AZART

CRYPTOCURRENCY FOR THE GAMBLING INDUSTRY

Whitepaper v2.1

2018

Table of contents

1. Introduction

The new document contains changes in such areas as project marketing and integration with gambling services. Also, the benefits for users and partners of The Azart cryptocurrency are described in more detail.

Azart is a cryptocurrency for the gambling industry.

AzartPay platform is a merchant-service with an open API for connecting payments in Azart cryptocurrency.

One of the goals of Azart cryptocurrency is to provide instant, anonymous and secure payments for users of online casinos, lotteries, poker rooms and other services in the gambling industry.

Decentralized platform AzartPay will become a popular payment system for many services in gambling. The interest to the implementation of the platform will be based on the possibility of obtaining additional income, as well as financing future projects.

For users of gambling services, the interest in using The Azart cryptocurrency to participate in gambling will consist in the absence of (in most cases) or the maximum reduced "House Edge" (fee from each bet).

These opportunities will be realized with the help of the "System of Motivation of Partners and Users", which will operate at the expense of the network of masternodes.

2. About cryptocurrencies

2.1 Peer-to-Peer payment network

Bitcoin is a peer-to-peer payment system which uses the same unit for accounting transactions and the data transfer protocol with the identical name. Using cryptographic methods ensures the functioning of the system. All the information about transactions between system addresses is available for everybody.

Since the launch of Bitcoin, many alternative options and currencies have emerged. In 2015, Evan Duffield published the Dash Whitepaper, proposing a payment system that improved on Bitcoin by adding a layered,

two-tier incentivized masternode network and various transaction upgrades including InstantSend and PrivateSend.

2.2 The Blockchain

Bitcoin's blockchain technology creates blocks by combining chronological transactions. These blocks are confirmed by a network of nodes. Each of these blocks contains the necessary information to build on prior blocks through the consensus of the workers. However, Bitcoin does not reward node owners and the number of Bitcoin nodes has been dwindling, causing the network to be slow, unstable and expensive.

3. Cryptocurrency Azart

3.1 Advantages

Azart has advantages over some other cryptocurrencies:

Masternodes. Network becomes more stable because it will stimulate an increase in the number of nodes.

Funding from the network. Owners of masternodes will be able to count on financing their projects.

3.2 How it works

Powerful masternode network adds a second tier of computing decentralization. This tier can perform any mathematical or financial task that the community implements. Currently, the masternode network adds two features:
- InstantSend: perform instant transactions that are irreversible and permanent.
- PrivateSend: improved privacy with automated mixing and chaining.

Also, the network of masternodes will support the work of other systems of the AzartPay platform, such as the "System of Motivation of Partners and Users".

Owners of masternodes can propose their projects to a vote within the AzartPay platform for subsequent financing.

3.3 AzartPay platform and "System of Motivation of Partners and Users"

The AzartPay platform considered as a payment system for various gambling services. Platform partners (gambling services) will be able to obtain additional revenue from its use.

Users of Azart cryptocurrency will have the opportunity to enjoy their favorite gambling games without charging fees in the form of "House Edge". These fees will be covered by the "System of Motivation of Partners and Users". "House Edge" ranges from 0.5% to more than 5% of each bet made by the player. The abolition of these fees can be a real revolution in the gambling industry.

Special motivation system has been developed for partner services. In this system coins will be accumulated from the work of masternodes installed for this system. Collected funds will be distributed among partners depending on their activity at the end of each period. The more the partner will accept bets in Azart cryptocurrency for a certain period, the more profit he will receive.

The condition for connecting partners (gambling services) to this system will be the elimination or minimization of "House Edge" for betting in The Azart cryptocurrency. The fulfillment of this condition by the partners will also be compensated by the "System of Motivation of Partners and Users". Payments will be made depending on the volume of bets for a certain period.

Due to the lack of "House Edge", our partners will be able to attract more players to their gambling platforms. This will have a positive impact on the growth of the exchange rate of the Azart cryptocurrency and the overall popularization of the AzartPay platform.

Regardless of whether you are a partner of the platform or an ordinary crypto investor, everybody will have the opportunity to receive revenue using the AzartPay platform. To have revenue you need to buy necessary number of coins to setup a masternode.

In addition, owners of the masternodes will have the possibility of putting their projects to the vote for their subsequent financing.

3.4 Decentralized funding system of the projects

The Azart block reward allocates 10% into a community-governed "Fund for Financing of Projects". This fund is fully open to audit by the public, providing assurance of the fund's intended use.

Any owner of the masternode of the Azart platform will be able to put their projects to a vote, in order to get financing through the AzartPay platform. This can be either proposals for improving the platform, or their own projects that can generate interest in the community and get the necessary number of votes.

3.5 Reward system

Proof-of-Work, Proof-of-Stake and Masternodes are all ways that various cryptocurrencies reward workers. These reward systems contribute to the creation and confirmation of the Blockchain and each new block distributes the reward among those who perform jobs.

Our team has developed a new formula of reward distribution. Currently the reward for the mined block will be dynamic and paid with an accuracy of eight decimal places. The reward will be calculated according to the following formula:

*Reward = (21.000009 - (0.000009 * nPrevHeight));*

The reward will smoothly decrease from 21 to 2 coins per block during nine years. Then it will remain 2 coins per block until the end of the issue.
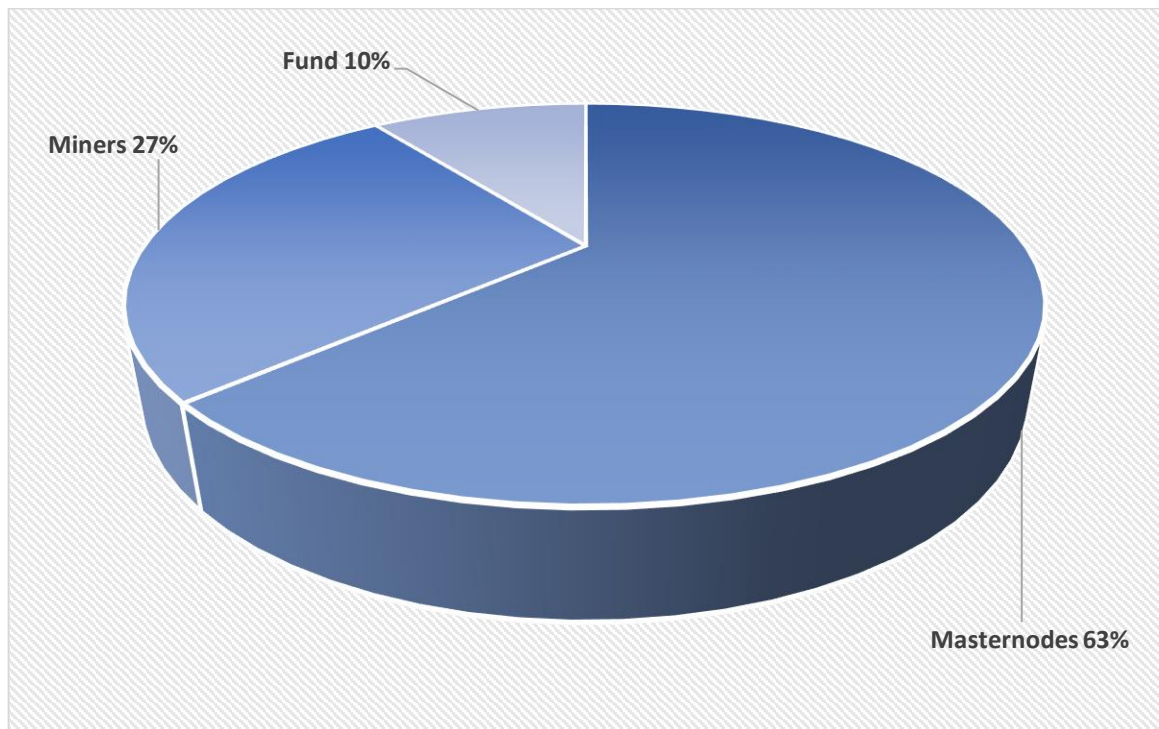
3.6 Block reward chart

Azart block reward over 9+ years
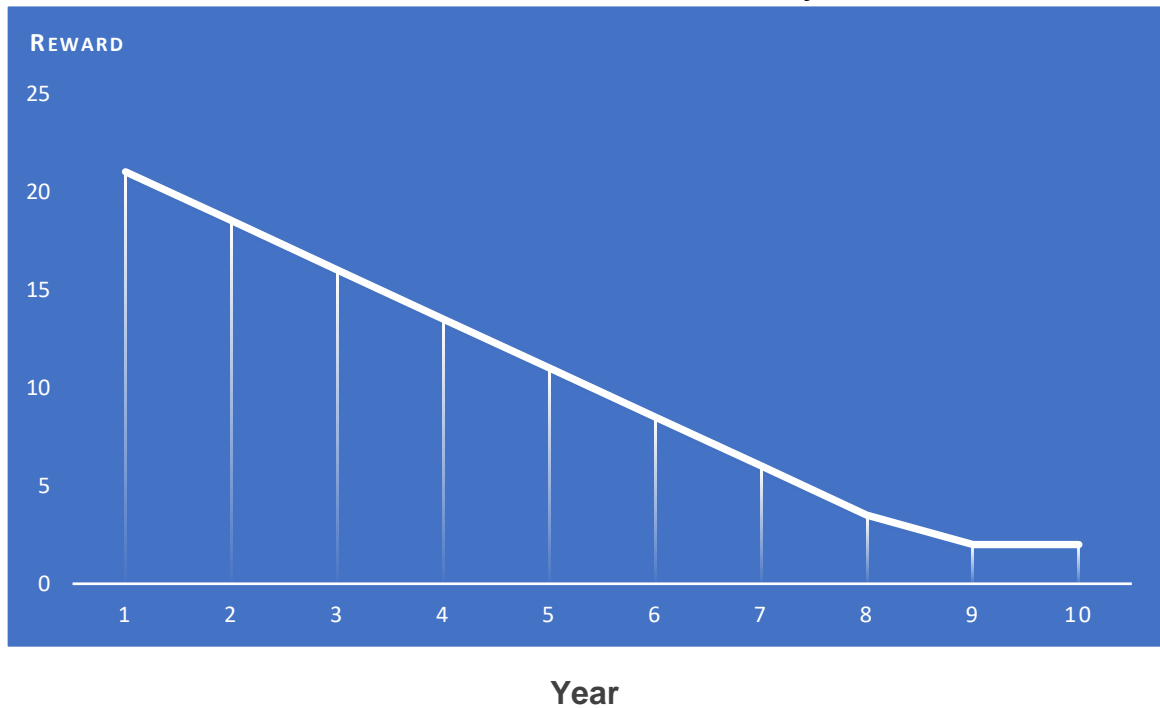
3.7 Distribution of the reward

Azart block reward distribution

The Azart block reward is divided in such a way that 63% of rewards are allocated to masternodes, 27% of rewards are allocated to miners and 10% are allocated to a community-governed "Fund for Financing of Projects". Azart includes a unique lucky block system called Lucky Proof-of-Work. This system rewards both miners and masternodes owners who find a specific block, introducing an element of luck and excitement to the Azart community.

3.8 Reward calculation for masternodes

The Azart code base dictates that masternode rewards fluctuate based on the current number of masternodes. To calculate daily masternode payouts, one can use the following formula:

Reward MN (per day) = (n / t) * r * b * 0.63
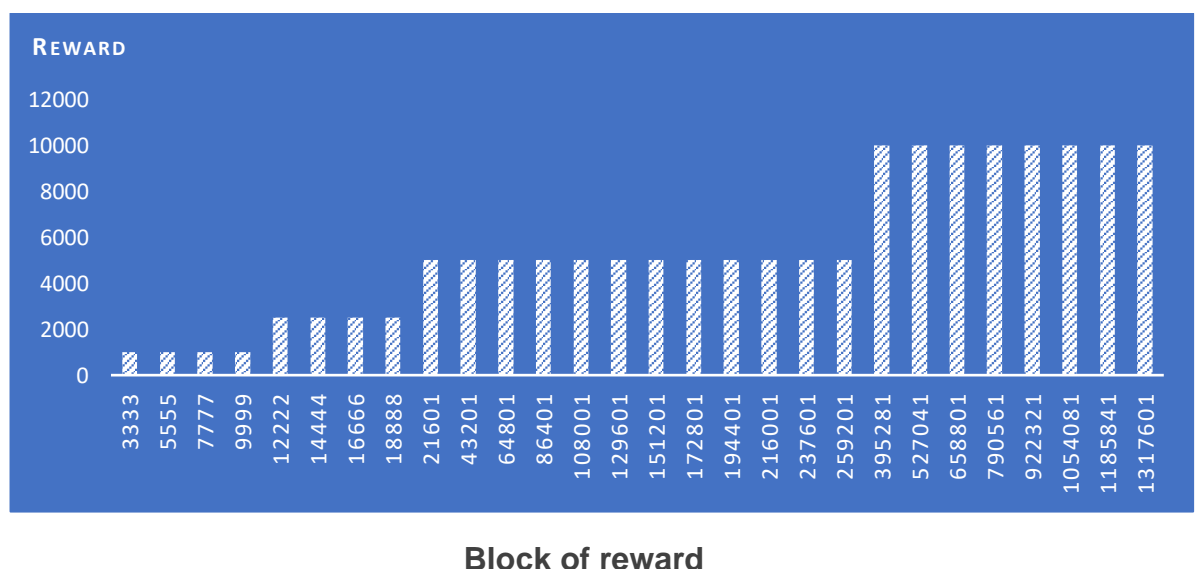*n = number of masternodes owned*
t = total active masternodes
r = current block reward
b = blocks per day

3.9 Lucky Proof-of-Work block reward

The Azart protocol features a Lucky Proof-of-Work block. Similar to a superblock, Lucky PoW blocks have a special block reward.

Lucky-PoW block reward distribution

Block of reward

3.10 Azart specifications

▸ Ticker: AZART

▸ Max Coin Supply: 25,000,000 AZART

▸ Algorithm: X11 / PoW+Masternode

▸ Block Reward: Smoothly decrease rewards from 21 to 2 coins per block, for 9 years.

▸ Block Reward Distribution:
    Masternodes: 63%
    Miners: 27%
    Governance and funding: 10%

▸ P2P Port: 9799

▸ Difficulty Algorithm: Dark Gravity Wave 3.0

▸ Block Size: 2 MB

▸ Block Time: 120 sec.

▸ Masternode Confirmation: 15 blocks

▸ Masternode Collateral: 10,000 AZART

▸ Governance Fee: 5 AZART

▸ Governance Minimum Quorum: 10 votes

▸ Premine:
    0.5% for developers;
    0.5% for growth and development of the project;
    0.5% for the motivation system;
    All: 1.5% (375,000 coins)

4. Azart roadmap

Our team intends to constantly optimize and improve the AzartPay platform and Azart cryptocurrency. We will follow the roadmap during 2018, and by the end of the year we will prepare a detailed plan of development for 2019. The desires and proposals of the Azart community will be taken into account and some of it will be included in the roadmap.

Q2 2018

Research and development

Release of Whitepaper 1.0

Azart blockchain launch

Connecting masternodes

Wallets for Windows, Linux and Mac

Start of trading on the CREX24 exchange

AzartPay site launching

Q3 2018

Updating the design of the site

Launch of the merchant service and API AzartPay

Release of Whitepaper 2.0

Start of trading on the Stocks.exchange

Start of trading on the Crypto-Bridge exchange

Start of AzartPay marketing campaign

Launch of the decentralized project funding system

Q4 2018

Wallets for Android and iOS

Release of the "System of Motivation of Partners and Users"

Connecting gambling services to the platform

Listing on the Cryptopia exchange

Preparing to launch its own gambling platform (Dice, Betting, Lotteries, Slots)

Release of the development plan for 2019

5. Advisors

Jack Lee

Crypto-investor, expert in gambling. Co-owner of a casino in Macau.

Yee Chiang

The owner of an online gambling service.

Mikhail Boldin

Associate Professor of probability theory. Candidate of physical and mathematical Sciences.

Dmitriy Klimovskiy

Expert in gambling. Co-owner of the poker club in 2007-2010. Currently engaged in the development of gambling on the blockchain.

6. Azart team

The idea of the AzartPay platform and Azart cryptocurrency was created and implemented by experienced blockchain developers and experts in gambling. The result and magnitude of the project will be seen in the near future!

Den

Project manager

Expert in gambling. 8 years of experience in online and offline gambling project management.

Rod

Head developer

More than 5 years of experience developing on the blockchain. More than 7 years of programming experience in C++.

Stan

Blockchain developer

Expert in the field of blockchain developments. Experience in C++ development for more than 5 years.

Adam

Blockchain developer

Young and purposeful blockchain developer. Programming languages C++, PHP and JS.

Andy

System architect

Technology enthusiast with an innovative approach and use of technology in gaming. Experience in the specialty more than 3 years.

Wu

Software Engineer

Wu has over 10 years of experience in professional software development.

Jason

Marketing manager

Experienced manager in marketing. Owner of an advertising Agency. In Internet marketing more than 10 years.

Andreas

Community manager

Blockchain enthusiast. An employee of one of the major online resources about cryptocurrency.

7. Thanks

This project would not have been possible without the previous work of the Bitcoin and Dash development teams. We highly appreciate their efforts. We are happy to join the blockchain community and appreciate the opportunity to contribute to this growing technological field. We also want to thank all those who provided assistance and support at the initial stage of the project development.

8. Legal

Cryptocurrency investments are inherently high risk. Before using any cryptocurrency, it is important to consider the nature, complexity and risk. Do not invest more than you can afford to lose. It is important not to use coins without taking into account the possible loss, since the type of change in these currencies is highly volatile and the Azart team is unable to regulate market-defined prices. We strongly suggest seeking advice from your own financial, investment, tax, or legal adviser. The Azart Development Team will always act in good faith and is not liable for the use of Azart by other community members, persons or institutions.

9. Online Gambling and Betting Market (Game Type - Poker, Casino, Social Gaming, Lottery, Bingo, Sports Betting and Fantasy Sports) - Global Industry

Global Online Gambling and Betting Market: Snapshot

The global online gambling and betting market is primarily being driven by an increase in the adoption of high-speed internet services in mobile devices. The overall demand for live streaming of sports and games videos through online portals and mobile devices is growing at a very high rate and provides players from the global online gambling and betting market

the opportunity to integrate their betting services into live streams directly, further enhancing the growth rate of the market. Currently, the global online gambling and betting market provides players online gambling and betting platforms and gaming solutions. Meanwhile, progress is being made into developing comprehensive online gambling and betting solutions that allow for better user interface and interactions, and provide an enhanced user experience.

The global online gambling and betting market is expected to reach US$96.89 bn by the end of 2024. The market is projected to expand at a CAGR of 10.8% from 2016 to 2024. By the end of 2016, the global online gambling and betting market is expected to reach US$42.63 bn.

Europe Reigns Supreme in Provision of Online Betting and Gambling Platforms

From a regional perspective, Europe held the leading share in the global online gambling and betting market in terms of revenue for 2015. This region in marked by the presence of a large number of online operators for gambling and betting, and several of its countries hold favorable regulatory environments conducive to the growth of the market. The U.K. is especially expected to play a key role the European market, followed by Malta. Additionally, Asia Pacific is expected to contribute a steady revenue stream in the global online gambling and betting market over the coming years, due to a growing demand for online betting and gambling portals and the easing up of regulatory norms for these online portals. The market for global gambling and betting in Asia Pacific is expected to expand at a CAGR of 12.9% in terms of revenue, from 2016 to 2024.

Conversely, a heavy restriction on online gambling and betting in the U.S. has resulted in a severe loss for market players in North America. This region is expected to grow at a much slower pace than others. Over the coming years, the relaxation of stiff regulations for online betting and gambling is expected to result in an upswing in their demand in states such as Nevada, Delaware and New Jersey. The Middle East & Africa (MEA) region and South American countries are expected to contribute very low revenue to the global online gambling and betting market for the foreseeable future.

Online Casino Services Show High Revenue Generation

Based on the types of games, casino services segment held the leading share in the global online gambling and betting market – a hefty 26.4% of its revenue – in 2015. On the other hand, sports betting is expected to surge over the coming years due to a higher rate of adoption of live sports betting by multiple players. Online Lottery and poker are also likely to be potentially beneficial to the overall market's growth rate. A large number of users are showing a demand for better gaming experience and also hold higher disposable incomes to spend.

Gambling and betting operators are currently evolving with the adoption of online platforms and their preference over traditional, physical operations. In 2015, the global online gambling and betting market was dominated by key names that included NetEnt AB, 888 Holdings PLC, GVC Holdings PLC, Fortuna Entertainment Group, Ladbrokes Coral Group PLC, William Hill PLC, Playtech PLC, Amaya, Inc., Kindred PLC, and Paddy Power Betfair PLC.

Original article: https://www.transparencymarketresearch.com/online-gambling-betting.html

10. References

1. Bitcoin: A Peer-to-Peer Electronic Cash System:
https://bitcoin.org/bitcoin.pdf
2. Dash White Paper:
https://dashpay.atlassian.net/wiki/spaces/DOC/pages/5472261/Whitepaper

Thank you for your time. We will be glad to see you in the Azart community.

AZART

CRYPTOCURRENCY FOR THE GAMBLING INDUSTRY

Whitepaper v2.1
2018