be operating under a decentralized governance protocol that places decision-making in the hands of our token holders and players. For example, token holders will be responsible for which game gets developed next, how frequently dividends should be paid, and other important issues. We'll work hard to ensure that the community has a say in all important decisions and that incentives for all parties are properly aligned in order to ensure each stakeholder has a voice and an easy way to vote.

3) In-game bonuses, rewards, and special features
As stated previously, EOS is all that is needed to place bets and play games. However, the BET token can be used for special in-game features and rewards (bonus spins, extra points, skins, etc.) Note that this is a bonus aspect of our token, the primary reason is for offering our investors dividends, as explained above.

7. Airdrop and Token Sale (basic details)

7.1 Airdrop
A certain percentage of tokens (still TBD) will be airdropped to all holders of EOS at a given snapshot date. During this time, we will also airdrop tokens to players and bankroll investors of our old proof-of-concept games. More details and specific dates for our airdrop will be announced soon.

7.2 Token Sale
EOSBet will be holding a token sale in the coming months. In the month leading up to our token sale and throughout the duration of the event we will also be running an extensive bounty and referral program, allowing individuals to receive additional tokens for referring new contributors. More information, including dates, usage of funds, and purchasing details will be announced soon.

8. Legal/Disclaimer

NO PERSONS UNDER THE AGE OF 18 ARE PERMITTED TO GAMBLE.

THE ENTIRE CONTENTS OF THIS DOCUMENT ARE PROTECTED BY INTERNATIONAL COPYRIGHT LAWS. PLEASE DO NOT MODIFY, COPY, REPRODUCE, PUBLISH UPLOAD, POST, TRANSMIT, OR DISTRIBUTE CONTENT WITHOUT EXPLICIT PERMISSION.

"BET" TOKENS CHANGE IN VALUE DEPENDING ON THE PROFITABILITY OF THE BANKROLL AND NUMBER OF TOKENS IN EXISTENCE. THERE IS NO GUARANTEE OR EXPECTATION THAT "BET" TOKENS WILL INCREASE IN VALUE, PROVIDE A RETURN, OR HAVE SUFFICIENT ADOPTION AND LIQUIDITY ON EXCHANGES. OWNING THESE TOKENS DOES NOT CONSTITUTE A SHARE OF EQUITY OR OWNERSHIP IN THE EOSBET COMPANY. THE TOKEN ECONOMY IS NEW AND EXCITING. WHILE UNLIKELY, REGULATORY CIRCUMSTANCES MAY REQUIRE THAT TOKEN MECHANICS BE CHANGED OR ALTERED.

PLEASE NOTE THAT ONLINE GAMBLING IS AN ENTERTAINMENT VEHICLE THAT CARRIES A CERTAIN DEGREE OF FINANCIAL RISK. PLAYERS SHOULD BE AWARE OF THIS RISK AND GOVERN THEMSELVES ACCORDINGLY. THERE IS NOTHING CONTAINED HEREIN THAT CONSTITUTES A GUARANTEE OF WINNING, NOR IS THERE AN INTENTION TO INDUCE ANY PERSON TO VIOLATE ANY LOCAL, STATE, OR NATIONAL LAWS. RECOGNIZING THAT CRYPTOCURRENCY AND ONLINE GAMBLING LAWS AND REGULATIONS VARY ACROSS THE WORLD AND ARE CONSTANTLY CHANGING, PLAYERS ARE ADVISED TO REFERENCE LAWS WITHIN THEIR OWN JURISDICTION TO ASCERTAIN THE LEGALITY OF ACTIONS. IT IS YOUR SOLE RESPONSIBILITY TO ENSURE THAT ONLINE GAMBLING OR OWNERSHIP OF TOKENS IS LEGAL IN YOUR JURISDICTION.

PARTICIPATION IN ALL GAMES IS SOLELY AT YOUR OWN RISK AND EOSBET IS NOT LIABLE FOR ANY DAMAGES, EXPENSES, OR LOSSES WHICH MAY OR MAY NOT HAVE ARISEN FROM THE USE OF OUR SERVICES. PLEASE EXERCISE CAUTION WITH CRYPTOGRAPHIC ASSETS AND DO NOT INVEST MONEY THAT YOU CANNOT AFFORD TO LOSE.

WINNERS KNOW WHERE TO STOP. THE NATIONAL COUNCIL ON PROBLEM GAMBLING (U.S.) CAN BE CONTACTED AT 1-800-522-4700; EUROPEAN HELPLINES CAN BE FOUND HERE: HTTP://WWW.EUROPEANCASINOASSOCIATION.ORG/HELPLINES-HELPCENTERS-SELF-EXCLUSION-PORTALS.